

ATTACHMENT 2 TO OFFERING CIRCULAR
RULES AND REGULATIONS
OF
GRAND PANAMA BEACH RESORT CONDOMINIUM

Pursuant to the authority vested in the Board of Directors of GRAND PANAMA BEACH RESORT CONDOMINIUM ASSOCIATION, INC. (the "Association"), the following rules and regulations of Grand Panama Beach Resort Condominium (the Condominium") have been adopted by the Board of Directors of the Association (the "Board") to govern the use of the Condominium Property ("Condominium Property") as defined in the Declaration of Condominium.

1. **ENFORCEMENT.** All violations of these rules and regulations shall be reported immediately to a member of the Board, an Association officer and/or the management agent. The Board's determination shall be dispositive in the event of any disagreements concerning violations, including without limitation, disagreements regarding the proper interpretation and effect of these rules. In the event that any person, firm, or entity subject to these rules and regulations, fails to abide by any documents governing the Association, as they are interpreted by the Board, such person, firm, or entity shall be liable to be fined by the Association for each such failure to comply or other violation of these rules and regulations., which fining shall be in accordance with Section 718.303, Florida Statutes. If the Board deems it necessary, it may bring action at law or in equity in the name of the Association to enforce these rules and regulations, including any provision herein for fines. In the event any such action is instituted, and reduced to judgment in favor of the Association, the Association shall, in addition, be entitled to recover its costs and attorneys' fees incurred in enforcing these rules and regulations.
2. **OBSTRUCTIONS.** There shall be no obstruction or cluttering of the Condominium Property, including, without limitation, sidewalks, driveways, automobile parking spaces, lawns, entrances, stairways, decks, balconies or vestibules, or other Common Elements or areas. Fire exits, including stairways and walkways, throughout the Condominium Property shall remain clear at all times.
3. **DESTRUCTION OF PROPERTY.** There shall be no marking, marring, damaging, destroying, or defacing of any part of the Condominium Property. Unit Owners shall be held responsible for, and shall bear any expense of such damage caused by the Unit Owner, his family, guests, lessees and/or invitees.
4. **GUESTS.** All guests must comply with the covenants, terms, conditions and restrictions of the Declaration (and all Exhibits hereto) and with any and all rules and regulations adopted by the Association from time to time.
5. **NUDITY.** Nudity and/or indecent exposure, as defined by Florida Statutes, within any public area, including but not limited to the pool and beach area, is strictly prohibited.
6. **SEAGULLS.** Feeding seagulls on Condominium Property is prohibited.
7. **ACCESS DEVICES OR CODES.** The Association shall at all times have access to each Unit in the Condominium. No Unit Owner shall change existing access devices or codes or install additional locks unless the Association is given access thereto.
8. **AUTHORIZED PERSONNEL.** Only authorized personnel are permitted to enter upon roofs, equipment rooms or power rooms.

9. MINORS. Minors are not permitted to consume alcohol anywhere within the Condominium Property. The legal drinking age within Florida is twenty-one (21). Violators will be immediately evicted from the Condominium Property, if guests or renters, and face the possibility of prosecution.

10. LAUNDRY. No laundry, clothing or other material shall be hung or displayed on the balcony or porch of any Unit or within a Unit in a manner which is visible from the outside.

11. SMOKING. Smoking is prohibited within the Common Elements of the Condominium.

12. COMPLIANCE WITH DOCUMENTS. All members and every lessee, guest or visitor of a member, shall comply with all of the terms, conditions, covenants, restrictions and limitations contained in the Declaration of Condominium, the Articles of Incorporation and the Bylaws.

13. RULE CHANGES. The Board reserves the right to change or revoke existing rules and regulations and to make such additional rules and regulations from time to time as, in its opinion, shall be necessary or desirable for the safety and protection of the buildings and their occupants, to promote cleanliness and good order for the Condominium Property and to assure the comfort and convenience of Unit Owners.

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Last Revised: 3/3/05
7/27/2007 10:07:27 AM