

AMENDMENT TO BYLAWS OF WATERGATE VILLAS, SECTION 2, AKA REGATTA POINT VILLAS, SECTION 2, SET FORTH AS
EXHIBIT C TO DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM
OWNERSHIP OF PARCELS NOS. 59-1B AND 59-1C-1,
NO. 3 FRENCHMAN'S BAY QUARTER, ESTATE BOLONGO BAY,
ST. THOMAS, VIRGIN ISLANDS

(Pursuant to Chapter 33, Title 28, Virgin Islands Code)

WHEREAS, Watergate Villas Associates, as Sponsor, by Declaration recorded with the Recorder of Deeds for St. Thomas and St. John, US Virgin Islands, on April 29, 1974, in Book 15-0, Page 308, No. 117, and noted in Aux. No. 21(b), page 141, established a plan for condominium ownership; and,

WHEREAS, said Declaration contained as EXHIBIT C, the By-Laws of WATERGATE VILLAS, SECTION 2, recorded simultaneously on April 29, 1974, in Book 15-0, page 329, No. 117©); and,

WHEREAS, the unit owners of Watergate Villas, Section 2 unit owner's association now desire to amend said By-Laws as hereafter stated; and,

WHEREAS, pursuant to ARTICLE II, SECTION 14, Liability of the Board of Directors, of said By-Laws, this amendment as expressed herein has been approved by vote and consent of at least 66 2/3% in number and in common interests of all unit owners at a duly called special meeting held on Saturday, March 13, 2004, and by a majority of the Board of Directors; and,

WHEREAS, upon review of the records of the condominium and inquiry of all owners, FIRSTBANK of the VIRGIN ISLANDS, is a holder of mortgages comprising first liens on six or more units;

NOW, THEREFORE, said unit owners declare that such By-Laws be, and hereby are, amended as follows:

ARTICLE II, SECTION 14 will henceforth be restated as follows:

SECTION 14. LIABILITY OF THE BOARD OF DIRECTORS

The members of the Board of Directors and their managing agent or manager shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each of the members of the Board of Directors and their managing agent or manager against all contractual liability to others arising out of contracts made by the Board of Directors or their managing agent or manager on behalf of the Property or other claims or causes of action against them for matters arising out of the performance of their duties, unless any such contract or other claims or causes of action were the result of acts of bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Directors and their managing agent or manager shall have no personal liability with respect to any contract or other claims or causes of action made on behalf of or against the Property, except as aforesaid. It is also intended that the liability of any unit owners arising out of any contract or other actions taken by the Board of Directors or their managing agent or manager or out of the aforesaid indemnity in favor of the members of the Board of Directors and their managing agent or manager shall be limited to such proportion of the total liability thereunder as his interest in the common areas and facilities bears to all such interest. Every agreement made for or actions taken on behalf of the Board of Directors or by the managing agent or manager on behalf of the Property shall provide that the members of the Board of Directors or the managing agent, or the manager as the case may be, are acting

only as agents for the unit owners and shall have no personal liability thereunder (except as unit owners) and that each unit owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common areas and facilities bears to all such interests.

WATERGATE VILLAS SECTION 2,
AKA REGATTA POINT VILLAS SECTION 2 HOMEOWNERS'
ASSOCIATION

WITNESSES:

Donna Wells, President

On this, the _____ day of _____, 2004, before me, the undersigned officer, personally came and appeared _____, known by me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument and who acknowledges herself to be the President of Watergate Villas Section 2, AKA Regatta Point Villas Section 2 Homeowners Association, a Virgin Islands Association of Condominium Owners, and that she, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the Association by herself as President.

IN WITNESS WHEREOF, I hereby set my hand and official seal.

NOTARY

Subscribed and sworn to before me on
this _____ day of _____, 2004.