

April 17, 2019
REGULATIONS & RULES OF CONDUCT
of
Bahama Village Docks, Inc.,
a California Nonprofit Mutual Benefit Corporation

1. Slip Use Restrictions

1.1 Assignment of a boat slip gives the right for the assignee (user with current use agreement in force) to use the slip for his/her own boat only.

1.2 Subleasing of slips is not allowed.

1.3 Use of slips by non-Bahama Village residents is also not allowed, except for short-term privileges by guests residing with assignee, with prior Board permission.

1.4 The Board's approval is required for slip assignments.

1.5 Liveaboard use of slips is not allowed.

1.6 Failure to correct any violation of any of the rules within ten (10) days of written notice being delivered to the Member from the Board will result in immediate cancellation of Class A Membership share(s) and Slip Use Agreement(s), without refund.

1.7 The Board reserves the right to resolve any conflicts, should they occur, which resolutions and rulings will be final. Failure of the Board to act upon immediate knowledge of any situation shall not be deemed a waiver by the Board of Regulations & Rules of Conduct or By-Law provisions.

1.8 Miscellaneous Dock and Slip Use Rules -

1.8.1 All boats, floating items or watercraft of any sort that, in the sole opinion of the Board of Directors of BVD, Inc., are unsightly, poorly maintained, improperly used, unsafe, inadequately outfitted, a nuisance, or otherwise reasonably deemed unsuitable for storage in any slip, shall be subject to having to be removed upon 30 days prior written notice being given to the slip User from BVD, Inc. The Board of Directors intends to preserve the high quality of life and freedom from interference with same, which both on and off-water homeowners and residents have grown to expect after many years of relative neighborhood tranquility and peaceful dock and residential usage and co-existence.

1.8.2 Slip Users shall secure and maintain, with an insurance company(ies) acceptable to BVD, Inc., a policy of public liability insurance naming BVD, Inc., as an additional insured, that such insurance provides for minimum coverage of One Hundred Thousand Dollars (\$100,000) for injury to property, Three Hundred Thousand Dollars (\$300,000) for death or injury with respect to any one individual, and Five Hundred Thousand Dollars (\$500,000) with respect to death or injury in any one occurrence. Slip Users shall provide BVD, Inc., with a certificate of insurance evidencing the required minimum insurance, coverage limits, BVD, Inc., as an additional insured; and BVD Inc.'s rights to at least ten days notice before cancellation, lapse or reduction of coverage.

1.8.3 Per recorded easements and San Diego Port Restrictions, as a general guideline, boats "side tied" in the North Channel are for boats with a maximum moorage length of 41 feet and maximum beam of 10.5 feet; "side tied" boats in the East Channel are for boats with a maximum moorage length of 31 feet and maximum beam of 9.5 feet. 1.8.4 No maintenance repairs or other activity that pollutes the slip space or adjacent waterways in any manner shall be allowed.

1.8.5 No materials, equipment, or other property shall be stored or left on floats, walkways, water areas not considered designated slip areas, ramps, or landings. Dinghies shall be kept in the slip water area or on board. Dock storage boxes shall be used for storage of non-flammable items only. Hoses shall be kept only in dock boxes, on board, or on BVD, Inc-approved and properly mounted hose storage reels or holders.

1.8.6 Electrical outlets require use of a UL-approved marine use (or quality) stranded-wire, 3-prong, 30- amp twist lock plug (Hubbell or equal) extension cord types only.

1.8.7 No projections of any kind, including anchors on bow rollers, may extend onto the headwalk, sidewalk, or beyond the waterway easement boundary. Fenders must be furnished for, and used by, each boat on the dock side. Dock steps attached to any boat or designed to be left on the dock must be approved prior to use or installation by BVD, Inc.

1.8.8 Hydro-Hoists, or similar apparatus, utilizing anything but the provided cleats for moorage or storage in or about the slip, may only be installed with prior approval of BVD, Inc.

1.8.9 Accidents or any damages caused or claimed by any User, or persons must be reported and described completely, with occurrence date, details, names, addresses, etc., in writing to BVD, Inc., at the address of the Corporation, within 72 hours of said event, to be considered by BVD, Inc., in any way. 1.8.10 Slip use assessments more than sixty (60) days delinquent will cause the delinquent member's name and amount delinquent to be posted on the bulletin board at the Bahama Village Clubhouse bulletin board until brought current or otherwise disposed of by the Board of Directors.

2. Class A Membership Fee Schedule and Number of Memberships

2.1 Class A Membership Fee Schedule-

- a) \$4,000 if received by October 15, 1989; or
- b) \$4,500 if received by November 15, 1989; or
- c) \$5,000 if received by November 15, 1990; or
- d) After November 15, 1990, the Class A membership fee will increase at the rate of 12 per cent per year.
- e) Commencing on November 15, 2005 the Class A membership fee will increase at the rate of eight percent (8%) per year.
- f) Commencing on May 5, 2012 the Class A membership fee will increase at the rate of two percent (2%) per year.
- g) There is a \$200 annual assessment per Class A share.
- h) Class A share transfers involved with a residence sale incur a \$250 transfer fee. Class A share transfers between homeowners not involving a residence transfer between them incur a \$9,000 transfer fee. See paragraph 5. below.

2.2 No more than two (2) Class A memberships may be held by anyone homeowner at any time.

3. Slip Assignment

3.1 Class A Members will have the right to use boat slip(s) if and when desired in accordance with Board rules and signed use agreements, by paying the monthly use assessment and being assigned slip(s).

3.2 Priority for assignment of boat slips will be to any Class A Member on a first come, first serve basis. The Board will also maintain a "reservation" system noting the slip number preference of Class 'A' Members who do not have a current Slip Use Agreement in effect for which they are paying monthly use assessments. The Class 'A' member reserving a slip will be given the first right of refusal to begin paying the monthly use assessments for said reserved slip before it is assigned to anyone else. In case a second Class 'A' member should wish to use the slip that is already reserved by the first Class 'A' Member, the following procedure shall govern. If the first Class 'A' Member does not wish to exercise his/her right to use said slip by executing a Slip Use Agreement, the second Class 'A' Member may use the slip provided he/she carries out the following steps. The second Class 'A' Member must provide in writing, a request to the Board to use the slip for a minimum two (2) years, with twelve (12) months prepayment attached. Also, the assignment of said slip to the second Class 'A' Member must be approved by the Board, as are all such assignments.

3.3 Class B and C Members may request any unassigned slip. Class 'B' and 'C' members must prepay with their request a minimum of three (3) months slip use assessments and thereafter their use shall be considered as a month-to-month arrangement. However, their slip assignment may be changed at the discretion of the Board who will give a higher priority to any Class A Member who requests a slip assigned to a Class B or C Member. Generally, at least thirty (30) days notice will be given as to relocation of slips assigned to any Class B or C Member so affected.

3.4 Subject to prior approval by the Board, any Class 'A' Member is entitled to use or allow a bona fide house guest to use a slip assigned by the Board for three (3) days free, and for up to fourteen (14) additional days thereafter once in any three (3) month period for a prepayment use assessment equal to \$10.00 per day.

4. Change in Slip Assignments - First come first serve, to unassigned slips only, to be assigned only by Board of Corporation.

5. Transfers and Redemption of Shares

5.1 Class A Memberships may be freely transferred per any agreement reached directly with and to any other Bahama Village homeowner who is otherwise accepted as a Member, and if the transfer does not otherwise violate any then existing By-Laws and duly adopted rules and regulations of the Corporation. The Board of the Corporation must preapprove all Class 'A' Membership transfers or sales and is to be informed immediately of such anticipated transactions. The Corporation is to be paid either a "House-Sale" transfer fee, (Where a residence with a Class 'A' membership is

changing hands), currently set at \$250.00, or a “Non-House Sale” transfer fee, (Where no residence is changing hands.), shall incur a \$9,000 flat rate fee with the sale terms required to be confirmed and provided in writing and signed under penalty of perjury by seller and buyer between the parties to BVD, Inc, along with payment to BVD, Inc. before any transfer will be approved or finalized. The transfer is to be effective upon approval by the Board and the new Shareholder and the Board executing the necessary Corporate Membership applications, transfer certificates, use agreement, etc. First choice of slip then used by transferor of said share will go to transferee of said share. If the transferee does not want to use the same slip that the transferor used, then the transferee shall, subject to all By Laws, Regulations and Rules, etc, select and be assigned a slip that is not being used by a Class A Member.

5.2 Redemption - There is no provision to redeem Class A memberships for a return of the membership fee.

6. Types of Membership in Non-Profit Corporation

6.1 See By-Laws.

7. Monthly Slip Use Assessment-

7.1 Class A Members will be assessed a monthly amount based on the slip they use. Class A members only shall benefit from excess income over expenses including the dock replacement sinking fund, by possible reduction of the monthly slip use fee set by the Board.

7.2 Class B Members will be assessed based on the slip they use, at four times (10/5/2016) the then current Class A rate.

7.3 Class C Members will be assessed based on the slip they use, at four times (10/5/2016) the then current Class A rate.

8. Arbitration - The Board shall arbitrate all disputes among Class, A, B, and C Members as to Class A membership transfers; slip assignment priority; slip use; offenses against the By-Laws, Regulations & Rules of Conduct; etc. Provisions for appointing a separate arbitrator(s) shall be implemented by the Board in the event of conflict of interest or inability of the Board to resolve the issue.

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