

(Free Translation of the "Regulamento do Empreendimento denominado Empreendimento do Gramacho" of which the Portuguese original is legally binding)

**REGULATIONS OF THE COMPLEX DESIGNATED
"EMPREENDIMENTO DO GRAMACHO"
(the "Complex")**

**Clause 1
(Purpose of the Regulations)**

These regulations are intended to control the usage, enjoyment, conservation and maintenance of the premises, equipment and services of common use, in the Complex initially designated "Empreendimento Turístico do Gramacho", located in the parish of Estombar and the borough of Lagoa, comprised in "*Alvara de Aldeamento*" (Licence for plot division) No. 2/92, with the alterations introduced by Amendments Nos. 1/94, 1/97 and 05/06, and in accordance with the terms of Clause 43 of Decree-Law No. 555/99 dated 16th December in conjunction with Clauses 1420^o to 1438^o-A of the Civil Code.

**Clause 2
(Property Details)**

1. The Complex comprises 238 plots with building permission for 269 residential properties (henceforth "residential units"), as per the site plan attached as Annex I.
2. The Complex also comprises buildings for non-residential purposes named as "Club House", "Office Building", "Maintenance Building" and "Supermarket Building" (henceforth "non-residential units") as identified in Annex 1 and each of their corresponding surrounding areas. Golf facilities (comprising golf course, golf reception and access pathways, as shown on Annex 1 do not form part of the Complex and Residential Title-holders (as defined in clause 3 below) are not responsible for their upkeep and maintenance.
3. The Complex also comprises the following equipment, facilities and infrastructures for the exclusive use of the Non-Residential Title-holders (as defined in Clause 3 below) for their commercial activities and for which charges, where applicable, are levied directly against the users of the related services supplied through the infrastructure proportional to actual usage:
 - a) Internal Networks:

- (i) water, gas and electricity mains and their connections to respective outside supply systems;
 - (ii) Internal telephone including connection to outside supply systems;
 - (iii) Internal sewage systems and their connections to external systems, as well as sewage and water pumping plants.
- b) Car parking areas adjacent to the golf clubhouse, supermarket and administration building;
 - c) Swimming pool on Plot n° 2;
 - d) Sports Lawn;
 - e) Public sanitary facilities;
 - f) Golf access routes;
 - g) Private electricity transformer houses on the Complex.

These will be maintained in good order by the Non-Residential Title-holders and Residential Title-holders shall have the right to use the facilities described in sub-clauses b) and c) above without charge and those described in sub-clause d) above subject to payment of the standard fees charged by the Non-Residential Title-holders.

The supply of utilities through the infrastructures and associated charges are governed by separate Service Contracts entered into with each Residential Title-holder.

- 4. The non-residential units, golf facilities, sports lawn, equipment, facilities and infrastructures listed in sub-clauses 2 and 3 above are not regarded as common facilities and therefore shall not, directly or indirectly be included in or give rise to any expenses or increase in expenses to the Residential Title-holders.
- 5. The Complex also comprises the following equipment, facilities and infrastructures for the communal use of both the Residential Title-holders and the Non-Residential Title-holders:
 - a) Reception;
 - b) Gardens and parks shown as common areas on the site plan in Annex 1 (shaded in dark grey; and for the avoidance of doubt, the areas around the supermarket, administration buildings, maintenance buildings and golf club house, and the areas on the golf course are excluded);
 - c) Cable TV mains including connection to outside supply systems;
 - d) Streets, roads, car parking areas other than those referred to in sub-clause 3 b) above, access routes and passageways;
 - e) Fire protection equipment on the Complex, including fire hydrants.

Clause 3
(Scope of Relevance)

1. These regulations apply to all persons (the “Residential Title-holders”) who are title-holders of one or more “residential units” and/or plots of land for building purposes, without prejudice to the rights of beneficiaries or any other holders of effective rights to such units.
2. These regulations shall also apply to the title-holders of the “non-residential units” (the “Non-residential Title-holders”).
3. The Residential Title-holders and the Non-residential Title-holders shall for the purposes of these regulations together be referred to as the “Title-holders”.
4. The administrator appointed in terms of Clause 11 of these regulations (the “Administrator”) shall maintain a register showing the identity, address and e-mail address of each Title-holder. To enable the Administrator to compile and update this register, Title-holders must supply all necessary details to the Administrator. Any changes to these details must always be notified within one week of their occurrence.

Clause 4
(Rights of Title-holders)

1. Title-holders have the right to use the infrastructures, facilities and equipment for communal use described in Clause 2-5;
2. Title-holders have the right to benefit from the following services:
 - a) Rubbish collection service;
 - b) Services covering preservation, maintenance and cleaning of the infrastructures of common use;
 - c) Security and vigilance service which includes granting free access to guests of any of the Title-Holders.

Clause 5
(Duties of Title-holders)

1. Title-holders and persons utilising residential and non-residential units with the permission of the Title-holder are prohibited from:
 - a) Substantially altering the external structure or external visual aspect

- of the units in such a way as to affect the harmony of the Complex;
- b) Causing their units to be used for any illicit, immoral or dishonest purposes;
 - c) Using their unit for any activity other than that for which it is intended;
 - d) Pursuing any activity or carrying out modification work which may jeopardise the visual continuity of the Complex or change or modify any access routes;
 - e) Leaving children under 12 years old unaccompanied in common areas;
 - f) Leaving pets unattended in common areas and feeding stray animals;
 - g) Affixing, or allowing third parties to affix sign-boards, advertisements, placards or items of a similar nature to any part of the plot, the building or the common areas, without prior approval of the Administrator;
 - h) Installing individual aerials of any type. Satellite dishes will be allowed within the plot area, if placed at ground level and in harmony with the garden landscaping. There may be exceptional occasions when this is inappropriate in which case the dishes can be placed elsewhere within the plot area with the prior agreement of the Administrator as long as they are unobtrusive;
 - i) Installing solar heating panels and tanks without the prior approval of the Administrator regarding the location. These systems will be permitted if placed at ground level within the plot area and in harmony with the garden landscaping. Where this is not possible, they may be exceptionally placed within the plot area at a roof level in the least obstructive location which does not prejudice its efficiency, as agreed with the Administrator;
 - j) Placing refuse disposal containers in common areas or discarding rubbish outside the appropriate places;
 - k) Holding recreational or other activities between 11 p.m. and 8 a.m. which give rise to unacceptable noise levels;
 - l) Breaching the peace of the Complex by means of loud voices, singing, playing music or making sounds, noise, vibrations, smoke or similar commotion or allowing pet noises or playing ball games other than in designated areas;
 - m) Washing or drying clothes outside the established clothes hanging areas (where these exist) of the units. Where no designated area exists then the Title-holder should ensure that such items are not visible to the public;
 - n) Cleaning and washing any object or utensils on the balconies and terraces of apartments;
 - o) Throwing rubbish, cigarette ends, or any kind of refuse from

windows or balconies onto common areas, or other owners' properties;

- p) Driving any vehicle off the roads;
 - q) Parking outside of the specific parking areas;
 - r) Allowing pets in public areas unless they are on leashes;
 - s) Vandalising or causing damage in the common areas, including without limitation the landscaped areas;
 - t) Occupying the residential units, or allowing them to be occupied, by more persons than those shown below:
 - Four in the T1 units
 - Six in the T2 units
 - Eight in the T3 units
 - Ten in the T4 units
 - Twelve in the T5 units.
2. Both the Residential Title-holders and the Non-Residential Title-holders are required to bear the expenses related to the Complex, in terms of Clause 6.
 3. Both the Residential Title-holders and the Non-Residential Title-holders are obliged to carry out and bear any associated cost of proper maintenance of their respective units.
 4. Residential Title-holders shall deliver a key for their residential units to the Administrator or whomever he may appoint, so that it will be possible to take appropriate action in the event of a serious emergency (flooding, fire, electrical short-circuit, medical, etc.).

Clause 6 (Expenses)

1. Expenses incurred for the following:
 - 1.1 The maintenance, cleaning and upkeep of the infrastructures, facilities and equipment for communal use, described in Clause 2-5;
 - 1.2 Services described in Clause 4-2 rendered in the interest of the Complex;
 - 1.3 Condominium Insurance against all risks of damage to the infrastructures, facilities and equipment for communal use, described in Clause 2-5;

shall be divided amongst the Title-holders as follows:

- a) 50% of the total amount of such expenses relating to the maintenance and upkeep of the areas referred to in sub-clause 5 b) of Clause 2 above and relating to the cleaning of all roads within the Complex, and 93% of the total amount of all other expenses except major repairs to roads and car parking areas, which are dealt with separately in sub-clause b) below shall be borne by the Residential Title-holders and shall be divided amongst them in proportion to the number of bedrooms in each residential property; plots of land not yet developed shall for this purpose be deemed to comprise 1.5 bedrooms;
- b) 25% of the total amount of expenses relating to major repairs (as defined below) to the roads within the Complex from the main gate to the roundabout adjacent to the 5th tee on the golf course and around such roundabout, marked in hatched grey on Annex 2 and 80% of the total amount of expenses relating to major repairs to all other roads and car parking areas referred to in sub-clause 5 d) of Clause 2 above shall be borne by the Residential Title-holders and shall be met out of a sinking fund to be established by the Residential Title-holders with effect from 1 January 2011;
- c) The balance of the total amount of all expenses referred to in sub-clauses a) and b) above which are not borne by the Residential Title-holders shall be borne by the Non-Residential Title-holders;

A major repair to a road or car parking area shall be any repair which

- i. requires remedial work to the base and/or sub-base; and/or
- ii. requires the use of heavy machinery to carry out the remedial work; and/or
- iii. costs in excess of €2,500 exclusive of IVA (increased on 1 January 2013 and each year thereafter by the rate of inflation in Portugal, as measured by the homologous inflation rate - I.N.E. (National Statistics Institute of Portugal)); and for the purposes of this sub-clause, any repair or repair to two or more areas of road separated at their closest points by one metre or less shall be regarded as a single repair.

Major repairs to roads and car parking areas shall be carried out in terms of a programme proposed jointly by the Administrator and the Residential Owners' Committee referred to in Clause 16 below and approved by the Title-holders at a General Assembly.

2. Every year, after approval of the condominium budget for the same year, each Title-holder shall pay the Administrator, or whomever the latter may appoint, his or her respective share of the total condominium

budget amount and sinking fund contribution which was approved at the Assembly, in order to cover the expenses mentioned in the previous item. The sinking fund contributions shall be paid over forthwith upon receipt by the Administrator into a separate bank account under the control of representatives of the Residential Title-holders nominated at a General Assembly.

3. Should payment of such expenses, charges and sinking fund contributions not be made within the period of sixty days after a written notification, the Administrator shall bring a legal action against any such Title-holder in debt, with a view to collecting the amounts overdue, in accordance with the terms of Decree-Law 268/94, Clause 6, of 25th October.
4. In the event that the budget for the following year is not approved by the Assembly, the budget of the previous year will apply with the necessary adaptations to any new circumstances.

Clause 7 (Insurance)

1. A Condominium Insurance agreement as set out in Clause 6-1-1.3 is mandatory. The sums insured will be revised according to a decision by the General Assembly.
2. The owners of units that are not covered by common insurance are obliged to have and keep updated insurance at least against fire risks covering both the property and its respective surrounding area. In addition it is recommended that other catastrophic risks e.g. aircraft, explosion and earthquake be insured.
3. The Title-holders shall inform the Administrator that insurance is in force by providing him with a copy of the relevant insurance policy and successive updates.

Clause 8 (Assembly Meeting – convening and operating details)

1. The purpose of the Assembly is to enable the essential communication and cooperation of Title-holders in understanding and coordinating all activities relating to the Complex.
2. Assembly meetings are convened in accordance with the terms of

Clause 1432° of the Civil Code but extending the notice period to a minimum of 20 days.

3. The Assembly shall meet, in accordance with Clause 1431 of the Civil Code but within the first quarter of the year. The Assembly shall be summoned by the Administrator and shall:
 - a) Discuss and approve the accounts for the previous year;
 - b) Discuss and approve the budget for the forthcoming year;
 - c) Discuss and approve the appointment of the Administrator;
 - d) Discuss any other issues of general interest to the Condominium.
4. The Assembly shall meet exceptionally should it be convened by the Administrator or by Title-holders representing, at least, twenty five per cent of the total number of votes.
5. Voting rights are granted on the basis of one vote per bedroom or one vote per plot of land for building purposes.
6. Non-residential Title-holders will have the number of votes corresponding to the participation mentioned in Clause 6.1 (b), according to the following formula:

$$\text{Total number of non-residential votes} = \frac{\text{total number of residential votes} \times 7\%}{93\%}$$

Should the need arise to round out figures, this should be done to the closest unit.

7. For general subjects not included in sub-clauses 8 and 10 of this clause the quorum is 50%+1 of the total number of votes available on the Complex, present or represented by proxy or written vote. Decisions shall be taken, unless provision exists to the contrary, by a simple majority of the total number of votes present or represented by proxy or in writing.
8. Notwithstanding the provisions of sub-clause 7 above, if the subject of the Assembly is (i) approval of extraordinary works in the common parts, (ii) change in the method for apportioning the administration expenses amongst Title-holders or categories of Title-holders, (iii) update of the remuneration of the Administrator, (iv) delegation of the Administrator's duties to a third party, (v) discharge of the Administrator or its delegated entity and consequently, if necessary (vi) appointment of a new Administrator, (vii) change of the clauses of the present Rules and Regulations or approval of new rules and Regulations, or (viii) giving consent to Carvoeiro Golfe S.A. to transfer its contractual

position in the present Rules and Regulations to any third party, then the requirement for a quorum shall be 75% (3/4) of the votes available on the Complex who are present or represented by proxy or written vote.

9. If the Assembly's quorum of 50%+1 votes, in case of sub-clause 7 or 75%, in case of sub-clause 8, is not reached by the owners present or represented, a new meeting will be convened for the same day and place starting one hour later, allowing at that point the Assembly to deliberate by simple majority of 50% + 1 in the case of sub-clause 7, or by 66.67% + 1 in case of sub-clause 8, of those present or represented by owner's proxy or, if applicable, written votes, provided these represent at least $\frac{1}{4}$ (25%) of the total number of votes of the Gramacho Complex.
10. Notwithstanding the provisions of sub-clauses 7 and 8 above, if the subject of the Assembly is (i) reconstruction of buildings, in case of destruction greater than three quarters of their total value, or (ii) acts of disposal of the common areas of the Complex, then decisions shall require the unanimous approval of those present or represented by proxy or written votes, provided these represent at least $\frac{2}{3}$ (66.67%) of the total number of votes of the Gramacho Complex.
11. For any of the quorum purposes and voting purposes of sub-clauses 7, 8, 9 and 10, written votes shall only be applicable if the conditions of sub-clause 12 below are satisfied.
12. Decisions over any of the subjects described in sub-clauses 8 and 10 can only be taken if they were specifically mentioned in the Convocation Notice and cannot be discussed or approved under the item "Discuss any other issues of general interest to the Condominium" if these were not specifically mentioned in the Convocation Notice.
13. No Title-holder may be prevented from attending, debating and voting on Assembly decisions. These rights may be exercised personally or by means of proxy or written vote.
 - 13.1. Should a Title-holder wish to be represented by proxy, without prejudice to one of a more formal nature, a simple letter may be addressed to the Administrator identifying the person to whom the powers have been granted. This proxy may specify the nature of the vote that the Title-holder wishes his nominated representative to cast or may simply give him discretion to vote as he chooses.
 - 13.2. Unless the power granted is to the Administrator, or any

member of the Residential Owners' Committee, the appointed individual representative cannot hold proxies for more than 5 Title-holders and their respective voting rights.

- 13.3. As an alternative to representation by proxy, Title-holders may send directly by post, facsimile or e-mail or through a third party a voting form indicating the nature of their vote. This should be sent in advance of the Assembly, must be signed, and a copy of Title-holder's passport attached. In the event that a property is owned by more than one person, each co-owner must sign the voting form and attach a copy of their passport and the provisions of sub-Clause 14 below shall apply.

This sub-clause is applicable only when the Administrator has attached a voting form to the Convocation Notice. This will then be regarded as part of the quorum constitution.

14. Should any residential unit be owned under a co-ownership system, all the co-owners in question may attend Assembly meetings, but only one of them shall be an official representative to vote on behalf of the remaining co-owners, in the same way as a single Title-holder.

- 14.1 The nomination of such a co-ownership representative shall be communicated to the Administrator by means of a single letter signed by one or more of the co-owners and shall remain valid until any express replacement of the said representative. Alternatively, the co-owners may appoint a single proxy or send in a single written vote in accordance with the provisions of sub-clause 13 above. If the Administrator receives more than one nomination letter, proxy or written vote on behalf of a co-ownership unit, all such letters, proxies and written votes will be invalid.

- 14.2 Should no such nomination letter, proxy or written vote have been received by the Administrator, then any one co-owner present at the Assembly may vote on behalf of the remaining co-owners. Should there be more than one co-owner present at the Assembly, then they shall notify the Administrator prior to the commencement of the meeting which of them shall be entitled to vote, and in the absence of such notification none of them shall be entitled to vote.

15. If the Convocation Notice refers to the approval of the accounts of the Complex, then a copy of such accounts shall be attached to the Convocation Notice. In such event, during the ten-day period immediately before the Assembly meeting, the Administrator shall make available to Title-holders for inspection at the offices of the

Administrator all the necessary accounting records concerning income and expenditure made.

16. The meetings shall take place at the Complex or at a place within 20 kilometres of the Complex to be advised when each one is convened.

Clause 9 (Minutes)

1. It is compulsory to draw up minutes of Assembly meetings in a special book for the purpose, signed by those present.
2. Whenever possible, the meeting will be audio-recorded and the minutes should be drawn up at the conclusion of each meeting and approved by the Assembly.
3. Should the immediate writing of the minutes at the conclusion of the meeting be impossible, the Chairman of the meeting will request the Assembly for a vote of confidence, in order that the minutes can be written and afterwards signed by the Chairman, the Administrator and the owners' representative.
4. Subject to the provisions of clause 10, any decisions which are duly recorded in the minutes are binding with regard to both the Title-holders and third party holders of rights over properties.

Clause 10 (Decisions)

1. The minutes of the Assembly reflecting decisions taken by the Assembly must be communicated to all Title-holders, by post with recorded delivery or by e-mail, in either case sent to the address recorded in the register referred to in Clause 3-4, within 60 days.
2. Any decision of the Assembly which is contrary to law or to the present rules and regulations can be declared invalid.
3. Within 10 days after receiving the minutes referred to in sub-clause 10-1, any Title-holder may ask the Administrator to convene an extraordinary meeting, to be held after a minimum of 20 days, for the purpose of deciding whether to rescind a decision of the Assembly on the grounds set forth in sub-clause 10-2. Any such meeting shall be governed by the provisions of Clauses 8 and 9 above.

4. Within 30 days after receiving the minutes, in accordance with the procedure set out in sub-clause 10-1 above, of the extraordinary meeting convened in terms of the previous paragraph, any Title-holder may submit the decision to arbitration, in accordance with clause 14.

Clause 11 (Administrator)

1. In view of the fact that the company Carvoeiro Golfe, S.A., is the owner of the infrastructures and of the equipment listed in Clause 2 above, the functions of Administrator will be performed by this company, who, for a period of 5 years commencing 1 January 2011, can only be discharged from this function in case of illegal actions or acts of gross negligence. Thereafter, the Administrator can be discharged by a vote of the Title-holders in a General Meeting.
2. The position of Administrator is remunerative being the sum of €49,000 per annum with effect from 1 January 2011. This amount shall increase on 1 January 2012 and each year thereafter by the rate of inflation in Portugal, as measured by the homologous inflation rate - I.N.E. (National Statistics Institute of Portugal), but shall be subject to a maximum of 20% of the total budgeted expenses as approved by the Annual Owners General Meeting. If the Administrator is discharged in accordance with the provisions of sub-clause 1 above, it shall be entitled to receive a proportionate share of the remuneration due for the year, calculated up to the effective date of discharge.
3. The Administrator may delegate its duties and powers, either completely or partially, subject to approval by the Owners' Annual General Meeting and provided this does not result in either a deterioration in the standard of services provided by the Administrator or any increase in costs to Residential Title-holders.
4. In addition to those established in these regulations and by the Assembly, the duties of the Administrator are to:
 - a) Convene Assembly meetings.
 - b) Prepare annual revenue and expenditure budgets for each financial year.
 - c) Collect revenue and settle normal expenditure.
 - d) Make demands to Title-holders in respect of their share of approved expenses.
 - e) Carry out any decisions taken at the Assembly meeting.
 - f) Represent the Title-holders as a whole, in any contacts with

government or municipal bodies.

- g) Represent the Title-holders as a whole in any contracts with third parties ensuring value for money and clearly agreed service levels which can be regularly monitored by management reporting to ensure compliance.
 - h) Represent the Title-holders as a whole in any contracts awarded within the Pestana Group of Companies to ensure value for money and clearly agreed service levels which can be regularly monitored by management reporting to ensure compliance.
 - i) Submit accounts to the Assembly.
 - j) Ensure that the regulations as well as legal and local administration requirements regarding the Complex are properly adhered to.
 - k) Maintain records and file all documentation concerning his duties.
 - l) Obtain condominium insurance cover in accordance with Clause 6-1.3.
 - m) Maintain and ensure that the equipment, facilities and infrastructures for the communal use are at all times of a reasonable standard and aesthetic balance, having regard to the established quality standards of the Complex and to the reasonable expectations of the Title-holders or suggestions of the Residential Owners' Committee suggestions.
 - n) In general to act with diligence in order to ensure that Title-holders receive the best quality in relation to common-supply utilities and services mentioned in Clauses 2-5 and Clause 4-2 at the minimum possible cost.
5. The Administrator is also responsible for seeking to harmonise the rights, activities and interests of all the Title-holders, with a view to maintaining and stimulating a good living environment.
6. On completion of his period of duty, the Administrator shall hand over to his replacement all documents, files and any other Complex administrative items in his possession in order that the management may continue unhindered, and additionally he shall deliver all funds which were entrusted to him.

Clause 12 (Books and Records)

1. The Administrator shall be entrusted with and maintain the following records:
- a) Assembly Meeting Minutes Book
 - b) Revenue and Expenditure Cash Book.

2. The books shall be officially signed by the Administrator when both started and completed, and he shall also initial each page thereof. On request by an owners' Assembly, the Administrator shall provide a report by a qualified independent auditor to certify the accuracy of any financial records.
3. The Administrator shall also maintain files of correspondence received and sent.
4. The records shall always be available for inspection by any Titleholder, beneficiary or any other holder of effective rights to verify freely any details which may be of interest to them.

Clause 13
(Compliance and Penalties)

1. Title-holders and their successors or heirs shall be subject to the terms and conditions of these regulations.
2. Title-holders and their successors or heirs shall be obliged to comply fully with these regulations. In all cases of transferring property rights or any encumbrance on their units, they shall be compelled to inform the other parties of all obligations undertaken with regard to these regulations and must therefore ensure that the corresponding title deeds mention the need for knowledge of the regulations, under penalty of annulment.
3. It is the responsibility of the Administrator (or their letting agents) to advise tenants of the existence of these regulations and their duty to adhere to them.
4. It is the responsibility of Title-holders to advise their guests, family members and tenants of the existence of these regulations and their duty to adhere to them.
5. The Assembly or Court of Arbitration may fine any Title-holder who does not comply with either the terms of these regulations, Assembly meeting decisions concerning matters of its competence, or orders, all of which shall be enforced by the Administrator. This fine shall vary between €100.00 and one fourth of the annual assessable income of the residential unit of the infringer.

Clause 14
(Settlement of disputes)

Any litigation or disagreements amongst Title-holders, as well as between them and the Administrator, shall be decided by a Court of Arbitration which shall judge the matters on an equitable basis. The court shall comprise a single arbitrator to be designated by the Head of the Lawyers' Association, and shall be subject to the legislation established in Law No. 31/86 of 29th August and to the procedural rules the nominated arbitrator may see fit to establish in view of the nature of the conflict.

Clause 15
(Date of validity and inclusion of omissions)

1. These regulations shall become valid on the date they are approved and may be altered according to the criteria in Clause 8 by a General Assembly of Title-holders.
2. The Annex I is related to property composition of the Complex and is automatically revised if any alterations occur or there is any change in the location and definition of common areas. Any alterations must also be approved in the manner set out in sub-clause 1 of this Clause.
3. In the event of any omission in these regulations, the applicable legislation shall be that governing sub-divided property ownership, included in Clauses 1420^o to 1438^o-A of the Civil Code.

Clause 16
(Residential Owners' Committee)

1. To facilitate the contacts between the Administrator and the Residential Title-holders and the representation with the Administrator of the specific interests of the aforementioned owners, the latter may appoint a committee to be named "Gramacho Residential Owners' Committee" (the "Residential Owners' Committee").
2. The Residential Owners' Committee will be ruled, elected, will exercise its functions and have its activities financed in accordance with regulations named "Residential Owners' Committee Constitution" to be approved in an Assembly restricted to Residential Title-holders.
3. The functions of the Residential Owners' Committee are merely consultative.
4. Whenever the Residential Owners' Committee is in existence and is

functioning, the Administrator shall:

- a) Meet with the Residential Owners' Committee at least 3 times a year to exchange views on the various aspects of the condominium.
- b) Consult with the Residential Owners' Committee on any issues that are relevant to the condominium.

(Issued in two versions, Portuguese and English. In the event of any doubt or dispute the original Portuguese language version of this document shall prevail).