

1. Preliminary

1.1 Preamble

Whereas the Master Developer is developing the land shown on the Master Plan into a real estate Master Community for residential, commercial, entertainment and leisure purposes (as the case may be) and such Master Community is subject to a Title Ownership and Management Scheme formulated, prepared and amended as appropriate by the Master Developer in its sole discretion, briefly described as follows:

- 1.1.1 The Master Community comprises (as the case may be) (1) Single Ownership Plots; (2) Jointly Owned Property; and (3) Common Use Facilities.
- 1.1.2 Jointly Owned Property each comprise (1) individual Units; and (2) their own Common Areas occupying a Jointly Owned Property Plot.
- 1.1.3 Single Ownership Plots each comprise a Plot that is registered as single title and not divided into Units or any other fractional ownership.
- 1.1.4 The Common Use Facilities of the Master Community are owned by the Master Developer as at the date of this Declaration which is subject to the Master Developer's rights set out in clause 6.3.

1.2 General Purpose of This Declaration

The Master Developer is committed to ensuring that appropriate mechanisms are put into place to implement high standards of maintenance for the overall use, enjoyment and preservation of the Master Community for the benefit of all current and future Owners. Therefore, as owner of the Common Use Facilities, the Master Developer and/or any Infrastructure Service Provider (to the extent that any such rights or obligations are assigned to it) agrees to undertake the following obligations for the overall benefit, orderly development, management and preservation of the Master Community and its constituent parts:

- 1.2.1 To provide for the proper and mutually beneficial management, administration and control of all aspects of common interest to each Owner, including Common Use Facilities.
- 1.2.2 To establish a fund for the Expenses of the Common Use Facilities and for the proper performance of the Master Developer's responsibilities under this Declaration, including a provision for future expenses.
- 1.2.3 To determine and collect Service Charges for the purposes of the fund from Owners.
- 1.2.4 To enforce or assist other Owners to enforce, Owners' obligations in terms of this Declaration, the Rules and the Development Control Regulations.
- 1.2.5 To maintain and insure all Common Use Facilities according to the standards envisaged by the Master Developer, and where necessary, to repair and replace such Common Use Facilities.

1.2.6 In general:

- (a) to ensure the maintenance and promotion of harmony in the physical, social and marine environment of the Master Community;
- (b) to promote and encourage Owners to maintain at all times the external appearances of their properties in a clean and tidy condition and to maintain high standards in this regard so as to ensure that the appearance of their properties are both aesthetically pleasing and desirable when viewed from the outside and further to take steps to enforce the maintenance of such standards where deemed necessary in the opinion of the Master Developer;
- (c) to protect and promote the interests of the Owners, as far as the Master Community is concerned; and
- (d) to establish and promote retail areas and a central business district within the Master Community, where applicable.

1.2.7 Where required, to administer the issuance of NOCs.

1.2.8 To administer the use of the Common Use Facilities, and where appropriate, levy and collect administrative charges for doing so.

1.2.9 To create suitable Rules for the management of the Master Community, including such rules and regulations of conduct as the Master Developer may deem necessary.

1.2.10 To create suitable Rules and Development Control Regulations for the control, management and use of the Master Community, including such zoning, development, construction and rules of conduct as the Master Developer may deem necessary.

And the Master Developer and/or any Infrastructure Service Provider (to the extent that any such rights or obligations are assigned to it) shall have the power to perform such acts as are necessary and reasonably required to accomplish the fulfillment of the above obligations including, but not restricted to, powers specifically contained in this Declaration.

1.3 Binding Intent

This Declaration shall be binding upon the Master Developer, any applicable Infrastructure Service Provider and all Owners and shall inure for the benefit of such parties from time to time. Every Plot or Unit is sold, owned, occupied and used subject to the terms of this Declaration and this Declaration shall be registered as a restriction against the title of all Plots and Units maintained by the Land Department and shall override any previous declaration issued by the Master Developer or Owners Association rules, declaration and/or constitution. If this is not possible, then every Owner of a Plot or Unit agrees, declares and undertakes for the benefit of the Master Developer, any applicable Infrastructure Service Provider and all other Owners that this Declaration is binding on each Plot and Unit and shall pass with each Plot and Unit and bind successors in title of every Owner.

1.4 Definitions

In this Declaration a reference to the Particulars means the Particulars of the Sale and Purchase forming part of the relevant Purchase and Sale Agreement and unless inconsistent with the context, the following words and expressions shall have the meanings hereby assigned to them:

Accounting Date	means 1st of January to 31st December applicable to the Master Community or such other date as the Master Developer or any Infrastructure Service Provider (having the right to do so) may designate from time to time.
Affiliate	means with respect to a company, a party controlling, controlled by or under the common control with such person. For the purposes of this definition, the term “control” shall mean the ability to control, direct or materially influence the decisions, actions and/or policies of the applicable entity.
Alienate	means to alienate any Plot or Unit and includes alienation by way of sale, transfer, exchange, grant, deed, succession, assignment, court order, insolvency or liquidation, and “alienation” shall have a corresponding meaning.
Alteration	means any external alterations, additions or permanent decorations to any Improvement constructed on any Plot.
Applicable Laws	means all applicable laws, rules, regulations, orders, statutes, decrees, approvals, consents, licences and ordinances, all as promulgated and amended from time to time by any: <ul style="list-style-type: none"> (i) legislative, regulatory and administrative governmental authorities of competent jurisdiction in the Emirate of Dubai or the country of the UAE, which has jurisdiction over the Master Community; and (ii) any courts of competent jurisdiction sitting in the Emirate of Dubai and elsewhere in the UAE.
Budget	means the budget of income and expenditure for each Financial Year, as more particularly set out in Clause 3.1.
Civil Code	means the Federal Law No. 5 of 1985 (as amended) in respect of Civil Transactions for the United Arab Emirates.
Common Elements	has the meaning attributed to it under Applicable Laws.
Common Areas	means those parts of a Jointly Owned Property either identified on a Site Plan or otherwise prescribed or defined by any Applicable Laws.

Common Use Facilities

means all open areas, services, facilities, roads, tunnels, turns, crossroads, corridors, curbs, islands separating the road, bridges, pavements, drainage sewers and systems, pipelines, lakes, pools, canals, fountains, water features and other watercourses or waterways, lidos, beaches, sea walls, quay walls, breakwaters, gardens, parks, green areas, public areas and playgrounds (if any), fire and safety facilities, transport access system/facilities, including road and rail systems (if any) within the Master Community, security facilities, utility and administrative buildings designated by the Master Developer or an Infrastructure Service Provider, public access areas, installations, improvements and common assets and any associated street lighting, street signage, other signage and furniture of the Master Community or any part of them that are intended for use by all Owners and that do not form part of the title of any Plot or Unit (but for the avoidance of doubt may be contained within such Plot or Unit by easement) but are the residual lands and buildings owned by the Master Developer (or any Infrastructure Service Provider) as is identified in the Master Plan, but excluding the Master Developer's Commercial Facilities.

Declaration

means this document with the Schedules attached to it as may be amended by the Master Developer from time to time.

Default Rate

means an interest rate of 2% per month as may be amended from time to time, provided however such rate shall not exceed the maximum permissible rate under Applicable Laws.

Deposit

means the security deposit to be lodged with the Master Developer or any Infrastructure Service Provider (having the right to collect such deposits) by an Owner, as more particularly specified in Clause 3.3.

Development Control Regulations

means the relevant development control regulations (where applicable) or such other policies or guidelines relating to the control and regulation of the relevant Master Community issued by the Master Developer and as attached from time to time in Schedule C.

Discount

means the amount by which the Master Developer or any Infrastructure Service Provider (having the right to determine such discounts) may reduce Owners' Service Charge contributions upon timely payment by the requisite due date of such contributions or through agreement of a Specified Payment or Communication Method as permitted by clause 3.2.8 and which may be included as an Expense item in the Budget, provided that the amount of such discount may not exceed 20% of the Service Charge payable in any given Financial Year.

Expenses

means the expenses of the Master Developer, its Affiliates or any Infrastructure Service Provider (having the right to incur such expenses) in connection with the provision and financing of all facilities, management, operation, administration, repair, maintenance, servicing and control of the Master Community, including but not limited to the items referred to in Clause 3.1.2 (a) – (m).

Financial Year

means a year ending on an Accounting Date.

Master Community Declaration

Improvements

means the carrying out of building, engineering or other operations in over or under land including the construction of a temporary or permanent moveable or immovable structure, which includes (but is not limited to):

- (i) mechanical, electrical or other system;
- (ii) a fence;
- (iii) a mast pole or a telecommunication aerial.

Infrastructure Service Provider

means an owner or operator of Common Use Facilities whether by way of freehold title, leasehold title or concession.

Intellectual Property

means the Logos of the Master Developer together with all other trademarks, service marks, trade names, logos, designs, symbols, emblems, insignia, slogans, copyrights, know-how, confidential information, drawings, plans and other identifying materials which are owned by the Master Developer, whether or not registered or capable of registration.

Jointly Owned Property

plots, whether created by an affection plan or Volumetric Subdivision, that have been sub-divided into Units and Common Areas in relation to which an Owners Association will be constituted in accordance with Applicable Laws.

Land Department

means the Land Registration Department of the Government of Dubai, UAE.

Logo

means the specific logos of the Master Community, the Master Developer and Nakheel PJSC and any other logos used by the Master Developer in connection with the Master Community including logos for any new names for any part of the Master Community nominated by the Master Developer from time to time.

Managing Agent

means any person or body appointed by the Master Developer and/or any Infrastructure Service Provider (having the right to appoint the same) as an independent contractor, or as an employee, to undertake any of the functions of the Master Developer or any Infrastructure Service Provider (as applicable).

Master Community

means each Master Community listed in Schedule A, which is to be divided into Plots and Common Use Facilities generally in accordance with each corresponding Master Plan or any amendment of such Master Plan and includes all or any extensions of or reductions to the Master Community from time to time.

Master Developer	means in relation to each Master Community, the relevant Master Developer named in Schedule A, or its nominees, assigns, transferees, successors or successors-in-title and in the case of the Master Developer referred to in clause 6.7 and in the definition of Declaration in Clause 1.4, means Nakheel PJSC.
Master Developer's Commercial Facilities	means those facilities and amenities (including any community clubs, spas, railway or other transportation networks, and other leisure facilities) that, at the Master Developer's sole election, will not form part of the Common Use Facilities, but are owned, managed and maintained by the Master Developer or any of its Affiliates at its own expense and for its own profit, as more fully detailed in Clause 6.5.
Master Plan	means the plan of the relevant Master Community as attached in Schedule B as it may be amended by the relevant Master Developer from time to time.
NOC	means the no objection certificate or other approval issued by the Master Developer and/or any Infrastructure Service Provider (having the right to issue such certificates or approvals) confirming that all monies due to the Master Developer by an Owner have been paid and that the Owner has complied with all of its obligations under this Declaration, the Rules, the Development Control Regulations and any other Applicable Laws.
Occupier	means any person occupying or visiting a property owned by an Owner, including such Owner's lessees, tenants, visitors, servants, agents, employees, guests, family members, clients or business associates
Owner	means the registered owner of a Single Ownership Plot or Unit including his heirs, successors-in-title and permitted successors and assigns and includes an Owners Association as applicable.
Owners Association	associatmeans the association that is formed in accordance with any Applicable Laws, the members of whi the members of which are the Owners of Units in a Jointly Owned Property.
Participation Quota	means the weighting attributed to a Plot by the Master Developer or any Infrastructure Service Provider (having the right to determine such weighting) in its sole discretion derived by having regard to any attributes of such Plot the Master Deveoper or applicable Infrastructure Service Provider deems necessary or appropriate including without limitation the type of use carried out on that Plot or Unit and the size of areas within or approved to be within that Plot .
Plot	means the land or spatial parcel (including any building or other immovable property constructed on it) created following a land subdivision or Volumetric Subdivision within a Master Community (excluding the Common Use Facilities), the title to which may be registered at the Land Department.

Provisional Service Charge	means in respect of each Financial Year, the sum fixed by the Master Developer or any Infrastructure Service Provider (having the right to determine such charges) as being a reasonable estimate of an Owner's Service Charge for the relevant Financial Year.
Regulatory Body	means any regulatory authority or entity established under Applicable Laws to manage, maintain, administer and control the Master Community or any part of it.
Relevant Authority	means as the context requires: <ul style="list-style-type: none"> (i) the Government of the UAE; (ii) the Government of the Emirate of Dubai; (iii) any other ministry, department, local authority or entity having jurisdiction over the Master Community (including Trakhees or any regulator appointed pursuant to any Applicable Laws); and (iv) any service provider approved by the Master Developer and having jurisdiction over the Master Community (including but not limited to the Dubai Electricity and Water Authority and/or the Managing Agent).
Reserve Fund	bears the meaning attributed to it in Clause 3.1.1.
Rules	means the relevant rules and regulations issued by the Master Developer from time to time relating to the relevant corresponding Master Community as attached in Schedule D as well as any other rules and regulations relating to different aspects of regulating the Master Community, such as access (including swimming) and the operation and passage of vessels and marine craft within any canals and waterways contained within the Master Community (if applicable) and includes any such rules and regulations relating to the Common Use Facilities as are approved by any Infrastructure Service Provider having the right to determine such rules.
Schedules	means the schedules' attached to this Declaration and any part of them as may be amended, deleted or replaced by the Master Developer from time to time.
Service Charge	means the annual service charge for a Plot levied by the Master Developer or any Infrastructure Service Provider (having the right to levy such charges) upon an Owner for its proportionate contribution towards the Expenses allocated in accordance with the Participation Quota.
Single Ownership Plot	means a Plot that is registered as a single title and not subdivided into Units and Common Areas (or any other fractional ownership).

Site Plan	a plan of a Jointly Owned Property registered at the Land Department pursuant to any Applicable Laws showing Units and Common Areas.
Special Levy	bears the meaning attributed to it in Clause 3.1.9.
Specified Payment or Communication Method	means any specific payment or communication method agreed between an Owner and the Master Developer or Infrastructure Service Provider (as appropriate) with regards to the service of notices or the payment of Service Charges.
Title Ownership and Management Scheme	means the title ownership and management scheme for the Master Community as more particularly described in Clause 1.1.
UAE	means the country of the United Arab Emirates
Unit	means a unit within a Jointly Owned Property, as identified on a Site Plan.
Utilities	means drainage of soil and water and supply of water, sewerage, air-conditioning (including chilled water for air conditioning), electricity, gas, (if applicable), telecommunications, garbage clearance or any other services appropriate to maintain the relevant area of the Master Community.
Volumetric Subdivision	has the meaning attributed to it by Applicable Laws.

1.5 Interpretation

- 1.5.1 The clause headings are for convenience only and shall be disregarded in construing this Declaration.
- 1.5.2 Unless the context clearly indicates a contrary intention:
- (a) the singular shall include the plural and vice versa;
 - (b) a reference to any one gender shall include the other genders;
 - (c) a reference to natural persons includes legal persons and vice versa; and
 - (d) a reference to the “Master Community”, the “Master Plan”, the “Development Control Regulations” and the “Rules” shall include any or all of them as listed in Schedules A, B, C, and D, respectively, but only so far as may relate each to the other. All other defined terms contained in clause 1.4 shall be applied and interpreted in a like manner.
- 1.5.3 Words and expressions defined in any sub-clause shall, for the purpose of the clause to which that sub-clause forms part and in subsequent clauses, unless inconsistent with the context, bear the meaning assigned to such words and expressions in such sub-clause.

- 1.5.4 When any number of days is prescribed in this Declaration, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Friday or proclaimed public sector holiday in the UAE, in which event the last day shall be the next succeeding day which is not a Friday or public holiday.
- 1.5.5 If any provision of this Declaration is in conflict or inconsistent with any Applicable Laws, the invalidity of any such provision shall not affect the validity of the remainder of the provisions of this Declaration.
- 1.5.6 If any provision in a definition in this Declaration is a substantive provision conferring rights or imposing obligations on any of the Owners then, notwithstanding that it is only in the definition clause of this Declaration, effect shall be given to it as if it were a substantive provision in the body of this Declaration.
- 1.5.7 All dates and periods shall be determined by reference to the Gregorian calendar.
- 1.5.8 The Preliminary and following Schedules to this Declaration are deemed to be incorporated in and form part of this Declaration:

Schedules:

- Schedule A: Master Community and Master Developer
- Schedule B: Master Plan for each Master Community
- Schedule C: Development Control Regulations for each Master Community
- Schedule D: Rules for each Master Community

2. Duties & Obligations of the Master Developer and any Infrastructure Service Provider

2.1 Management Function

The Master Developer or any Infrastructure Service Provider (assigned the right to perform such duties) shall undertake the following duties to ensure the preservation of the Common Use Facilities:

- 2.1.1 Develop, construct, operate, maintain, repair, improve, manage and insure the Common Use Facilities in the best interests of the Master Community and its constituent parts. In particular, but without prejudice to the generality of the foregoing, the Master Developer or any Infrastructure Service Provider (assigned the right to perform such duties) shall:
 - (a) repair, redecorate, maintain and where necessary renew and improve, clean, landscape, garden and light the Common Use Facilities;
 - (b) if applicable, maintain channels, marinas, navigation systems, access routes and related marine facilities and amenities of the Common Use Facilities;

- (c) if applicable, pay for the rescue, salvage, recovery or removal of abandoned, stranded and/or sunk and/or wrecked vessels or marine craft in the Common Use Facilities;
- (d) pay for all Utilities for the Common Use Facilities, insurance charges for the Common Use Facilities and all other charges in connection with any other services provided to or incurred in connection with the Common Use Facilities;
- (e) pay for any rates, charges, duties, taxes, assessments or outgoings of whatsoever nature imposed upon the Common Use Facilities under Applicable Laws;
- (f) employ such guards, establish, maintain and repair such comprehensive security systems, maintain such control centers for the protection of persons and property within the Common Use Facilities and the Master Community and install, operate and maintain such communication systems as the Master Developer or any applicable Infrastructure Service Provider deems fit;
- (g) employ such administrative, professional and managerial staff and other labour, and retain the services of such lawyers, accountants, architects and other professional personnel in connection with the management operation and maintenance of the Common Use Facilities and the Master Community and for the performance of the Master Developer's or any applicable Infrastructure Service Provider's obligations (as appropriate) under this Declaration;
- (h) procure or enter into contracts and agreements in respect of the Common Use Facilities for Utilities, cleaning, security, garbage disposal, landscaping, vermin extermination, grounds maintenance and other services or such of them as the Master Developer or any applicable Infrastructure Service Provider may deem necessary or desirable;
- (i) make provision for such reasonable financial reserves for future or deferred expenses for repair, maintenance, replacements or improvements of the Common Use Facilities as the Master Developer or any applicable Infrastructure Service Provider deems fit;
- (j) provide all such items of equipment, such services and facilities, and such machinery and stock-in-trade as the Master Developer or any applicable Infrastructure Service Provider shall from time to time deem fit to provide for the benefit of the Owners or which are appropriate for the protection of the value and quality of the Common Use Facilities;
- (k) insure the Common Use Facilities against such risks and for such sums as the Master Developer or any applicable Infrastructure Service Provider deems fit, provided that any such insurance in respect of the Common Use Facilities shall include full replacement insurance and public risk insurance;
- (l) undertake, or delegate to a third party, maintenance works related to Common Use Facilities for the benefit of the Master Community; and
- (m) enter into any lease, license, or similar arrangement regarding any land, improvements or equipment that may be necessary to the provision of the Common Use Facilities.

- 2.1.2 The Master Developer or any applicable Infrastructure Service Provider is authorised to manage such areas, structures and/or features in addition to the Common Use Facilities within the Master Community for the overall benefit, orderly development, management and preservation of the Master Community and its constituent parts.

2.2 Administrative Function

The Master Developer or any Infrastructure Service Provider (assigned the right to perform such duties) shall in general take all actions necessary to control, manage and administer the Master Community for the benefit of all Owners. In particular, but without prejudice to the generality of the foregoing, the Master Developer or any Infrastructure Service Provider (assigned the right to perform such duties) shall have authority to:

- 2.2.1 take such action as may be necessary to enforce payment of monies due to it, including Service Charges, or compliance of obligations owed to it in whatsoever capacity by the Owners.
- 2.2.2 ensure that the Title Ownership and Management Scheme is adopted and imposed upon all parts of the Master Community.
- 2.2.3 make and amend such Rules which are not inconsistent with this Declaration:
- (a) for the furtherance and promotion of any of the purposes of this Declaration;
 - (b) as to what constitutes appropriate use of the Common Use Facilities, or any Plot or Unit;
 - (c) as to the resolution of disputes;
 - (d) as to the levy and collection of Service Charge contributions;
 - (e) as to all matters pertaining to fire, health, safety and environmental protection and response;
 - (f) as to environmental sustainability, including the adoption of initiatives and measures to promote sustainability in the Master Community; and
 - (g) for the better management of the Common Use Facilities and the administration and governance of the Master Community generally.
- 2.2.4 unless the responsibility of a Relevant Authority and subject to Applicable Laws, make the Development Control Regulations to control and administer use and development within the Master Community and to deal with the matters contained in Clause 2.2.5 and 2.2.6 below.
- 2.2.5 unless the responsibility of a Relevant Authority and subject to Applicable Laws, exercise responsibility for the issuance of all planning approvals within the Master Community and all powers of control and enforcement in relation to them including:

- (a) the review and approval of plans;
 - (b) the issuance of planning permits, building permits and/or licenses;
 - (c) the design and siting of all parking and landscaping;
 - (d) inspections;
 - (e) the levy and collection of fees for the provision of the above services; and
 - (f) the enforcement of any and all planning and building controls, laws, rules and regulations applying to the Master Community from time to time, including but not limited to the Development Control Regulations.
- 2.2.6 ensure coordination and integration of construction activities within the Master Community including:
- (a) physical site management, arrival and departure of materials, plant, equipment and labour, the location and storage of materials, siting of site and sales offices, hoarding and other movable structures;
 - (b) construction, design and development programs, in particular, to ensure the correct and timely interfacing of buildings constructed on a Plot with adjacent buildings;
 - (c) arranging the provision of all necessary Utilities to the boundary of a Plot; and
 - (d) master planning.
- 2.2.7 unless the responsibility of a Relevant Authority and subject to the Applicable Laws, erect, display and control public space advertising and all signage generally within the Common Use Facilities.
- 2.2.8 unless the responsibility of a Relevant Authority and subject to the Applicable Laws, administer the consents required for public space advertising on or within buildings on Plots.
- 2.2.9 if the Master Developer or any applicable Infrastructure Service Provider determines that NOCs are required under Clause 4.3, administer the issuance of NOCs.
- 2.2.10 use the Common Use Facilities for commercial purposes and grant the use of the Common Use Facilities to third parties from time to time for recreational, commercial or other ad hoc purposes under the provisions of Clause 4.1.3.
- 2.2.11 open and maintain such accounts as are deemed by the Master Developer or any applicable Infrastructure Service Provider as being reasonably required to manage the Common Use Facilities and Master Community with recognised banks and deduct such monies from them as required in accordance with the Master Developer's or any applicable Infrastructure Service Provider's obligations under this Declaration.

2.3 Regulatory Body and Applicable Laws

- 2.3.1 The Master Developer shall exercise full authority and control over all of the Master Community and pursuant to this authority the Master Developer may transfer such authority and control (or part thereof) to an Infrastructure Service Provider or any Regulatory Body established pursuant to Applicable Laws.
- 2.3.2 If a Regulatory Body has been established and Applicable Laws require authority and control of the Master Community to be transferred to the Regulatory Body then to the extent permissible pursuant to Applicable Laws such authority and control shall be transferred without prejudice to any rights of an Infrastructure Service Provider, and the Master Developer will immediately cease after transfer to such Regulatory Body to be responsible for any management, administration, maintenance or control of the Master Community and be released from any and all claims, losses, costs, damages or liability whatsoever, however and to whomsoever incurred or sustained arising from or in relation to the Master Developer's management, administration, maintenance or control of the Master Community.
- 2.3.3 In the event any provision in this Declaration is inconsistent with or in conflict with any Applicable Laws, the provisions of the Applicable Laws shall prevail.

2.4 Managing Agent

The Master Developer or any applicable Infrastructure Service Provider shall have the power and be authorised from time to time to appoint a Managing Agent to control, manage, maintain and administer the Master Community and Common Use Facilities and exercise such or all of the powers, rights and duties entrusted to the Master Developer or the applicable Infrastructure Service Provider under this Declaration.

3 Budget and Service Charges

3.1 The Budget, Expenses and Determination of Service Charges

- 3.1.1 The Master Developer or any Infrastructure Service Provider (assigned the right to determine the Budget, incur Expenses or determine Service Charges) shall, at least two (2) months prior to the end of each Financial Year, prepare the Budget of estimated Expenses for the following Financial Year in respect of the Common Use Facilities and otherwise in performing its obligations under this Declaration, together with all administrative and other expenses relating to the Common Use Facilities for which the Master Developer or the applicable Infrastructure Service Provider is responsible, and any amount proposed to be held in reserve in respect of future maintenance, repairs or capital expenditure (the "Reserve Fund").
- 3.1.2 Expenses shall include but not be limited to:
 - (a) the costs of labour, material, equipment, supplies, third party hire, security, insurance (including premium and deductible amounts), Utilities for the Common Use Facilities, statutory rates, taxes and charges and professional fees, including those charged or incurred by the Managing Agent;

- (b) the cost of maintaining, cleaning and repairing the Common Use Facilities in the Master Community;
- (c) the cost of operating, maintaining, dredging, repairing and replacing the seawalls, waterways, beaches and other features in the Master Community (if applicable);
- (d) the cost of operating, maintaining, landscaping and repairing the Common Use Facilities in the Master Community;
- (e) the cost of refuse handling and collection for the Common Use Facilities;
- (f) the costs incurred in administering and enforcing the Rules or the Development Control Regulations;
- (g) the costs incurred in connection with the administration and management of the Master Community including legal, accounting and other professional fees;
- (h) provision for future maintenance, repairs, replacements or capital expenditure for any of the Common Use Facilities;
- (i) depreciation, financing cost, equity cost, rental or other costs incurred by the Master Developer or any Infrastructure Service Provider in connection with the establishment, construction, provision, repair and maintenance of the Common Use Facilities and related infrastructure in the Master Community;
- (j) any other sum properly incurred by the Master Developer or any applicable Infrastructure Service Provider in connection with the Master Community including but not limited to, the cost of providing any other service which the Master Developer or any applicable Infrastructure Service Provider reasonably considers necessary for the purpose of complying with its management and administrative functions in accordance with this Declaration;
- (k) costs associated with establishing and maintaining the Reserve Fund;
- (l) costs associated with monitoring, maintaining and improving the ecology and water quality of the surrounding marine environment (if applicable); and

- (m) provision for the Discount. The below table illustrates by way of example only the Discount mechanism which the Master Developer or any applicable Infrastructure Service Provider may include in the Budget and apply to Service Charge collections:

	AED
Total Budgeted Expenses	800,000
Loading to support Discount	25.00%
Budget Loading	200,000
Service Charge Amount	1,000,000
Discount Allowed @ 20%	200,000
Net collections upon timely or Alternative Payment of Service Charges by Owners	800,000

3.1.3 In compiling the Budget:

- Expenses relating to the entire Master Community, for which the Master Developer or any applicable Infrastructure Service Provider is responsible, shall be taken into account;
- the Master Developer shall be responsible for such Expenses as apportioned to it in terms of the agreement referred to in Clause 6.1;
- the balance of the Expenses shall be allocated to Owners according to the Master Developer's or any applicable Infrastructure Service Provider's assessment referred to in Clause 3.1.5;
- the costs associated with any property dedicated to and accepted by the Relevant Authority or public utility company shall be excluded from the Budget calculation;
- liability for payment of the above Service Charges to the Master Developer or any applicable Infrastructure Service Provider shall vest in the individual respective Owners.; and
- each Owners Association shall apportion its own expenses to its own members according to the provisions of its constitution, declaration, or rules prescribed by Applicable Laws.

3.1.4 The Master Developer or any applicable Infrastructure Service Provider shall reserve the right to prepare separate Budgets for the residential, commercial, retail and/or leisure areas of the Master Community, together with a general Budget for the overall Master Community, in order to properly reflect the different levels of costs that are reasonably required for the proper maintenance, management and administration of each type of use. Additionally, the Master Developer or any applicable Infrastructure Service Provider may prepare separate Budgets for any precincts or neighbourhoods identified by it as requiring separate financial treatment.

- 3.1.5 Immediately prior to the commencement of each Financial Year the Master Developer or any applicable Infrastructure Service Provider will send a copy of the Budget to each Owner showing the estimated Expenses for the following Financial Year and the Provisional Service Charges payable by the Owner. The Provisional Service Charges shall become due and payable by an Owner to the Master Developer or any applicable Infrastructure Service Provider (in both cases as it determines in its discretion) annually, bi-annually, quarterly or monthly in advance upon the latter of either the date of service of the Budget or the date or dates specified in the Service Charge invoices or like notices upon an Owner.
- 3.1.6 As soon as possible after each Financial Year, the Master Developer or any applicable Infrastructure Service Provider shall prepare and provide to the Owner a statement (the "Statement") showing the actual Expenses for the Financial Year referred to in the Statement duly certified by the Master Developer or any applicable Infrastructure Service Provider or its respective agents and audited by an independent firm of auditors or any Relevant Authority or Regulatory Body, and such Statement will be conclusive evidence of all matters of fact referred to in it.
- 3.1.7 In the event that an Owner's share of the Expenses as shown in the Statement for any Financial Year:
- (a) exceeds the amount paid as a Provisional Service Charge for that period, the Owner shall pay the excess to the Master Developer or any applicable Infrastructure Service Provider on demand; or
 - (b) is less than the amount paid as a Provisional Service Charge for that period, the Master Developer or any applicable Infrastructure Service Provider shall credit the excess to the Owner against the Service Charges payable by the Owner for the following Financial Year.
- 3.1.8 If the Master Developer or any applicable Infrastructure Service Provider fails for whatever reason to include in any Financial Year a sum expended or liability incurred during that year, the Master Developer or any applicable Infrastructure Service Provider may include the sum or the amount of the liability in an account for any subsequent Financial Year.
- 3.1.9 In case of contingency, the Master Developer or any applicable Infrastructure Service Provider may from time to time, when necessary, levy a special charge upon the Owners in respect of any unforeseen expenses which have not been included in the Budget (the "Special Levy") and such Special Levy may be made payable in one sum or in such instalments as the Master Developer may determine in its own discretion.
- 3.1.10 Notwithstanding the forgoing part of this Clause 3.1, the Master Developer or any applicable Infrastructure Service Provider at its discretion may make special arrangements for the Service Charges assessed in respect to certain Plots or groups of Plots of a similar nature within the Master Community.

3.2 Collection of Service Charges

- 3.2.1 Each Owner, by taking transfer of title, is deemed to covenant and agree to pay the Service Charges in accordance with this Declaration.
- 3.2.2 No Owner shall enjoy the privileges of usage of the Common Use Facilities unless he shall have paid all Service Charges or other sum (if any) which may be due and payable to the Master Developer or any applicable Infrastructure Service Provider in terms of this Declaration.
- 3.2.3 Upon taking transfer of a Plot from the Master Developer, an Owner becomes liable for payment of Service Charges in respect of the unpaid portion of Service Charges for that Financial Year. In respect of a subsequent transfer of a Plot, an Owner becomes liable for payment of all Service Charges due in respect of such Plot, including arrears.
- 3.2.4 If an Owner fails to pay his Service Charges in full to the Master Developer or any applicable Infrastructure Service Provider on the due date, the Master Developer or any applicable Infrastructure Service Provider may place a charge or lien on the Owner's title and enforce payment of the Service Charge as a secured debt or otherwise institute an action for the recovery of the debt in any competent court or refuse to grant any NOC it is authorised to grant under this Declaration. Owners agree that an invoice issued by the Master Developer or any applicable Infrastructure Service Provider in the name of an Owner is conclusive proof of the debt owing and that the Owner shall have no right of set-off or counterclaim in respect of any such debt.
- 3.2.5 Where any Single Ownership Plot is owned in the joint names of more than one person, all the registered Owners of that Single Ownership Plot shall be jointly and severally liable for the due performance of any obligation to the Master Developer or any applicable Infrastructure Service Provider.
- 3.2.6 An Owner shall be liable for all legal costs, including lawyers' fees, collection commission, expenses, own fees and other charges incurred by the Master Developer and any applicable Infrastructure Service Provider in obtaining the recovery of Service Charge arrears or any other arrear amounts due to it, or enforcing compliance with this Declaration or any Schedule attached to it.
- 3.2.7 The Master Developer or any applicable Infrastructure Service Provider shall be entitled to charge for late payment on any amounts in arrears. Any such charge for late payment shall be calculated at the Default Rate and are recoverable from the date on which the amount is due and payable to the date of payment.
- 3.2.8 The Master Developer or any applicable Infrastructure Service Provider shall be entitled to apply a Discount to be given to an Owner if a Service Charge contribution or any corresponding instalment is received by the Master Developer or any applicable Infrastructure Service Provider by the date for payment stated in the corresponding Service Charge invoice or notice, or if payment is made or communications sent and received through a Specified Payment or Communication Method.

3.3 Security Deposit

Upon transfer of ownership of a Unit or Plot to an Owner or such earlier date as is agreed upon, that Owner shall, if required by the Master Developer or any applicable Infrastructure Service Provider, lodge with the Master Developer or any applicable Infrastructure Service Provider (as applicable) the Deposit in an amount determined by the Master Developer or any applicable Infrastructure Service Provider (as applicable) as security for the Owner's obligations to pay Service Charges under this Declaration. The Deposit will be held by the Master Developer or any applicable Infrastructure Service Provider as continuing security and the Master Developer may apply the Deposit in whole or in part towards to satisfy each Owner's payment obligations under this Declaration. If the whole or any portion of the Deposit is so applied the Master Developer or any applicable Infrastructure Service Provider (as applicable) shall notify the Owner in writing and the Owner shall immediately reinstate the Deposit to the original amount. The Owner shall not be entitled to set off any Service Charges or other amount payable by the Owner against the Deposit. The Deposit, or balance thereof, shall be returned to the Owner upon his lawful disposition of the Plot or Unit. Notwithstanding anything to the contrary set out herein, the Master Developer or any applicable Infrastructure Service Provider (as applicable) may utilise the funds retained as the Deposits for its float and liquidity purposes in respect of its obligations set out in this Declaration.

3.4 Other Revenue

Notwithstanding the foregoing provisions of this Declaration, the Master Developer or any applicable Infrastructure Service Provider may (but is not obliged to) apply revenue it generates and/or collects from activities carried on within or in connection with the Master Community (other than Service Charges) including any revenues generated from the Common Use Facilities towards the payment of the Expenses in the event there are deficiencies in collection of the applicable Service Charges in any given Financial Year at its absolute discretion.

4. Owners' Rights and Obligations

4.1 General

4.1.1 Every Owner is obliged to comply with:

- (a) the provisions of this Declaration, its Schedules, and all Rules and Development Control Regulations made by the Master Developer and any applicable Infrastructure Service Provider under it;
- (b) any agreement concluded by the Master Developer and any applicable Infrastructure Service Provider insofar as such agreement may directly or indirectly impose obligations on an Owner; and
- (c) any directive given by the Master Developer and any applicable Infrastructure Service Provider in enforcing the provisions of this Declaration.

- 4.1.2 Every Owner shall be responsible for and pay for Utility connection and consumption charges, and any property or local authority taxes levied on the Owner's Plot or Unit. In the event that any of those facilities are provided to an Owner directly by the Master Developer, the Owner shall settle any such consumption or usage charges on demand.
- 4.1.3 The Master Developer or any applicable Infrastructure Service Provider in using the Common Use Facilities for commercial purposes or granting the use of the Common Use Facilities to third parties from time to time for recreational, commercial or other ad hoc purposes, may collect revenue derived from its own use or from such grant and may at its discretion apply all or some of the net revenue towards the costs incurred by the Master Developer or any applicable Infrastructure Service Provider in undertaking its obligations under this Declaration or may retain such revenue for its own benefit

4.2 Easements

- 4.2.1 Every Owner shall have the right and non-exclusive easement of use, access and enjoyment in and to the Common Use Facilities, subject to Clause 4.2.7 and to his due observance and performance of the provisions of this Declaration (including payment provisions) and any Rules made under it (including the Development Control Regulations). In particular, but without prejudice to the generality of the foregoing, the following rights are granted:
- (a) full right and liberty for Owners at all times by day or by night to go, pass and repass over and along the roads, pathways and waterways (if any) of the Master Community and to use the gardens and other open areas of the Master Community for their intended purpose;
 - (b) free and uninterrupted passage and running of water, soil, electricity and other power and media transmissions serving a Unit or Single Ownership Plot of an Owner which now are or may at any time in the future be on, over or under the Master Community; and
 - (c) where applicable, if the entrances, driveways, parking areas, channels, marina slips, private access ways and/or berths to a Unit or any property are shared, reciprocal appurtenant easements of right of way shall be created for the benefit of the Owner and all Owners of the properties to which such entrance, driveways, laneways, service roads, parking areas, channels, marina slips, private access ways and/or berths are appurtenant. The Owner, and the Owners of the properties to which such easements are appurtenant (and all persons authorised by them) shall have the right at all times by day or by night to go, pass and repass on, over, through and along such entrances, driveways, laneways, service roads, parking areas, channels, marina slips, private access ways and/or berths for the purposes of ordinary access, ingress, egress and parking or berthing. This easement is subject to such reasonable security arrangements and regulations as may be imposed by the Owner responsible for such entrance, driveway, laneway, service road, parking area, channels, marina slips, private access ways and/or berths from time to time.

- 4.2.2 The Master Developer or any applicable Infrastructure Service Provider (assigned such rights by the Master Developer) shall have the following easements in relation to every Plot or Unit:
- (a) full rights of access to the Plot or Unit at any time as necessary for the purpose of constructing, removing, altering, maintaining and repairing the Common Use Facilities or Utilities supplying them, including but not limited to, works to address any matter which poses a risk to the well-being of Owners, or the environment of the Master Community;
 - (b) free and uninterrupted passage for all Utilities to be conveyed across a Plot or Unit in order to supply and operate the Common Use Facilities or as otherwise deemed necessary by the Master Developer or any applicable Infrastructure Service Provider;
 - (c) full rights (but not the obligation) of access to the Plot or Unit at any time as necessary for the purpose of constructing, removing, altering, painting, maintaining and repairing any fencing, boundary, retaining or other dividing walls or structures (including their respective foundations or supports) that are adjacent to either a Plot owned or leased by the Master Developer or the Common Use Facilities; and
 - (d) right of unimpeded access to provide emergency services.
- 4.2.3 Where applicable, if any of the podiums and parking areas, including channels, marina slips, private access ways and/or berths in the Master Community flow into each other, the Owners agree that there shall be reciprocal appurtenant easements of encroachment and for maintenance and use of any encroachment between the Plots and appurtenant properties so affected. No compensation for the right of use shall be promised or received.
- 4.2.4 If applicable, each Owner shall have the obligation and responsibility to maintain the podium and any entrance, driveway and parking areas including channels, marina slips, private access ways and/or berths which it owns in good order and repair, in conformation with all covenants, conditions and restrictions affecting the Plots or Units and all governmental regulations, and in a manner which is consistent with the terms and provisions of this Declaration.
- 4.2.5 Where there are any service roads across multiple Plots, the Owners of each Plot which contains part of the service road each agrees to vest in the Master Developer the right for the Master Developer to maintain and control that service road for the mutual benefit of each such Owner and at the shared cost of each such Owner. The Master Developer shall in particular have the right to make and enforce rules and incur expenses on behalf of each such Owner in respect to:
- (a) repairing, maintaining and replacing where necessary any part of the service road including any sidewalk and the pavement;
 - (b) street lighting;
 - (c) cleaning and waste removal;
 - (d) maintaining clear access along the service road and into the adjoining buildings; and
 - (e) the parking of motor vehicles.

- 4.2.6 Any Plot or Unit shall be held, conveyed, leased, occupied, operated and used, subject to such easements or restrictions contained in this Declaration or as imposed by any Relevant Authority, each and all of which are for, and shall inure to, the benefit or burden of and shall pass with each and every part of the Plot or Unit and shall apply to and bind the legal heirs, successors in title and permitted successors or assigns of the Owner, and each of which shall constitute covenants running with the land between the respective Owners of appurtenant properties. Each of the easements or restrictions reserved or granted in this Declaration shall exist in perpetuity and shall be appurtenant to each of the properties having a boundary line adjacent to the easements or restrictions.
- 4.2.7 Although it is intended that Owners will have the right of access and enjoyment of the roads, pathways, waterways (if any) and facilities that comprise the Common Use Facilities, every Owner acknowledges that access to some areas (including but not limited to certain breakwater areas, waterways, beaches and other hazardous premises, if applicable) may not be safe or appropriate, or may be restricted for commercial, environmental protection, practical reasons or due to the nature of the design of the Master Plan. The Master Developer and any applicable Infrastructure Service Provider shall at all times have the right to:
- (a) restrict or prohibit access to certain areas within the Common Use Facilities;
 - (b) provide rules from time to time at the Master Developers' or any applicable Infrastructure Service Provider's sole discretion for access and the use of the waterways (if any) (including swimming, fishing and the operation of vessels and marine craft in the waterways) and such other rules as are necessary to ensure safe and orderly passage through the Common Use Facilities (where applicable). Every Owner agrees to be bound by such rules and procure that all visitors, invitees, guests or Occupiers of the Owner are aware of and comply with them.
- 4.2.8 All Owners agree to provide such rights of access and passage as are reasonably required to the Master Developer, any applicable Infrastructure Service Provider or each other for the purpose of compliance with this clause 4 and shall be liable to compensate the Master Developer or any other party on an indemnity basis for all costs and losses, including consequential loss, that they may sustain as a result of denial of such rights.
- 4.3 Alienation
- 4.3.1 Every Owner shall, on being registered as the Owner of a Plot or Unit by way of Alienation or otherwise be bound by this Declaration as if they were a contracting party.
- 4.3.2 An Owner shall not be entitled to Alienate a Plot or Unit or any interest therein without first obtaining a NOC. Until compliance with these formalities, the relevant Owner will continue to be jointly and severally liable with the owner's successor for the due performance of this Declaration even though their ownership in any Plot or Unit has been transferred to another person.

- 4.3.3 In the event an Owner is a legal entity, any change in the legal or beneficial ownership of any shares in the legal entity or any issue of new capital, or the legal rights attaching to existing capital, or any other thing which has the effect of altering the effective management or control of such legal entity, then such change shall be deemed to be an Alienation of the Plot or Unit and the Owner, prior to such change, shall be required to deliver a notice, duly signed by all the directors of such entity, to the Master Developer or any applicable Infrastructure Service Provider informing it of the anticipated change of shareholding and to obtain a NOC in respect of it.

4.4 Alterations and Improvements

- 4.4.1 An Owner shall not undertake the construction of any Improvements on a Plot or Unit or undertake any Alterations to such Improvements without the prior written consent of the Master Developer. The granting or withholding of consent shall be in the discretion of the Master Developer exercised in the best interests of the Master Community and neighbouring Owners. Notwithstanding any approval granted by the Master Developer, no Improvements or Alterations may be undertaken until any approval required from a Relevant Authority has been obtained by the Owner.
- 4.4.2 If an Owner fails to comply with the provisions of Clause 4.4.1 and such failure persists for a period of 30 (thirty) days after written notice given by the Master Developer, the Master Developer shall be entitled to remedy the failure in question in such manner as it deems fit and to recover the cost of so doing from the offending Owner.
- 4.4.3 For the avoidance of doubt if the Master Developer is satisfied that the alterations or improvements may cause a damage to health, safety or adversely effect the environment, the Master Developer is entitled to require immediate remedy without further notice.

4.5 Use of Plot

- 4.5.1 Owners shall not use any Plot for any purposes other than the use prescribed in the Development Control Regulations and/or the Rules and Owners shall comply in all respects with the provisions of all Applicable Laws, the Development Control Regulations, the Rules and any Owners Association rules prescribed by the Master Developer (where applicable) now or from time to time in force in relation to the Plot or anything done on the Plot, as applicable, and any licences or consents regulating trade activities issued by a Relevant Authority or the Master Developer.
- 4.5.2 An Owner shall not change the use of the Owner's Plot or Unit without the prior written consent of the Master Developer. The granting or withholding of consent shall be in the discretion of the Master Developer exercised in the best interest of the Master Community and neighbouring Owners.
- 4.5.3 If at any time it is proposed to convert a Single Ownership Plot to a Jointly Owned Property, or vice versa or it is proposed to subdivide a Plot on a single ownership basis, the prior written consent of the Master Developer is required. The Master Developer's consent shall not be unreasonably withheld if the following conditions are met:
- (a) the plans and specifications for Improvements or Alterations required to undertake such conversion are acceptable to the Master Developer;

- (b) the Title Ownership and Management Scheme is applied. For example, any conversion from a Single Ownership Plot to a Jointly Owned Property shall entail title registration of each Unit therein, the formation of a Owners Association (as prescribed by any Applicable Laws), the adoption of any Owners Association rules prescribed by the Master Developer and where required or permitted under Applicable Laws
- (c) the conversion will not entail a reduction in aggregate Service Charges allocated to and payable by the Owner of the Plot or in the case of a subdivision on a single ownership basis (including Volumetric Subdivision) the Owners of each new Plot;

4.6 Utilities

- 4.6.1 Every Owner shall be responsible for connection to and paying for all Utilities required in connection with his Plot or Unit.
- 4.6.2 At the Master Developer's option, each Owner shall purchase Utilities servicing or to service any part of the Master Community from the Master Developer or a third party operator authorised by the Master Developer.

4.7 Fencing

- 4.7.1 Subject to clause 4.7.3, Owners that own Plots with a common boundary with an adjoining Plot shall be responsible for the maintenance and repair of any common boundary fences between such Plots (including any foundation, foundation walls or support reasonably necessary for the support and maintenance of the respective fence) to the same type and standard as the original boundary fence constructed between the Plots. The cost of any such repair and maintenance shall be contributed equally by the Owners of any such adjoining Plots unless any such repair arises as a result of damage by an Owner of one of the Plots, in which case the entire cost of repair shall be met by that Owner. All Owners agree to provide such rights of access as are reasonably required to each other for the purpose of compliance with this clause and shall be liable to compensate any other party on an indemnity basis for all costs and losses, including consequential loss, that they may sustain as a result of denial of such access or non-compliance with this clause generally.
- 4.7.2 Subject to clauses 4.7.1 and 4.7.3 where an Owner of a Plot with a common boundary with an adjoining Plot wants to compel an Owner of the adjoining Plot to assist in repairing a common boundary fence (including any foundation, foundation walls or support reasonably necessary for the support and maintenance of the respective fence) and such repairs are reasonably required, the Owner must provide one month's written notice to the adjoining Owner requiring assistance in this regard unless in the case of an emergency where no such notice will be required. Where the adjoining Owner does not provide its assistance the Owner may undertake the repairs and demand and recover from the adjoining Owner on whom the notice has been served one-half of the costs of repairing the fence.

- 4.7.3 Neither the Master Developer or any applicable Infrastructure Service Provider is liable for the cost of any maintenance or repair of any common boundary fences, boundary, retaining or other dividing walls or structures (including foundation, foundation walls or support reasonably necessary for the support and maintenance of the respective fence or walls) adjoining the Common Use Facilities or a Plot owned by the Master Developer or any applicable Infrastructure Service Provider. Where the Master Developer or any applicable Infrastructure Service Provider exercises its rights under clause 4.2.2(c), it shall be entitled to recover from the adjoining Owner full reimbursement for the costs it incurs in carrying out such maintenance.

4.8 Security

Owners shall comply with all security procedures and directions implemented and issued from time to time by the Master Developer or any applicable Infrastructure Service Provider assigned the rights to implement such procedures or directions.

4.9 Waterways (If Applicable)

- 4.9.1 The Master Developer or any applicable Infrastructure Service Provider (assigned the right to perform such duties) shall be entitled to rescue, recover or remove any abandoned, stranded, wrecked or sunk vessel or marine craft or any part thereof, within the Common Use Facilities and shall further be entitled to dispose of such vessel or marine craft or any part thereof and such contents therein in such manner and at such price as the Master Developer or any applicable Infrastructure Service Provider deems fit and the Master Developer or any applicable Infrastructure Service Provider shall deduct from the proceeds of such sale all expenses and costs incurred by the Master Developer or any applicable Infrastructure Service Provider (as applicable) in such salvage and costs incurred in respect of such sale or to recover any such costs or deficiency from the Owner responsible for such vessel or other marine craft.
- 4.9.2 The Owner responsible for such vessel or other marine craft shall indemnify and hold the Master Developer and any applicable Infrastructure Service Provider harmless against all claims, proceedings, costs, damages, expenses and losses in respect to any damage caused to any part of the Master Community by such vessel or marine craft and any claims arising from, or otherwise in connection with any action taken by the Master Developer or any applicable Infrastructure Service Provider under Clause 4.9.1.
- 4.9.3 No vehicle, boat or trailer vessel shall be parked or berthed on any part of the Master Community except in the allocated car parks, marinas, berths or other designated areas for such purposes approved by the Master Developer or any applicable Infrastructure Service Provider.
- 4.9.4 No vessel or other marine craft shall be berthed on any shoreline or quayside of the Master Community except in the appropriate areas designated and approved by the Master Developer or any applicable Infrastructure Service Provider.

4.10 Licensing

- 4.10.1 Prior to the commencement of any retail or commercial activities whatsoever upon any Plot or Unit the Owner shall obtain a trade license, or any other licenses or permits from the Master Developer and/or a Relevant Authority, as the case may be.
- 4.10.2 All Owners shall comply with the conditions of licenses or approvals issued by the Master Developer and/or a Relevant Authority as contemplated under Clause 4.10.1 for so long as they undertake any permitted retail or commercial activities.

4.11 Insurance

- 4.11.1 Subject to the provisions of this Declaration, upon taking possession of a Plot, each Owner, shall be responsible for arranging and maintaining all appropriate insurances for the Plot at its own cost, including cover in respect of Public/Third Party Liability and any other risks that a prudent party would insure against from time to time in relation to the Plot.
- 4.11.2 At all times, commencing at the time when first access to the Plot is allowed for inspection purposes each Owner will take out and maintain the following:
 - (a) Marine Hull and Associated Liabilities Insurance with a minimum liability limit of AED 20 million per occurrence (if applicable);
 - (b) Comprehensive General Liabilities insurance with a minimum limit of AED 5 million per occurrence and unlimited in respect of death or bodily injury of third party persons; (if applicable)
- 4.11.3 In addition to the obligations in clause 4.11.1 and 4.11.2, each Owner shall also ensure that during the development or any subsequent periods of repair or restoration of a Plot all contractors, as and when so contracted, shall take out the following minimum insurance coverages:
 - (a) Contractors All Risks insurances, (in the joint names of the contractors, Owner and Master Developer) including Public/Third Party Liability insurance with a minimum limit of indemnity of AED 10 million for any one occurrence;
 - (b) Contractor's Plant and Machinery insurances (to be insured for new replacement value);
 - (c) any other insurances which the Master Developer may require from time to time.
- 4.11.4 In addition to the obligations in clause 4.11.1, 4.11.2 and 4.11.3, each Owner shall ensure that following the completion of development and/or construction on any part of a Plot the following insurance policies are taken out by the person or entity with the relevant insurable interest:
 - (a) Property All Risks insurances for the full replacement cost of all buildings, fixtures, fittings, plant, machinery and contents on the relevant completed part of a Plot;

- (b) Comprehensive General Liability insurances with a minimum limit of indemnity of AED 10 million for any one occurrence and where relevant person or entity distributes or markets foods, consumable or durable products, AED 10 million for any one occurrence and AED 20 million in the annual aggregate in respect of Products Liability arising out of the manufacture, sale or distribution of goods in connection with a business;
- (c) Workmen's Compensation insurances in respect of all personnel covering the provision of Applicable Laws containing an Employer's Liability extension with a limit of not less than AED 5 million per occurrence;
- (d) Automobile Liability insurance for all motorized vehicles entering that part of the completed Plot, with a third party property damage limit of not less than AED 1 million per occurrence;
- (e) such appropriate and applicable Hoteliers Liability insurances for that part of the completed Plot relating to the permitted operation of a resort (where applicable);
- (f) any other insurance as the Master Developer may require from time to time.

4.11.5 All insurance policies required under this Clause shall:

- (a) be maintained indefinitely, with insurers of sound financial standing and repute registered to underwrite such risks in the UAE (unless taken out under Clause 4.11.3 where such insurances shall be taken out during actual development periods);
- (b) be maintained without cost to the Master Developer and any applicable Infrastructure Service Provider;
- (c) contain an endorsement providing that the Master Developer and any applicable Infrastructure Service Provider shall receive at least ten (10) business days' prior written notice of any material modification, reduction or cancellation thereof;
- (d) except for the insurances required in clauses 4.11.2.(c) and 4.11.2.(d), contain an endorsement providing that no act, omission or negligence of the any insured party shall affect the validity or enforceability of the insurance insofar as an Owner is concerned;
- (e) except for the insurances required in clauses 4.11.2.(c) and 4.11.2.(d), contain a waiver of subrogation against the Master Developer and any applicable Infrastructure Service Provider; and
- (f) contain deductibles which are no larger than is customary for similar policies covering similar properties and risks in the geographic market in which the Plot is located;
- (g) with respect to any Public Liability insurance as required in 4.11.1.(b), 4.11.3.(a), 4.11.1.(b) have the Master Developer and any applicable infrastructure Service Provider, named as an additional insured, and contain a Cross Liabilities clause, which treats each insured as if separately insured.

4.11.6 Owners shall promptly pay the premiums for all policies required under this clause as they become due and payable.

- 4.11.7 Not later than ten (10) business days prior to the expiration date of each insurance policy required under this clause Owners shall deliver to the Master Developer and any applicable Infrastructure Service Provider an insurance certificate or other evidence satisfactory to the Master Developer and any applicable Infrastructure Service Provider, of that policy's renewal. Owners shall also immediately upon the request at any time of the Master Developer or any applicable Infrastructure Service Provider, furnish to the Master Developer or any applicable Infrastructure Service Provider (as applicable) certificates of insurance evidencing the existence of all policies taken out under this clause.
- 4.11.8 All of the amounts mentioned in this Clause shall be adjusted annually by an amount which reasonably reflects the rate of inflation in the Emirate of Dubai from time to time as determined by the Master Developer in its sole discretion.
- 4.11.9 If any Owner fails to maintain any of the insurance required to be maintained by such Owner under this clause or does not comply with clause 4.11.7, then the Master Developer or any applicable Infrastructure Service Provider shall have the right (but not the obligation) to give the defaulting Owner written notice of such default specifying the particulars of it. The Owner upon receiving such a notice shall have a period of 10 (ten) days in which to cure such default. If the defaulting Owner does not cure such default within the 10 (ten) day period, the Master Developer or any applicable Infrastructure Service Provider may (but is not obliged to) then take out any such Policy and bill the defaulting Owner for the expense incurred.
- 4.11.10 Neither the Master Developer nor any Infrastructure Service Provider are under any obligation to ensure that Owners comply with this clause 4.11, and neither one will have any liability towards Owners or any other person in the event of Owners' non-compliance with this clause or generally in relation to obligations arising under this Declaration.

4.12 Public Space Advertising and Signage

The Master Developer or any applicable Infrastructure Service Provider (assigned the rights) shall have the right to all public space advertising in and upon the Common Use Facilities and shall set all public signage standards and controls in the Master Community generally. The Master Developer or any applicable Infrastructure Service Provider shall have the right, but not the obligation to collect revenues derived from such advertising and to apply the net revenues towards the costs incurred by the Master Developer or any applicable Infrastructure Service Provider in undertaking its obligations under this Declaration. Alternatively, the Master Developer may retain such revenues for its own benefit at its own discretion. The Master Developer or any applicable Infrastructure Service Provider shall have the right to control and determine all marine navigation aids (if applicable), road, directional and identification signage in the Master Community, subject to the requirements of any Relevant Authority.

4.13 Public Events

No public events may be held in or on any part of the Common Use Facilities without the prior written consent of the Master Developer or any applicable Infrastructure Service Provider having assigned or sold rights over the Common Use Facilities. The Master Developer or any applicable Infrastructure Service Provider shall have the right, as a term of its consent, to manage and promote all such permitted public events in or upon the Common Use Facilities. The Master Developer shall have the right, but not the obligation to collect revenues derived from such permitted events and to apply the net revenues towards the costs incurred by the Master Developer or any applicable Infrastructure Service Provider in undertaking its obligations under this Declaration. Alternatively, the Master Developer or any applicable Infrastructure Service Provider may retain such revenues for its own benefit at its own discretion. The Master Developer or any applicable Infrastructure Service Provider shall have the right to hold any event in or on any part of the Common Use Facilities without any cost or charge.

4.14 Intellectual Property

4.14.1 The Intellectual Property is the sole and exclusive property of the Master Developer and any goodwill that may develop in relation to it, whether directly or indirectly, as a result of an Owner's use of the Intellectual Property shall enure solely to the benefit of and become the sole property of the Master Developer.

4.14.2 Owners shall not:

- (a) use any Intellectual Property without the express written authorisation of the Master Developer;
- (b) adopt or use any intellectual property that is confusingly similar or identical to or is a simulation or imitation of any of the Intellectual Property;
- (c) at any time use or apply to register in its own name in any part of the world any of the Intellectual Property or any intellectual property so nearly resembling the Intellectual Property as to be likely to deceive or cause confusion;
- (d) use the Intellectual Property or any intellectual property confusingly similar thereto in any part of the world as part of any corporate business or trading name or style or domain name or register in its own name as a trading name or domain name any of the Intellectual Property or any intellectual property so nearly resembling them as to be likely to deceive or cause confusion.

4.15 Proprietary Rights

Every Owner agrees that the Logos, trade names and trade marks rights owned by the Master Developer, are the sole and exclusive property of the Master Developer, as the case may be, and that any imitation or use of any of these whatsoever, in any shape or form, by the Owner, or any other person, is expressly prohibited without the consent of the Master Developer. Every Owner shall indemnify and hold the Master Developer harmless against all claims, proceedings, costs, damages, expenses and losses in respect of any claims arising from, or otherwise and payments received therefrom in connection with the use by the Owner of the Logos without the Master Developer's consent.

4.16 Laws and Regulations

Each Owner shall, in its use of its Plot, Unit or any of the Common Use Facilities, comply with Applicable Laws now or from time to time in force in relation to the use of the Plot, Unit or any of the Common Use Facilities or anything done within or upon them.

4.17 Address for Service

4.17.1 The address at which all documents and notices may be delivered to an Owner shall be the address of the Owner's Plot or Unit or such other address as advised in writing by the Owner in accordance with clause 4.17.3 below.

4.17.2 It shall be competent to give any notice to an Owner by any one or all of the following methods:

- (a) hand or courier delivery
- (b) pre-paid post;
- (c) facsimile where the Owner has advised the Master Developer in writing of his facsimile number, and where such delivery is also followed by any one or all of the means of delivery specified in clause 4.17.2 (a) and (b) above; or
- (d) email where the Owner has advised the Master Developer in writing of his email address, and where such delivery is also followed by any one or all of the means of delivery specified in clause 4.17.2 (a) and (b) above.

4.17.3 An Owner may by notice in writing to the Master Developer alter his address for service, provided such new address shall be within the UAE. Such notification will be effective 14 (fourteen) days after its receipt. In this regard an Owner may provide the address of a local agent it has appointed within the UAE specifically for the purposes of this clause.

4.17.4 A notice shall be deemed to have been properly served where it is given in accordance with clause 4.17.2 above. The date of service of such notice shall be:

- (a) where served by hand or courier delivery, the date of delivery;
- (b) where served by pre-paid post, the date of postage; and
- (c) where served by facsimile or email, the date of such facsimile or email transmission.

5 Rules and Development Control Regulations

In order to protect the interests of every Owner and to ensure the maintenance and promotion of harmony in the physical and social environment of the Master Community, every Owner shall comply with the Rules and the Development Control Regulations.

The Master Developer reserves the right to itself or its Managing Agent to take any appropriate action to enforce the provisions of the Declaration, its Rules and the Development Control Regulations which shall include the right to initiate proceedings to enforce compliance, recover damages, fine, issue penalties, restrain, correct and abate violations of them. An Infrastructure Service Provider reserves the right to itself or its Managing Agent to take any appropriate action to enforce the provisions of the Declaration, its Rules (applicable to the Common Use Facilities) which shall include the right to initiate proceedings to enforce compliance, recover damages, fine, issue penalties, restrain, correct and abate violations of them.

6 Relationships with Master Developer

6.1 Payment of Service Charges and Provision of Services

6.1.1 The Master Developer shall be obliged to pay Service Charges with respect to those Plots within the Master Community it has not yet sold and those Plots or Units it continues to own as Owner.

6.1.2 The full and proper performance of the Master Developer's obligations under this Declaration is conditional upon the prompt and full payment of Service Charges due to it by the Owners. The Master Developer reserves the right to withdraw or to vary the services that it performs under this Declaration from time to time to ensure as far as is reasonably possible that the Expenses incurred in the provision of services by the Master Developer do not exceed the Service Charges actually collected by the Master Developer.

6.2 Development

The Master Developer and any Infrastructure Service Provider (licensed such rights) shall enjoy unrestricted rights with regard to the development and marketing of the Master Community and, in particular, the right to erect signage within the Master Community, and to perform all activities normally associated with development, marketing, maintenance services and building operations as deemed necessary by the Master Developer.

6.3 Alienation of Common Use Facilities

The Master Developer and any successor Infrastructure Service Provider shall be entitled to sell, transfer, exchange, grant or assign any interest it may have in the Common Use Facilities at any time without the need for the consent of any Owner. The Master Developer and any successor Infrastructure Service Provider need not furnish notice of such sale, transfer, exchange, grant or assignment to the Owners and all Owners consent to any such sale, transfer, exchange, grant or assignment.

6.4 Assignment of Declaration

The Master Developer shall be entitled to assign this Declaration or any part hereof, and its rights and obligations under it and all and any part of them including, without limiting the generality of the foregoing, the power to collect Service Charges to third parties by way of a written assignment or sub-contract agreement or as part of any document recording the alienation of the Common Use Facilities, provided that any third party to whom this Declaration or any rights and obligations hereunder are assigned, shall be fully bound by the provisions of this Declaration in the place of the Master Developer. The Master Developer need not furnish notice of such assignment or sub-contract to the Owners and all Owners hereby consent to any such assignment or sub-contract.

6.5 Master Developer's Commercial Facilities

- 6.5.1 In addition to providing the Common Use Facilities, the Master Developer shall reserve the right to make the Master Developer's Commercial Facilities available to Owners or the general public, at their option, upon payment of charges or membership fees and upon such terms and conditions as imposed by the Master Developer from time to time.
- 6.5.2 Costs and expenses incurred and revenues derived in relation to the operation, management and administration of the Master Developer's Commercial Facilities are the sole responsibility, and are for the exclusive benefit of, the Master Developer and shall in no way be applied towards the costs incurred by the Master Developer in undertaking its obligations under this Declaration.

6.6 Casualty

- 6.6.1 In the event any or all of the buildings or Improvements situated on any Plot are damaged or destroyed by any casualty, the Owner upon whose Plot such buildings or Improvements were located shall promptly repair and/or reconstruct such buildings or Improvements in accordance with the applicable provisions of this Declaration. The Owner will be liable for payment of the Service Charges during this period based on the previous years calculated area and subject to any extra charges that the Master Developer deems fit.
- 6.6.2 Upon any damage or destruction to any of the Common Use Facilities, the Master Developer shall restore, repair or rebuild such damaged or destroyed Common Use Facilities (or any damaged or destroyed section of them) provided that either:
 - (a) the proceeds from the insurance obtained by the Master Developer under Clause 2.1.1(k) cover the full replacement cost of all of the relevant Common Use Facilities;
 - (b) if Clause 6.6.2(a) does not apply, the Reserve Fund has sufficient funds (together with any insurance proceeds referred to in Clause 6.6.2(a)) to meet the full replacement cost of all relevant Common Use Facilities; or
 - (c) if Clauses 6.6.2 (a) and (b) do not apply, the Master Developer has received sufficient funds from Owners under a Special Levy (together with any insurance proceeds and/or funds available for use in the Reserve Fund referred to in Clauses 6.6.2(a) and (b)) to meet the full replacement cost of all relevant Common Use Facilities.

6.7 Amendment and Force of Declaration

- 6.7.1 The Master Developer may in its sole discretion add to, amend, substitute or repeal any provision of this Declaration within ten (10) years of the date upon which this Declaration comes into force.
- 6.7.2 This Declaration shall come into force and be binding on the Master Developer and all Owners from the date of this Declaration.

6.8 Liability

- 6.8.1 Neither the Master Developer, any Managing Agent, any Infrastructure Service Provider nor their respective shareholders, partners, members or other principals, directors, officers, employees, attorneys, agents and/or other representatives shall be liable for any damage, loss or prejudice suffered or claimed, directly or indirectly, on account of:
- (a) the approval or disapproval of any plans, drawings and specifications or development applications in respect of the Master Community or any part of the Master Community whether or not defective;
 - (b) the construction or performance of any work in respect of the Master Community or any part of the Master Community whether or not made under approved plans, drawings and specifications;
 - (c) any changes in Applicable Laws that affect the use, the intended use, description or value of the Master Community, Plot, Multi-Owned Property or Unit as provided at the time of purchase; or
 - (d) the development of or failure to develop any part of the Master Community by an Owner,

unless due to the willful misconduct of the Master Developer or applicable Infrastructure Service Provider, as applicable (in which case the Master Developer's and the applicable Infrastructure Service Provider's liability shall be limited to claims for specific performance, with the exclusion of claims for damages of any sort), or any individual member thereof (in which event only those persons actually guilty of willful misconduct shall be liable).

- 6.8.2 Neither the Master Developer nor any Infrastructure Service Provider shall be liable for any error of judgment or for any mistake of fact or law or for anything which it may do or refrain from doing under this Declaration, and the Owners agree to indemnify and hold the Master Developer and any Infrastructure Service Provider harmless from and against all claims, damages and costs incurred in connection with its rights or duties under this Declaration, except to the extent of the Master Developer's or Infrastructure Service Provider's (as applicable) willful misconduct, gross negligence or breach of or default under this Declaration.
- 6.8.3 Notwithstanding any other term of this Declaration, neither the Master Developer nor any Infrastructure Service Provider shall be liable for any losses or damages which are consequential, punitive, exemplary or statutory, nor for any loss of use or loss of value of a Plot or Unit.

6.9 Change in Use of Common Use Facilities

The Master Developer and any successor Infrastructure Service Provider shall be entitled to change the mix, use and availability of Common Use Facilities at any time at its discretion without the need for the consent of any Owner. The Master Developer and any successor Infrastructure Service Provider need not furnish notice of such change in use, mix or availability to the Owners and all Owners consent to any such change in use, mix or availability. To the extent that a change of use of any Common Use Facilities is such that they are no longer available for the common use and enjoyment of the Owners (except temporarily) then such assets shall no longer be deemed Common Use Facilities.

7 Governing Law & Jurisdiction

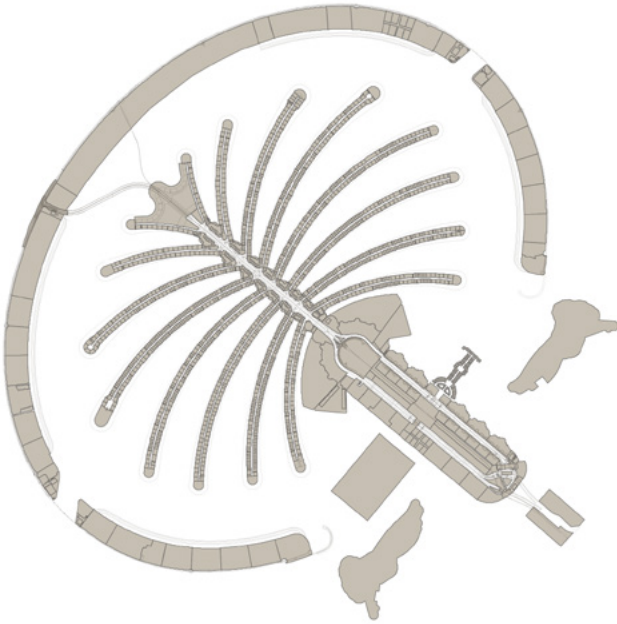
This Declaration shall be governed by the Laws of the UAE and the Laws of Dubai and any legal action or proceeding with respect to this Declaration shall be subject to the non-exclusive jurisdiction of the Courts of Dubai, UAE.

Schedule A Master Community and Master Developer

Master Community	Master Developer
Palm Jumeirah	The Palm -Jumeirah Co. LLC
International City	International City Co. LLC
Al Furjan	Al Furjan Co. LLC
Discovery Gardens	Discovery Gardens Co. LLC
Waterfront	Dubai Waterfront LLC
Jumeirah Heights	Jumeirah Heights Co. LLC
Jumeirah Islands	Jumeirah Islands Co. LLC
Jumeirah Park	Jumeirah Park Co. LLC
Jumeirah Village	Jumeirah Village Co. LLC
Palm Deira	Palm Deira Co. LLC
Palm Jebel Ali	Palm Jebel Ali Co. LLC
Al Warsan	Al Warsan Co. LLC
Dubai Promenade	Dubai Promenade LLC
Mina Rashid	Mina Rashid Developments LLC
Jebel Ali Village	Jebel Ali Village LLC
Dubai Islands	Dubai Islands LLC

Schedule B Master Plan for Each Master Community

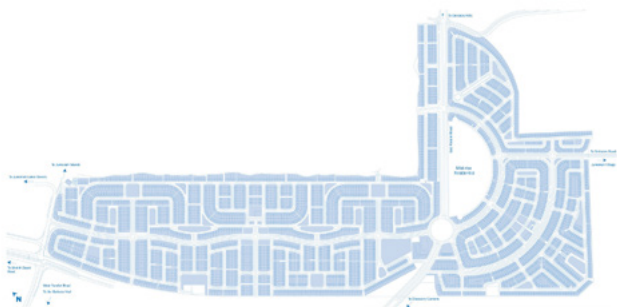
**PALM
JUMEIRAH**



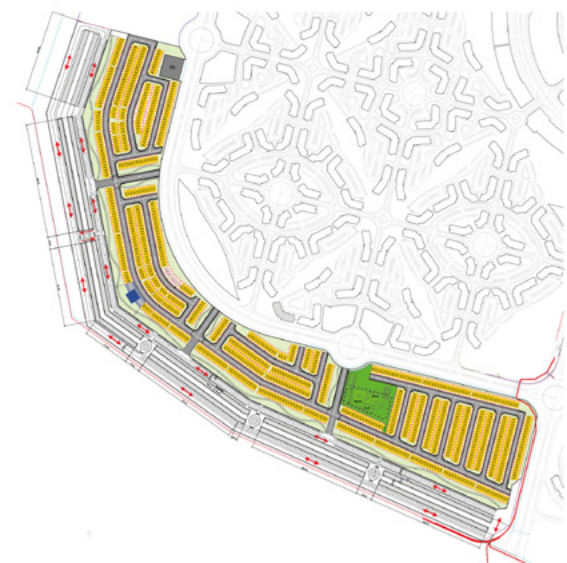
**JUMEIRAH
VILLAGE**



**JUMEIRAH
PARK**

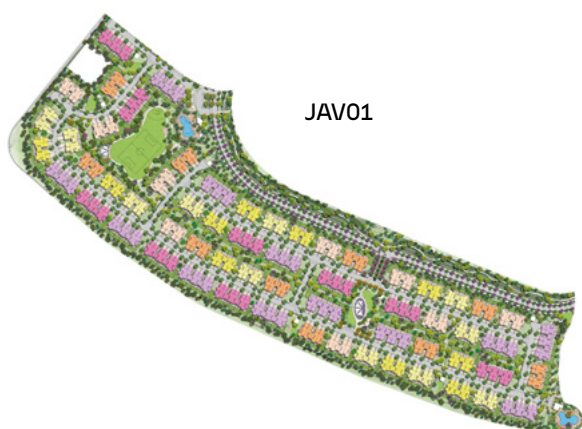


**warsan
VILLAGE**

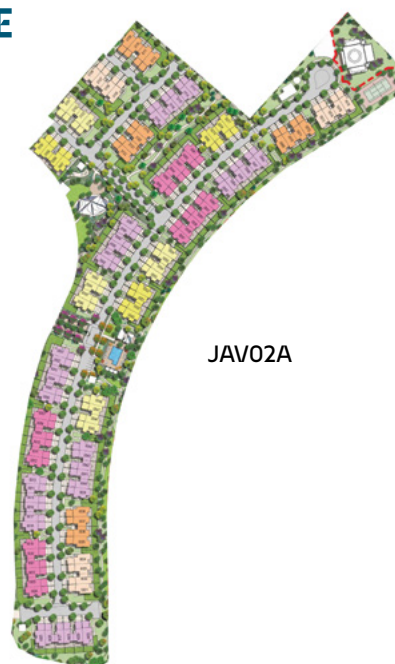


Schedule B Master Plan for Each Master Community

JEBEL ALI VILLAGE



JEBEL ALI VILLAGE



JEBEL ALI VILLAGE

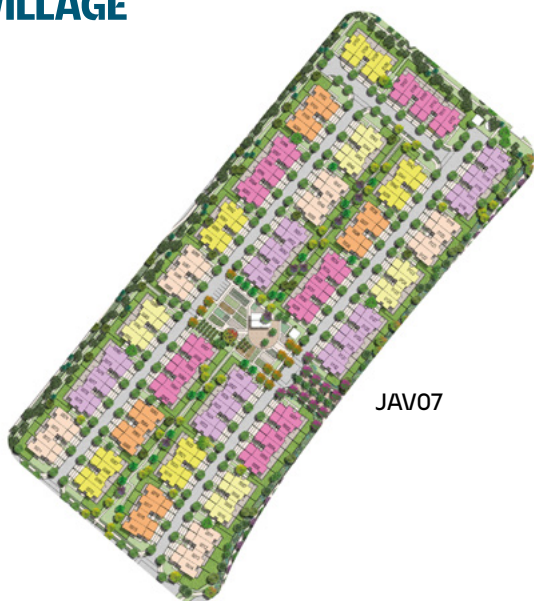


JEBEL ALI VILLAGE



Schedule B Master Plan for Each Master Community

JEBEL ALI VILLAGE



TILAL
AL FURJAN



DUBAI ISLANDS



Schedule D

Rules for Each Master Community

1. Establishment of Community Rules

1.1 Title

The statements, procedures, regulations and requirements contained in Part A as amended from time to time will be known as the “Community Rules of the Master Community” or the “Community Rules” or “the Rules”, and such references will include the singular where applicable.

All capitalized terms and conditions in these Rules will, unless expressly stated otherwise, bear the meaning attributed to them in the Declaration of The Master Community (“Master Declaration”).

1.2 Authority

The Managing Agent as appointed from time to time by the Master Developer, is authorized to ensure compliance with these Rules by each Owner and Occupier of the Master Community, to recommend amendments to these Rules, and interpret the application of these Rules to all Community Users. (Including but not limited to their visitors, guests, contractors, employees, clients, customers and business associates) (together known as the “Community Users”).

1.3 Territorial Applicability

The Rules will apply to all use and enjoyment of land, water, facilities and structures located within the Master Community and will bind all Community Users.

1.4 Objective

The objectives of the Rules are to regulate the use and enjoyment of land, water, facilities and structures located within the Master Community in accordance with the Master Plan, and to protect the rights of privacy and enjoyment of all Community Users whilst ensuring that high standards of architecture, landscaping, maintenance and safety are achieved and maintained.

1.5 Legitimacy and Purpose

The Rules are given force and effect by the Master Declaration and are to be interpreted in conjunction with it. The Rules exist for the benefit of the Community Users and are designed to create an environment in which all Community Users can maximize enjoyment of their private homes and the Common Use Facilities. The Rules are created to ensure a serene, attractive and safe character and environment for the families, children, neighbours, and guests of the Master Community and to protect the investment of all Community Users. When in doubt, common sense and courtesy will prevail.

1.6 Rights of Privacy and Enjoyment

All Community Users are entitled to the right to privacy within their own homes and the right of enjoyment and use of a clean, pleasant, attractive, safe and well-maintained community.

1.7 Obligation to Respect Rights of Others

Community Users must respect the rights of privacy and enjoyment held by their fellow Community Users.

1.8 Interpretation

If an issue arises concerning discrepancies, inconsistencies or ambiguities within these Rules, the Managing Agent will interpret these Rules, clarify the issue, and where appropriate, amend these Rules accordingly.

1.9 Amendments

These Rules may be amended from time to time in accordance with Section 2, Administration and Procedures. Amendments must be consistent with the policies and purposes of these Rules. Amendments will come into effect at the date of adoption and from that date will form part of these Rules.

1.10 Public Liability

Use of and presence on the Common Use Facilities is entirely at the risk of each and every Community User. Neither the Master Developer nor the Managing Agent is responsible for any loss, damage, theft or injury to persons or property (including, but not limited to, loss of life), which may arise from use of or presence on the Common Use Facilities by Community Users.

2. Administration and Procedures

2.1 Powers and Duties

2.1.1 The Managing Agent is authorized to administer and enforce these Rules.

2.1.2 The Managing Agent will be responsible for monitoring the use of land, water, facilities and structures within the Master Community, receiving complaints, enforcing compliance with the provisions of the Rules, and the general administration of the Rules, including processing of permits and amendments.

2.2 By-Law Amendments

Whenever necessity, general welfare or administrative requirements justifies such action, the Managing Agent may amend any part, chapter, section, provision, standard or procedure of these Rules with the prior approval of the Board of the Managing Agent.

2.3 The Majlis

The Managing Agent may provide for meetings (“Majlis”) as a forum for discussing Community Users’ concerns and suggestions regarding the Master Community. The Managing Agent in its sole discretion will determine the timing and locations of the Majlis (if any). Issues raised in the Majlis will be seriously considered, both for their merit and for Master Community consensus. Final decisions will be at the sole discretion of the Managing Agent.

2.4 Enforcement

2.4.1 Awareness

Community Users and Managing Agent staff are encouraged to regularly view the surrounding neighbourhood to familiarize themselves with the existing structures, design intent and natural beauty of the Community, and to maintain awareness of any breach of these Rules.

2.4.2 Complaints

Where any Community User breaches these Rules or otherwise inconveniences another Community User, the injured party is encouraged to notify the offending party of the breach or inconvenience in a polite and honest manner.

Where Community Users are unable to resolve disputes or complaints directly between themselves, they may refer them in writing to the Managing Agent. The forum to receive complaints or suggestions will be determined by the Managing Agent, who is empowered to make final and binding determinations where appropriate.

The Managing Agent is authorized to take action to remedy any matter that is the subject of a complaint or dispute under these Rules in any manner it deems appropriate in the circumstances, or refer such a matter to a Relevant Authority. Such referral will be at the sole expense of either the referring or offending Community User, as determined by the Relevant Authority.

2.4.3 Review

The Managing Agent will review all complaints and its staff will visit the area of an alleged breach. If possible, videotape and/ or photographs will be created to document alleged non-compliance with these Rules. The Managing Agent will meet to review the facts and determine what breach(s) exist, if any, and what specific section(s) of the Rules have been breached.

2.4.4 Immediate Action

If, in the opinion of the Managing Agent, a breach of these Rules exists, which threatens persons or property, or, in the reasonable opinion of the Managing Agent, is likely to cause damage to the Master Community in any way, the Managing Agent is authorized to immediately enforce these Rules.

The Managing Agent is authorized to pursue any breaches of these Rules immediately until such breaches have been corrected. This includes, but is not limited to, levying on individual Residents such penalties as the Managing Agent, acting reasonably, sees fit in the circumstances.

3. General Restrictions

3.1 Pets

- 3.1.1 Undomesticated animals, including but not limited to poultry, fowl, horses, cattle, sheep, goats and swine must not be brought into or kept within the Master Community.
- 3.1.2 Subject to Rule 3.1.3, domestic animals such as, cats, birds and fish ("Pets") may be kept as household pets within The Master Community, provided that they are not kept, bred or raised for commercial purposes, nor, as determined by the Managing Agent, kept in unreasonable quantities.
- 3.1.3 Dogs are prohibited at all times, unless approved in writing by the Managing Agent and, where relevant the Manager of the relevant Owners' Association.
- 3.1.4 Community Users are fully responsible for their Pet at all times and any damage or nuisance caused by their Pets will be solely attributed to the Pet Community Users.
- 3.1.5 Subject to Applicable Laws, the Managing Agent is authorized to request a Relevant Authority to impound and remove any type of animal (including Pets) from the Master Community, which, in the Managing Agent's opinion, may pose a nuisance or threat to the Community Users.

3.2 Dangerous and Illegal Articles and Activities

Hunting, trapping and discharge of firearms and the use of toy guns which can inflict damage on persons or property is strictly prohibited within the Master Community, as is the storage or possession of such firearms or any explosives, hazardous chemicals or other dangerous items.

3.3 Dumping

Dumping of ashes, trash, rubbish, sawdust, garbage, landfill, rocks, grass and landscape cuttings, solid waste and any other type of refuse or other unsightly or offensive materials is strictly prohibited within the Master Community. Community Users are responsible, at their own cost, for the removal of all such material from the Master Community, other than household waste.

3.4 Littering and Vandalism

The acts of littering, graffiti or vandalism are strictly prohibited within the Master Community and any Community User in breach of this Rule will be strictly liable for the cost of cleaning, repair or replacement of damaged or affected property.

3.5 Signage

Signs, advertisements, notices or other lettering should not be exhibited, displayed, inscribed, painted or affixed to a building or its entrance or any part of the Common Use Facilities without the written Approval of the Managing Agent.

3.6 Home Use

- 3.6.1 Residential Plots or Units designated as such by the Development Control Regulations of the Master Community ("Residential Homes") are to be used for residential purposes only. No business or commercial activity to which the general public is invited may be conducted within Residential Homes without prior written permission from the Managing Agent.
- 3.6.2 The total amount of persons residing in a Residential Home at any given time must not exceed two times the amount of bedrooms contained within that Residential Home designated as such by the Development Control Regulations of the Master Community for that Residential Home.

3.7 Leasing Residential Homes

Community Users are responsible for ensuring that all occupants of their Residential Homes comply with the Rules at all times.

3.8 Solicitation

Solicitation by any person in, on or about Residential Homes for any cause, charity or any other purpose whatsoever is strictly prohibited.

3.9 Applicable Laws

Community Users are prohibited from engaging in any activity that breaches Applicable Laws.

4 Common Use Facilities

4.1 Access and Use

- 4.1.1 Community Users are not permitted to operate any kind of water craft within the Waterways of the Community Use Facilities without the prior written approval of the Managing Agent.
- 4.1.2 Community Users wishing to hold private functions comprising more than 10 guests in any park or other part of the Common Use Facility must obtain the Managing Agent's prior permission in order to ensure access for other Community Users. The Managing Agent will operate a booking system in this regard. Community Users may only book such functions within the park or other area in the proximity of their residence. The Managing Agent may require the payment of a deposit when accepting the booking, which may apply towards any clearing costs or other costs arising from the function. The Community User reserving a booking will be responsible for any damage to or cleaning of the applicable park, or other area arising from their private function.
- 4.1.3 The entrances, pathways and access roads of the Master Community must not be obstructed or used for any purpose other than ingress and egress to and from Community Users' properties. Carts, carriages, chairs, tables, bicycles and other similar objects such as toys, brooms, shoes, garbage cans/bins, recycling bins and potted plants must not be stored in the Common Use Facilities.

- 4.1.4 Community Users must not engage or hire any contractor or subcontractor to perform any type of work or services to the Common Use Facilities.
- 4.1.5 Community Users must not damage, or modify any landscaping located within the Common Use Facilities.
- 4.1.6 Nothing may be altered, constructed or removed from any part of the Common Use Facilities without the prior written Approval of the Managing Agent.
- 4.1.7 Community Users must not drive any vehicle on any community facility located within the Master Community, unless in an emergency.
- 4.1.8 The plant, filtration and telephone rooms contained within the Master Community are strictly 'out of bounds' to all Community Users at all times unless access is granted specifically by the Managing Agent.

5 Vehicles

5.1 Parking

- 5.1.1 Car Parking is permitted in areas designated by the Managing Agent. Cars must not be parked on pavements, gardens, lawn areas, road verges, beaches, footpaths, landscaped areas or in front of Master Community entry drives or fire hydrants.
- 5.1.2 With the exclusion of emergency repairs and maintenance, Community Users must not carry out mechanical, painting, repair or other modifications to vehicles located upon any part of the Common Use Facilities.
- 5.1.3 The Managing Agent (or any Relevant Authority) may tow away or clamp vehicles that obstruct or hinder traffic movement, or are in any other way in breach of these Rules.

5.2 Operation

- 5.2.1 Unless signed differently, the maximum speed limit on the roads and thoroughfares of the Master Community is 40 kilometres per hour. Community Users must comply with the applicable speed limit at all times.
- 5.2.2 Vehicles that discharge fluids or damage the streets within the Master Community in any way must be removed or repaired. Community Users are responsible for the cleanup and/or repair or the reimbursement to the Managing Agent for the cleanup and/or repair required as a consequence of such damage.

6 Maintenance and Repair

6.1 Garbage and Unsightly Matters

- 6.1.1 Community Users must make separate arrangements, at their own cost, for collection of large and/or heavy items.
- 6.1.2 Community Users must not keep or use incinerators on their properties.

6.2 Yards and Landscaping

- 6.2.1 Community Users are solely responsible at their own expense for developing and maintaining the landscaped areas within their individual properties. Such maintenance includes keeping shrubs, trees, grass and other plantings neatly trimmed, properly cultivated and maintained, and keeping each property free of debris and maintained in such a manner as to enhance its overall appearance.
- 6.2.2 The Managing Agent, at its sole discretion, will determine an acceptable condition of landscape and yard maintenance.
- 6.2.3 Major landscape improvements must not be implemented without the Managing Agent's Approval. The Managing Agent may remove any unapproved major landscape works at the applicable Community Users' cost. Major landscape improvements include (but are not limited to) construction of irrigation systems, swimming pools or other external structural elements or works.
- 6.2.4 Community Users are prohibited from removing trees, large plants or shrubs, grass or other plantings that are detrimental to the overall appearance of each property from either the front or rear garden (irrespective of whether the Community User or the Managing Agent is responsible for the original planting) or the Common Use Facilities without the prior Approval of the Managing Agent.
- 6.2.5 Community Users are prohibited from sinking water wells anywhere within the Master Community.
- 6.2.6 In developing landscaped areas Community Users must respect adjoining Community Users' right to quiet enjoyment of their properties by ensuring that overhanging shades and the like do not adversely affect adjoining properties. Specifically, Community Users must not restrict or obstruct their neighbours' views to, along or over and waterways within the Master Community.
- 6.2.7 Community Users must not plant on or landscape any part of the Common Use Facilities without the prior Approval of the Managing Agent.
- 6.2.8 Community Users and their contracted landscape services providers are solely responsible for the disposal of green waste and must not deposit such waste anywhere within the Common Use Facilities (including waterways).

6.3 Exterior Appearance

Subject to Rule 7 (and in particular Rule 7.1.2), Community Users must maintain at all times the exterior appearance of their properties in a manner which befits the high standard of development contained within the Master Community to the reasonable satisfaction of the Managing Agent.

7 Alterations and / or Additions

7.1 Private Properties and Common Use Facilities

- 7.1.1 Community Users must not make modifications to structural walls (including boundary walls), interior house layout or plumbing, mechanical and electrical systems or to any part of the Common Use Facilities, without the prior written Approval of the Managing Agent. All documents detailing such changes must be approved by the Managing Agent before works commence.
- 7.1.2 Community Users must not make any modifications affecting the appearance of the exterior of any property, including but not limited to balconies, awnings, canopies, sun shades, front and rear fencing, air conditioning units and related equipment, fans, screens, gutters, storm doors, satellite dishes, external radio or TV antennae and enclosures of any kind such as gazebos, pergolas, sheds, painting of the exterior, permanent decorations (excluding holiday decorations) or any other changes without the prior written Approval of the Managing Agent. All documents detailing such changes must be approved by the Managing Agent before works commence.
- 7.1.3 Community Users must not install wiring for electrical or telephone use, air conditioning units or other such machines or equipment which is otherwise visible on the exterior of their property, without the prior written Approval of the Managing Agent.
- 7.1.4 Community Users must not carry out any work in or to any property or part of the Common Use Facilities which might impair their structural integrity, or otherwise structurally alter their composition.
- 7.1.5 As a pre-condition to Approval of any works listed in Rules 7.1.1 – 7.1.4 the Managing Agent may require that all contractors engaged by Community Users to carry out such works are fully insured and provide it with current insurance certificates and associated documentation.
- 7.1.6 All Alterations, Improvements to or constructions on Improvements on any Plot require the prior written Approval of the Managing Agent.
- 7.1.7 The Managing Agent is entitled to charge an application fee or consultation fee to process any modification or construction proposals submitted by Owners. As a condition of Approval to any applications, the Managing Agent may also require the Owner or Applicant to provide a security bond to the Managing Agent to ensure compliance with all development conditions included in any Approval granted by the Managing Agent. The terms for the provision of the security bond will be determined by the Managing Agent on a case by case basis.

7.2 Balconies

- 7.2.1 BBQs on apartment balconies constitute a fire hazard and are not permitted without the Approval of the Managing Agent.
- 7.2.2 Community Users must not make any structural changes to their balconies without the prior written Approval of the Managing Agent.

7.3 Pools and Spas

Community Users are solely responsible for activities carried out on their own private property and are liable for any damage, loss or injury which may occur on their own private property, including damage, loss or injury caused by accidents in, on, or around privately owned swimming pools or spas.

8 Temporary Decorative Lighting

- 8.1 Lighting decorations causing complaints from neighbouring Community Users must be turned off or removed upon request.
- 8.2 Decorative lighting for private celebrations such as weddings, parties or other events requires the Managing Agent's prior written Approval.

9. Visitors

Where physical access restrictions apply within the Master Community, Community Users are required to make prior arrangements with the Managing Agent's security for the entry of other Community Users such as their visitors, clients, customers and trades people. Directions issued by the Managing Agent's security personnel must be followed at all times.

10. Applications

The Managing Agent may establish application procedures for the use or modification of properties within the Master Community or their surrounding landscape, and charge an appropriate fee for the assessment and processing of such application.

11. The Managing Agent

The Managing Agent can be contacted by calling +971 4 390 3333, faxing +971 4 361 2673 or writing to Nakheel Asset Management at PO Box 17176, Dubai, UAE.

Part B: Code of Behaviour

This Code of Behaviour (“Code”) has been developed to promote good neighbourly relations and is for the benefit of all Community Users. All Community Users are expected to abide by the Code. Whilst the Code does not form part of the Rules and is not mandatory as such, compliance with the Code by all Community Users will ensure that the Master Community is a vibrant, enjoyable and orderly community in which to live and visit. If any part of the Code is repeatedly ignored to the detriment of other Community Users the Managing Agent reserves the right at any time to elevate that part of the Code to a mandatory status (with associated compliance enforcement consequences) by incorporating it into the Rules contained in Part A.

1. General Restrictions

1.1 Nuisance Activities

Community Users should not undertake any nuisance, or obnoxious and offensive activities within the Master Community. Such activities include, but are not limited to, offensive noises, odours, smoke, vibrations, and obstruction of views. Further, any activities which may be or may become an annoyance or nuisance to the neighbourhood within the Master Community, or which may interfere with the right of quiet enjoyment held by any Community Users, or which may be considered inconsistent with the cultural values and sensitivities of the UAE should not be undertaken.

1.2 Privacy

Activities which may unreasonably interfere with a Community Users’ right of privacy within his or her private home should not be undertaken. Specifically, Community Users should:

- 1.2.1 not attempt to look into a neighbouring Plot or Unit or to look into the windows of neighbouring structures; and
- 1.2.2 take reasonable measures to protect their own privacy through the design of their window treatments and landscaping, provided that such measures do not adversely impact on the overall design elements of the Master Community or otherwise contravene the Community Rules.

1.3 Abuse of Master Community Staff

Residents are expected to treat the staff of the Managing Agent and any of its service providers in a cordial and polite manner. Verbal and/or physical abuse will not be tolerated under any circumstances and will be referred to the Relevant Authority.

1.4 Noise

Community Users should not generate loud and/or disturbing noise of any kind, including, but not limited to, noise created by pets, televisions, stereos, musical instruments, cars and motorcycle engines. However, noise from garden equipment and power tools is considered appropriate between 8:00 am to 9:00 pm Saturday to Thursday and from 9.00am to 5.00pm on Fridays and UAE public holidays, provided it is not loud and disturbing.

1.5 Pets

- 1.5.1 Pets should not be permitted to create a nuisance.
- 1.5.2 Community Users should not trap or capture wild animals on, in or under the Common Use Facilities.
- 1.5.3 Any Pet excrement deposited upon any portion of the Master Community is to be promptly removed and properly disposed of in a sanitary manner by the appropriate Pet handler.
- 1.5.4 Upon a written request of any Resident, the Managing Agent will conclusively determine at its sole discretion whether:
 - (a) an animal is a Pet; or
 - (b) a Pet is a nuisance.

2 Common Use Facilities

2.1 Access and Use

- 2.1.1 Common Use Facilities are for the exclusive use of Community Users. Community Users are requested to limit the number of guests using or present upon the Common Use Facilities to ensure access for other Community Users at all times.
- 2.1.2 Children should be under adult supervision at all times whilst using the children's play areas within the Common Use Facilities. Community Users should be aware that play equipment may become hot during summer months and should exercise caution when permitting children access to these areas.
- 2.1.3 Community Users should not permitted to use the Common Use Facilities in a manner which could adversely impact on the Master Community.

3 Vehicles

3.1 Parking

- 3.1.1 Community Users are requested to use their garages and the driveways located within their properties as the primary location for parking their vehicles. On-street parking will be reserved for visitors and should not be used for permanent parking of Community Users' vehicles. On-street parking should not block access to neighbours' residences as it is inconsiderate and a risk to public safety.
- 3.1.2 Overnight parking of any unauthorized motor vehicle is not appropriate on any street within the Master Community.

- 3.1.3 No mobile homes, caravans, trailers, shipping containers, boats, jet skis, or other recreational vehicles should be parked on the driveways or property landscape of Community Users' properties or on any of the roads or thoroughfares of the Master Community.
- 3.1.4 Oversized vehicles should not be parked on any street within the Master Community (delivery and moving vehicles excepted while performing services). An oversized vehicle is deemed to be any vehicle that does not fit into a home's garage, carport or driveway.
- 3.1.5 Inoperative vehicles should not be parked in open areas visible to other Community Users.
- 3.1.6 Community Users are responsible for ensuring their guests obey these parking guidelines.
- 3.1.7 Emergency vehicles will have unrestricted access to all areas within the Master Community when responding to Community User requests.

3.2 Operation

- 3.2.1 No motorized vehicle of any kind should be operated in any manner which is dangerous or noisy, or which in any other way creates a nuisance.
- 3.2.2 Operation of dirt bikes, quad bikes, sand buggies, and un-licensed motorized vehicles should not be undertaken within the Master Community. Child sized pedal or electric vehicles should be operated under adult supervision at all times.
- 3.2.3 All walkways located on the Common Use Facilities should remain clear at all times. Rollerblading and skateboarding should only be undertaken in designated areas.

3.3 Commercial Vehicles

Commercial vehicles should not be parked or stored within the Master Community so as to be visible to other Community Users except temporarily whilst providing a delivery or service to the Managing Agent or and Community Users. A commercial vehicle includes, but is not limited to a car, van, bus, truck, semi-trailer, tractor, or any other type of vehicle that either:

- 3.3.1 is equipped with external tracks or tool boxes; or
- 3.3.2 contains work equipment readily visible to other Community Users.

3.4 Construction Vehicles and Machinery

The operation or temporary use of construction trailers, vans, or other trucks, machinery/equipment, construction shelters or facilities during and used exclusively in connection with the construction of any approved works by the Managing Agent is permitted.

4 Maintenance

4.1 Garbage and Unsightly Matters

All garbage for collection should be placed inside specific containers provided for that purpose.

4.2 Pest Control

Subsequent to an initial Pest Control by the Managing Agent (before handover of the property) Community Users are responsible, at their own expense, for any further pest control required within the boundaries (both internal and external) of their own property. Such pest control should comply with the standard policies and procedures issued by Relevant Authorities. Community Users are, however, encouraged to inform the Managing Agent of any pests other than ants, non-poisonous spiders, bees and wasps found on their property.

5 Alterations and/ or Additions

5.1 Private Properties and Common Use Facilities

5.1.1 Community Users may decorate the interior of their properties without restriction.

5.1.2 All works to services should be carried out by licensed tradesmen with allowances made for additional loading to services. All construction noise, smoke, odour or vibrations should be kept to a minimum and comply with applicable industry regulations, or in the absence of such regulations, with UK or US construction industry best practices.

5.2 Balconies

5.2.1 Community Users should maintain the attractive exterior appearance of the Master Community by keeping their balconies in a clean and tidy condition.

5.2.2 Balconies should not be used as storage areas for any items other than seasonal furniture.

5.2.3 Linen, clothing, curtains, rugs, mops, laundry, and other articles should not be shaken or hung from any of the balconies or railings of Community Users' properties.

5.3 Pools and Spas

5.3.1 Community Users are encouraged to restrict access to their private swimming pools and spas by:

- (a) erecting barriers such as fences or walls enclosing pools and spas that are at least 1.3 metres in height above ground level comprising a design which prevents young children freely moving through or over such fences; and

- (b) erecting doors or gates providing access to pools or spas comprising self locking or self latching devices located at least 1.5 metres above ground or internal floor level (as the case may be) measured from the approach side, preventing the door or gate from being opened by a person who is unable to reach the lock or latch.

Although under the Rules, Community Users must apply to the Managing Agent for Approval to carry out such works. Such applications will not incur an application fee. Each application will be considered on its merits to balance the interests of all Community Users within the Master Community with those of the individual applicant.

- 5.3.2 Community Users should properly operate and manage their privately owned swimming pools and spas by taking all care, diligence and precautions in ensuring the safety of other Community Users within the Master Community.

6 Temporary Decorative Lighting

- 6.1 Temporary holiday or festival lighting is permitted during Eid and other religious, festive and official National holidays.
- 6.2 Flashing decorative lights, or lighting that creates glare visible from outside a property should not be installed. White colour string lights are preferred.
- 6.3 Permitted decorative lighting for holidays and celebrations may be installed and illuminated ten (10) days before the holiday or celebration and must be removed not more than four (4) days after the holiday or celebration.

7 Safety and Security

Community Users are encouraged to promote to the fullest extent possible the safety and security of the Master Community. Community Users should be vigilant and report any instance of suspicious behaviour of which they become aware to the Managing Agent, the Dubai Police or any other relevant authority. Community Users should report all incidents of theft, vandalism and breaches of the peace to both the Managing Agent, the Dubai Police and any other relevant authority immediately upon becoming aware of such acts.