

EXHIBIT "I"
RULES AND REGULATIONS
OF
YACHT COVE VILLAS HORIZONTAL PROPERTY REGIME I

1. The grassy areas and walkways in front of the buildings and entranceways to the Units shall not be obstructed or used for any purpose other than ingress and egress.
2. No trees or other natural growth may be removed without the written permission of the Association.
3. No article shall be hung or shaken from the doors or windows or placed upon the window sills of the Units.
4. No change to the exterior design or color of any Unit may be made until the proposed changes shall have been approved in writing by the Association.
5. No bicycles, scooters, baby carriages, or similar vehicles or toys or other personal articles shall be allowed to stand in any of the Common Area.
6. No Owner shall make or permit any noise that will disturb or annoy the occupants of any of the Units in the Project or do or permit anything to be done which will interfere with the rights, comfort, or convenience of other Owners.
7. Each Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or

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permit to be swept or thrown therefrom or from the doors or windows thereof, any dirt or other substance.

8. No awnings, window guards, ventilators, fans, or air conditioning devices shall be used in or about any buildings except such as shall have been approved by the Board of Directors.

9. All garbage and refuse from the Units shall be deposited with care in garbage containers intended for such purpose only at such times and in such manner as the Board of Directors may direct.

10. Bathroom facilities and other water apparatus in any buildings shall not be used for any purpose other than those for which they were constructed, nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any bathroom facility or other apparatus shall be paid for by the Owner in whose Unit it shall have been caused.

11. No Owner shall send any employee of the property manager out of the Project on any private business of the Owner.

12. Nothing shall be altered or constructed in or removed from the Common Area, except upon the written consent of the Board of Directors.

13. The agents of the Board of Directors or the managing agent, and any contractor or workman authorized by the Board of Directors or the managing agent, may enter any room or Unit in

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the buildings at any reasonable hour of the day for the purpose of inspecting and treating such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate such vermin, insects, or other pests.

14. The Board of Directors, or its designated agent, may retain a pass key to each Unit. No Unit Owner shall alter any lock or install a new lock or a knocker on any door of a Unit without the written consent of the Board of Directors. In such case consent is given, the Owner shall provide the Board of Directors, or its agent, with an additional key pursuant to its right of access to the Unit.

15. All persons will obey the posted parking regulations. Throughout the Property, certain parking spaces shall be designated as use by compact cars. No vehicle shall be parked in those spaces unless the vehicles are less than fourteen (14) feet in length.

16. All damage to the Common Area or Limited Common Area caused by the moving or carrying of any article therein shall be paid by the Owner responsible for the presence of such article.

17. Water shall not be left running any unreasonable or unnecessary length of time.

18. No fire hazard shall be allowed to exist and no Owner shall use or permit to be brought into the Project any inflammable oils or fluids such as gasoline, kerosene, naphtha,

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or benzine, or other explosives or articles deemed extra hazardous to life, limb, or property without, in each case, obtaining written consent of the Board of Directors.

19. The Owners shall not be allowed to put their names on any entry of the Project, except in the proper places provided for such purposes.

20. The Owners shall close all windows while their Units are unattended to avoid possible damage from storm, rain, freezing, or other elements.

21. The swimming pool may be used by residents in Units and their guests. The Board of Directors may charge for the use of the swimming pool by anyone not residing in a Unit and may restrict the number of guests that may use the swimming pool. All persons must abide by the swimming pool rules promulgated by the Board of Directors as posted in the pool area.

22. Draperies or curtains must be installed by each Unit Owner on all windows of his Unit and must be maintained in such windows at all times.

23. Any Owner wishing to plant flowers, trees, or shrubs outside of his patio area must obtain written permission from the Board of Directors before doing so.

24. Complaints regarding the management of the Units and grounds or regarding actions of other Owners shall be made in writing to the Board of Directors.

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25. Any consent or approval given under these Rules and Regulations by the Board of Directors shall be revocable at any time.

26. No area shall be maintained in a manner which will detract from the natural beauty of the area and the following shall be prohibited, to wit: Clothes lines; laundry; permanent cooking facilities; dog houses; statuary; playground equipment; garages; storage sheds; car ports; fences; fish ponds; pools, swimming pools; basketball courts; racquet or handball courts; hoists, lifts, and ramps for boats, trailers, or vehicles; audio equipment; high-intensity lighting; campers; buses; tractor trailers; non-operating vehicles; and the like, except as provided by the Association.

27. No one shall burn rubbish or trash; detonate any explosives; discharge a firearm, air gun, bow and arrow, sling or sling shot, or the like within the confines of the Regime.

28. Timesharing, by any means whatsoever, as defined by the Code of Laws of the State of South Carolina, and as enforced or regulated by the South Carolina Real Estate Commission, shall be strictly prohibited within the confines of the Regime, except as permitted by the Master Deed.

29. No Dwelling Unit shall be used for commercial purposes within the confines of the Regime, except as otherwise provided in the Master Deed.

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30. No major or minor mechanical work on vehicles shall be performed within the confines of the Regime, except for the benefit of the Association.

31. All Units shall be kept in a clean and sanitary condition and rubbish, refuse, or garbage shall be allowed to accumulate.

32. No animals, livestock, or poultry of any kind shall be raised, or bred for commercial purposes. However, dogs, cats, or other normal household pets may be kept by the respective Owner inside their respective Units, provided they do not create any health hazard or, in the sole discretion of the Board of Directors, unreasonably disturb the peaceful and safe possession of any other portion of the Project. The Owner shall indemnify the Association and the Board of Directors and hold it harmless against any loss or liability of any kind or character whatsoever arising from or growing out of having any animal in the Project.

33. No exterior television or radio antennas shall be placed on any portion of the Project without prior, written approval of the Board of Directors. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the Board of Fire Underwriters and the public authorities having jurisdiction, and the Owner alone shall be liable for any damage or injury caused

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by any radio, television, or other electrical equipment in such Unit.


34. No boats, trailers, recreational vehicles, or other similar vehicles shall be parked or stored on any portion of the Project. Non-operating vehicles shall not be parked or stored on any portion of the Property and no repairs or maintenance of any vehicle shall be allowed to be performed on any portion of the Property.

35. Any Owner shall have the right to lease or rent his Unit; provided, however, that the Board of Directors shall have further right, for cause, to cancel any lease or rental contract. Any leases or rental contracts shall be in writing and shall be specifically subject to the Regime Documents.

36. These Rules and Regulations may be added to or repealed at any time by the Board of Directors.

BOARD OF DIRECTORS OF YACHT COVE
VILLAS OWNERS ASSOCIATION, INC.

By: 
Dr. Eliás Alsabti
President and Chairman of
the Board

By: 
Robin Alsabti
Secretary/Treasurer

Hilton Head Island,
Beaufort County, South Carolina

Date: December 5, 1988

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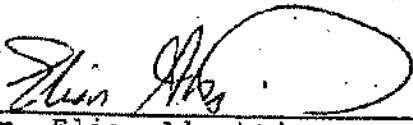
YACHT COVE VILLAS HORIZONTAL PROPERTY REGIME I

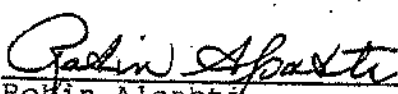
SWIMMING POOL REGULATIONS AND ADMINISTRATION
(In the event a swimming pool is built)

1. The swimming pool and swimming pool area are for the use of the persons residing in the Project and their invited guests.
2. All guests must be accompanied by a resident at all times.
3. Residents are reminded that they are responsible for the conduct of their guests at all times.
4. There are no life guards on duty and each and every person utilizing the swimming pool does so at their own risk. Adults shall have full and complete responsibility for all children under their control.
5. Any person having any apparent skin disease, sore or inflamed eyes, cough, cold, nasal, or ear discharges, or any communicable disease shall be excluded from the pool.
6. No boisterous or rough play, except supervised water sports, is permitted in the pool or in the pool area.
7. Spitting, spouting water, and blowing nose in the pool, etc., are prohibited.
8. Solo swimming (swimming alone when no other person is in the immediate pool area) is prohibited.
9. No horseplay . . . No running . . . Please walk.
10. The use of glassware or glass bottles, etc., in the pool area is prohibited.

11. Please observe swimming hours as posted.
12. All individuals will take a shower in their Units or in facilities provided for that purpose before entering the swimming pool and will provide their own towels.
13. Attire will conform to conventional swimming suits.
14. It is requested that all individuals cooperate in maintaining maximum cleanliness and tidiness in the swimming pool area.
15. Tobacco, beverages, or food will not be taken within eight (8) feet of the swimming pool.
16. No children in diapers will be allowed in the pool.
17. No pets are allowed in the swimming pool.

BOARD OF DIRECTORS OF YACHT COVE
VILLAS OWNERS ASSOCIATION, INC.

By: 
Dr. Elias Alsabti
President and Chairman of
the Board

By: 
Robin Alsabty
Secretary/Treasurer

Hilton Head Island,
Beaufort County, South Carolina

Date: December 5, 19 88

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YACHT COVE VILLAS HORIZONTAL PROPERTY REGIME I

TENNIS COURT REGULATIONS AND ADMINISTRATION
(In the event a tennis court is built)

1. The tennis courts and tennis court area are for the use of the persons residing in the Project and their invited guests.
2. All guests must be accompanied by a resident at all times.
3. Residents are reminded that they are responsible for the conduct of their guests at all times.
4. Each and every person utilizing the tennis court does so at their own risk. Adults shall have full and complete responsibility for all children under their control.
5. The use of glassware or glass bottles, etc., in the tennis court area is prohibited.
6. Please observe tennis hours as posted.
7. Attire will conform to conventional tennis wear.
8. It is requested that all individuals cooperate in maintaining maximum cleanliness and tidiness in the tennis court area.
9. Tobacco, beverages, or food will not be taken onto the tennis courts.

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BOARD OF DIRECTORS OF YACHT COVE
VILLAS OWNERS ASSOCIATION, INC.

By: 

Dr. Elias Alsabti
President and Chairman of
the Board

B: 

Robin Alsabti
Secretary/Treasurer

Hilton Head Island,
Beaufort County, South Carolina

Date: December 5, 1988

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(DEVELOPER DEED)

STATE OF SOUTH CAROLINA) APARTMENT UNIT DEED
) YACHT COVE VILLAS HORIZONTAL
COUNTY OF BEAUFORT) PROPERTY REGIME I

TO ALL WHOM THESE PRESENTS MAY COME:

WHEREAS, Yacht Cove Villas Horizontal Property Regime I (the "Regime") is a horizontal property regime organized pursuant to the Horizontal Property Regime Act of South Carolina (South Carolina Code of Laws [1976], as amended, Section 27-31-10 to Section 27-31-300) (the "Act"); and

WHEREAS, the Master Deed and Exhibits establishing the Regime are recorded in the Offices of the Register of Mesne Conveyances for Beaufort County in Deed Book _____ at Page _____ (the "Master Deed"); and

WHEREAS, ALRO INTERNATIONAL, INC., (the "Grantor"), whose mailing address is 221 Orchard Lane, Sewickley, Pennsylvania 15143, is the Owner of the apartment unit _____ (the "Apartment Unit") in the Regime and desires to convey the Apartment Unit in fee simple to _____ (the "Grantee") whose mailing address is _____; and

WHEREAS, the masculine singular pronouns used throughout this document shall be read as the masculine, feminine, or neuter form of pronoun (in singular or plural) as the context shall require; the word "heirs" shall be read as "successors" in reference to any grantor or grantee except an individual acting in an individual capacity; and all terms not otherwise defined herein shall have the same meaning as set forth in the Master Deed.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the Grantor, for and in consideration of the sum of _____ Dollars (\$ _____), paid unto the Grantor by the Grantee, receipt of which is hereby acknowledged, has granted, bargained, sold, and released and by presents does grant, bargain, sell, and release to the Grantee the Apartment Unit, being Number _____ of Yacht Cove Villas Horizontal Property Regime I, together with the undivided interest of the Grantor in and to the Common Area appurtenant to said Apartment Unit. For a complete description of the within described property, see Exhibit "A" attached hereto and made a part hereof.

EXHIBIT "J"