

EXHIBIT "B"

12/31/2006

BYLAWS AND ADMINISTRATION  
FOR THE  
FRACCIONAMIENTO RESIDENCIAL TURISTICO  
"COSTA DEL MAR"

FRACCIONAMIENTO RESIDENCIAL TURISTICO  
"COSTA DEL MAR"

BYLAWS AND ADMINISTRATION

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FRACCIONAMIENTO RESIDENCIAL TURISTICO  
"COSTA DEL MAR"

BYLAWS AND ADMINISTRATION

FIRST SECTION

PRELIMINARY PROVISIONS

**ARTICLE I.** For the purpose of clarifying the Condominium Regime constituted under the terms herein provided, the following definitions are hereby established:

**LAW:** Regulations Law for Article 1121 of the Civil Code of the State of Sonora.

**BENEFICIAL USER:** The person or persons that, in accordance with the provisions set forth in the Civil Code for the State of Sonora, hold ownership rights, or to the legitimate holder of beneficial trust interest, or to any, further assignee or successor who acquires said rights.

**CHARTER:** Shall mean the Charter of Condominium Regime hereby established.

**TRACT:** Shall mean the real estate known as Fraccionamiento Residencial Turistico "COSTA DEL MAR", which is described in paragraph I of the Chapter of Preliminary Data of this Charter excluding the constructions and improvements thereon.

**DEVELOPMENT:** Shall mean the total property together with any construction, and improvements thereon.

**COMMON AREA(S):** Shall mean the properties identified in the Preliminary Data VII of this Charter, on which all Beneficial Users have an undivided common interest.

**EXCLUSIVE PROPERTY:** Shall mean each one of the lots as well as the construction or improvements thereon, which being part of the development, are destined for the exclusive use of one Beneficial User.

**LOT(S):** Shall mean the area for exclusive private use of each Beneficial User and the constructions and improvements thereon (exclusive property), together with the proportional undivided interest on the Common Area.

**COMMON EXPENSES:** Shall mean and include actual or estimated expenditures to cover the administrative expenses as well as the maintenance, preservation and operation of the Common Areas, together with a reasonable reserve for said purpose.

**ASSESSMENT(S):** Shall mean the amount in which each and everyone of the Beneficial User shall contribute to defray the expenses for the administration, maintenance, conservation and operation of the Development.

**PERCENTAGE OF OWNERSHIP:** Shall mean the percentage which represents the value of each lot in relation to the total value of the Development, which percentage shall serve as the basis for the quantitative determination of the rights and obligations of each Beneficial User. Said respective percentages have been established in Section VI of the Preliminaries of this Charter.

**MEETING OR BENEFICIAL USERS' MEETING:** Shall mean the meeting of the Lot Beneficial Users, duly convened for said purpose.

**ADMINISTRATION:** Shall mean the text of this Second Section of the Charter.

**ARTICLE 2.** In connection with any matters not specifically referred to in the above definitions, the provisions set forth in the Law shall apply.

## SECOND SECTION

### RIGHTS AND OBLIGATIONS OF THE BENEFICIAL USERS

**ARTICLE 3.** Beneficial Users may freely use, enjoy and dispose of their own Lot with no other restrictions than those provided for in the Law or hereunder.

**ARTICLE 4.** The use of the Lots is subject to the following restrictions:

a) **USE:** The lots shall be occupied and used by the Beneficial User, their tenants or guests, only for residential purposes and no trade or business shall be allowed therein.

b) **NUISANCES:** No noxious, illegal or offensive activity, nor any activity contrary to the morality or good manners shall be carried on upon any part of the Development. Nor shall anything be done to impair the structural integrity of the Lots and Common Areas which may become a nuisance or interfere with the enjoyment of each Beneficial User of his respective lot or which in any manner causes an increase in the assessments.

c) **VEHICLES RESTRICTIONS:** Class A Motorhomes, Class C Motorhomes, Travel Trailers and 5<sup>th</sup> Wheel Travel Trailers shall not be allowed within the Development without previous authorization of the Administration.

d) ENTRY CONTROL: For the security, comfort and privacy of the Beneficial Users, their tenants or guests, and in order to prevent persons without relation with the Development from entering the same, there shall be an entry control post, at the entrance of said Development, operated by the person or persons designated by the Administration. The Beneficial User, their tenants or guests, shall properly identify themselves at the mentioned post when entering the Development.

e) SIGNS: No signs, which are visible to the public, shall be allowed in any lot or common area, except when previously authorized by the Administration.

f) ANIMALS: Beneficial User, their tenants or guests, may keep a maximum of two household pets such as dogs, cats or birds in the Development, which pets shall be kept in their exclusive properties, provided that they are not raised or maintained for business purposes or for breeding. The Administration shall have a permanent control over said pets. Notwithstanding the above provisions no pets shall be kept inside the Development if it results in an annoyance or is obnoxious to other Beneficial User. No pet shall be allowed in the Common Area with the exceptions of dogs, provided however, that they are on a leash, which is held by a person capable of controlling them. No dog whose barking disturbs other Beneficial User shall be permitted to remain in the Development. Beneficial User shall prevent their pets from damaging or soiling any part of the Development.

g) GARBAGE AND WASTE DISPOSAL: All trash and other garbage shall be kept in sanitary containers to be collected by whomever the Administration hires, and shall not be allowed to accumulate on the lots. All equipment for the disposal or storage of trash materials shall be kept in a clean and sanitary condition until such time they are collected.

h) RADIO AND TELEVISION ANTENNAS: No Beneficial User shall be permitted to erect, use or operate his own external radio or television antenna without the consent of the Administration.

i) CLOTHES LINES: No outdoor clothes lines shall be installed in the lots. The Beneficial User, their tenants or guests shall wash and dry their clothes at location concealed from the public view.

In general the Beneficial User, their tenants or guests shall make an orderly and peaceful use of their lots and shall not perform any action hazardous to the integrity, sanitation or comfort of said lots of the Development, nor shall they incur in omissions to produce said results.

**ARTICLE 5.** Every Beneficial User may carry out construction and repair jobs inside his exclusive property, provided that such jobs comply with the provision set forth in this Chapter and the Construction Bylaws of the Development. For the abovementioned purposes, the Beneficial User that plan to build, remodel or repair

their lots shall notify the Administration of their purpose prior to such building, remodeling or repair jobs, so that said Administration shall take the appropriate measurements in order to minimize the inconveniences caused to other Beneficial Users. The aforementioned notice shall be accompanied by the blueprints and specifications of the jobs that the Beneficial User intends to perform, and shall be delivered to the Administration of Fraccionamiento Residencial Turistico "COSTA DEL MAR", for its revision and approval in accordance with the Construction Bylaws of the Development.

**ARTICLE 6.** Every Beneficial User shall be bound to maintain his Exclusive Property as well as the utilities and other common services inside the same in good condition.

Should any Beneficial User fail to maintain his Exclusive Property including any garden he might have in his private yard, in such a manner that such failure impairs the aesthetics or the safety of the Development, the Administration shall give notice to said Beneficial User, stating the jobs required, which jobs shall be performed within a reasonable period of time after the date when the abovementioned notice is given. Should the Beneficial User not perform the maintenance jobs stated in the notice, in the aforesaid period of time, the Administration shall perform said jobs at the expense of the Beneficial User and, if necessary, it may proceed against the Beneficial User as provided by the Law. The Beneficial User shall allow the persons authorized by the Administration to enter their Exclusive Properties at an agreed time in order to make any repairs needed or to perform the maintenance jobs referred to in this Article 6.

**ARTICLE 7.** Beneficial User shall hold rights over all things within the limits of their Exclusive Properties together with all rights and benefits attached or appurtenant thereto, except as otherwise provided in this Instrument or the Law and; provided however that in the case where the area or measurements of said Exclusive Properties were different to those set forth in the respective deeds, the actual measurements and areas of the Exclusive Properties shall prevail.

**ARTICLE 8.** Each Beneficial User shall contract his own utilities such as water, sewer, electricity or any others.

**ARTICLE 9.** Beneficial Users may lease their Lots or by any other legal means consent to the use thereof by any third parties, but shall at all times, remain personally bound and liable by the provisions set forth in this Instrument and the Law. The leases or any other kind of agreement whereby the right to use a Lot is given to a third party shall refer to and incorporate by reference the Charter, obligated to comply with the same, together with the original Beneficial User. The aforementioned leases shall be submitted to the Administration with the purpose of avoiding any clauses, which may interfere with this Charter. The Administration

shall record in its Book of Registry the name and any other information of the occupants.

**ARTICLE 10.** Any Beneficial User may transfer or encumber his lot by any legal means.

**ARTICLE II.** Any transfer of disposition of any Lot or the beneficial trust interest covering the same shall be notified, in writing, to the Administration, so that it may record the name and other personal data of the new Beneficial User in the book that it shall keep for such purpose.

**ARTICLE 12.** The Lots as described in Preliminary V of this Charter, shall not be subject to division, and consequently shall not be transferred or disposed of in parts. The above provision shall not be construed to mean that any Lot shall not be used and enjoyed jointly by several parties.

**ARTICLE 13.** The person who acquires a Lot shall be liable for the Assessments or any other debts owed to the Administration, in connection with this matter, prior to such acquisition. The above mentioned provision shall not be construed as exonerating the previous Beneficial User of his obligation to pay any pending debts, on the contrary, he will remain jointly and severally liable the new Beneficial User for said obligation.

### THIRD SECTION

#### COMMON AREAS

**ARTICLE 14.** The undivided right that each Beneficial User shall have on the Common Areas shall be equal to the proportion that the value of the land where his Exclusive Property is located represents in relation to the total value of the land where all the Exclusive Properties of the Development are located. For the purpose of the above provision, value shall mean the values set forth in Preliminary V of this Charter. The aforesaid right that each Beneficial User has in the Common Areas cannot be separated from his Exclusive Property, and consequently, shall not be separated in connection with the transfer, disposition, encumbrance or foreclosure of said Exclusive Property.

**ARTICLE 15.** The Common Areas shall not be subject to division or sale except in the cases specifically provided in the Law.

**ARTICLE 16.** The Beneficial User shall have the right to use the Common Areas and enjoy the general services and facilities in the manner and for the purposes they are designated, provided however, that they, do not restrict the right to use and

enjoy said areas and facilities that the other Beneficial Users have and that they do not cause an increase in the cost of maintenance of the same.

**ARTICLE 17.** No Beneficial User, tenant or guest, shall occupy or, obstruct the entrances, exits, passageways, lobbies, stairs, parking lots or driveways, located in the Development, nor any other space in the Common Areas. The Club House, tennis courts, pool, parks or any other common areas shall not be leased, nor shall their use by persons other than the Beneficial Users, their tenants or guests, be permitted, except with the unanimous consent of all the Beneficial Users. The three common beach access areas are intended to provide beach access to all Beneficial Users. The duly elected Officers of the Association have the authority to restrict the manner in which the common areas are used. The Administration has the authority to set speed limits, noise levels, number of times accessed and the hours the common areas may be accessed by All Terrain Vehicles. The Administration has the authority to establish and publish fines for infractions. Fines will be assessed to the lot owner responsible for any infraction of the regulations set by the Administration. Any Beneficial User who does not pay the assessed fine will be denied vehicular access to the property and will not have voting rights until the fine is paid. The Beneficial User has the right to refer the alleged infraction to the Beneficial Users for review.

**ARTICLE 18.** Beneficial Users shall have the right to use the roofs of the buildings to be constructed on the lots to install antennas, provided that they have a previous authorization from the Administration.

**ARTICLE 19.** Damages or impairments caused to the Common Areas by any Beneficial User, his tenants or guests, shall be repaired at the expense of such Beneficial User, who shall reimburse the Administration as soon as required to do so.

## FOURTH SECTION

### ASSESSMENTS

**ARTICLE 20.** Each and every Beneficial User, notwithstanding the omission of a Clause thus providing in the Purchase Agreements, whereby he acquired his Lot, or the beneficial trust interest thereon, shall contribute to the Common Expenses by paying the Assessments that the Administration shall collect in the manner set forth in these Regulations. The aforesaid Assessments shall be levied against each Beneficial User in accordance to his Percentage, as that term is defined in Article I herein. The expenses to be covered with the Assessments shall include, but are not limited to, the following:



A) Salaries and other compensations and benefits for the administrative and service personnel.

B) Necessary expenditures to maintain the Common Areas in good condition and keep utilities and other common services in normal and efficient operation.

C) Water and sewage, gas, electric power, security protection, housekeeping, trash collection and other services required for the Common Areas.

D) Insurance premiums to protect the Development.

E) Property taxes relative to the Common Areas.

F) Taxes to be paid to the Federal Government for leasing the Federal Zone.

G) The expenses derived from any agreement or agreements executed with the purpose of furnishing the general services that the Development requires.

**ARTICLE 21.** There shall be two types of Assessments: Annual Assessments and Special Assessments.

The Annual Assessments and the time and manner in which they shall be paid, shall be determined by the Beneficial Users' Meeting that shall be held after the closing of every fiscal year, in accordance with the budget prepared for the next year which shall be previously approved by said Meeting. Notwithstanding what is provided, no Annual Assessment may exceed the inflation percentage published by Banco de Mexico for the preceding year, except when a bigger increase of the annual assessment has been approved by majority of votes of the Beneficial Users for expenses incurred in construction, reconstruction, repair or replacement of the Common Area including fixtures and any other items related thereto; provided however, that in the event that the total aggregate of the Special Assessments for one year exceeds twenty percent (20%) of the Annual Assessments of such year, a majority vote of Beneficial Users, shall be required to impose the former.

Both Annual and Special Assessments shall be levied against all Beneficial Users of Lots commencing on the first day of the month following the date on which either the first Lot or the beneficial trust interest covering the same, are transferred or at the time the Beneficial Users' Assembly request said assessment, whichever comes first.

**ARTICLE 22.** The Beneficial User shall pay their assessments in the form and terms mentioned in Article 21, and the Administration shall issue the Beneficial User the corresponding receipts acknowledging payment of the Assessment levied in accordance with said Article. Should any Beneficial User fail to pay the Assessments, in the manner and time determined by the Beneficial Users' Meeting,

a penalty of ten (10%) percent above the C.P.P. rate published by Banco de Mexico for the preceding month shall be charged. The aforementioned percentage shall be increased or decreased by the Beneficial Users' Assembly.

**ARTICLE 23.** The sale or transfer of a Lot or the beneficial trust interest covering the same shall not extinguish the obligation to pay overdue Assessments that the Seller or transferor has, which obligation shall be a charge on said Lot or the beneficial trust interest thereon and, consequently, shall pass on the buyer or transferee, who becomes liable jointly and severally with the former. For the purpose of the above provision, the minutes of the Beneficial Users' Meeting whereby the Assessments are determined shall be passed before a Notary Public and filed in the Public Registry of Property of Guaymas, Sonora, acquiring thereby the characteristics of an executory instrument, in accordance with the provision set forth in Article 510, paragraph I of the Civil code of the State of Sonora.

**ARTICLE 24.** No Beneficial User shall be exempted from the payment of Assessments as provided above by waiving his right to use of the Common Areas or any other parts of the Development.

## FIFTH SECTION

### BENEFICIAL USERS' MEETINGS

**ARTICLE 25.** The matters of common interest that are not included within the responsibilities conferred to the Administration, shall be decided upon by the Beneficial Users in meetings held every time they are necessary, but at least by obligation, once a year.

**ARTICLE 26.** The Beneficial Users' Meeting shall be held in San Carlos, Guaymas, Sonora, Mexico, except in cases when because of justified reasons, it has to be held in some other place.

**ARTICLE 27.** The Beneficial Users' Meeting shall be called by the Administration not less than fifteen (15) days and not more than thirty (30) days prior to the date on which the Meeting shall be held, by mail or e-mail to each Beneficial User at the Address that appears in the Beneficial Users Registration Book that, the Administration shall keep. The call shall state the place, time and date when the Meeting shall take place, as well as the matters that shall be discussed; furthermore, a copy of the report of the Administration shall be attached to the call in the case of the General Annual Meeting.

**ARTICLE 28.** The Beneficial Users may call a Meeting without the intervention of the Administration when they represent at least twenty five (25) percent of the total power that could be exercised in such Meeting.

**ARTICLE 29.** The Beneficial Users may attend the Meetings personally or by proxy, which shall be duly authorized in writing, which authorization shall be delivered to the person designated as Secretary of the Meeting. The Administration shall not be allowed to represent the Beneficial Users. Should a Lot belong jointly to several persons, they shall appoint a common representative to attend and vote at the Beneficial Users' Meeting.

**ARTICLE 30.** The Beneficial Users' Meetings shall be conducted by a President elected by the attendants, who shall also elect a Secretary. The President shall appoint two Examiners to verify the quorum at the Meeting and to certify, in writing, that the quorum requirements are met.

**ARTICLE 31.** A Beneficial Users' Meeting shall be legally convened on first call when at least half of the voting power of the Beneficial Users entitled to vote in such Meeting plus one vote is represented therein. In case that the above mentioned quorum requirement is not met, the Beneficial Users present, or duly authorized representatives, may adjourn the Meeting, to a new date. This procedure may be repeated as many, times as needed in order to meet the quorum requirements set forth in these regulations. A Beneficial Users' Meeting held upon second or further call, shall be legally installed when at least twenty five percent (25%) of the voting power of the Beneficial Users that are entitled to vote in such Meeting is represented therein. Notwithstanding the above provision, in the cases when a special majority of the voting power or a unanimous consent of the Beneficial Users is required by these Regulations or by the Law for the Meeting to adopt a resolution, such Meeting shall not be considered legally convened for the purpose of adopting said resolution, unless at least the number of votes needed to adopt the same are represented therein.

**ARTICLE 32.** Except when as provided in the Law or in this Instrument, a special majority of the voting power of the Beneficial Users is required to adopt a resolution, any decision taken by a Beneficial Users' Meeting held upon first call, shall be adopted by a majority of the voting power of all the Beneficial Users entitled to vote in that Meeting; and in case of Meetings held upon second or further call, the resolution shall be adopted by a majority of the voting power of the Beneficial Users entitled to vote present at such meeting, personally or by proxy. Notwithstanding the above provision, when a single Beneficial User represents more than fifty percent (50%) of the total voting power of the Beneficial Users entitled to vote therein, it shall also be required the 50% of the remaining votes agreement with a resolution, so that the resolution reached be valid, except when these Regulations or the Law provides for a higher voting requirement, in which case the latter shall prevail. In case of deadlock in

a Meeting, the President of the same shall resolve the issue.

**ARTICLE 33.** Voting at the Beneficial Users' Meetings shall be nominative and shall be given through members of the Board of Directors designated by the President of the Board unless it is decided that they are economic.

**ARTICLE 34.** Any resolutions adopted by the Beneficial Users' Meeting in accordance with the provisions of these Regulations and the Law shall be binding upon all the members, including absentees and dissenters.

**ARTICLE 35.** Any absentee or dissenter may, judicially oppose any resolution taken therein which violates the Law, the Charter of these Regulations. The above mentioned opposition shall not suspend the execution of the resolutions adopted.

**ARTICLE 36.** Minutes shall be prepared in connection with every Beneficial Users' Meeting which shall be signed by the President and the Secretary, and shall be recorded in the book for such purpose. In addition, a file shall be opened which shall contain a copy of the minutes, a copy of the call, the list of the persons attending the meetings and any other documents related with the Meeting.

**ARTICLE 37.** General Beneficial Users' Meetings shall be held at any time when the Administration deems appropriate, provided that notice is given to the Beneficial Users in the manner provided in these Regulations.

**ARTICLE 38.** In the General Beneficial Users' Meeting every Beneficial User shall have a number of votes equal to the proportion that the value of the land of Exclusive Property where his lot is located, not including any constructions thereon, in relation to the fiscal value of the Development. For the purpose of this Article, fiscal value shall mean the values set forth in the Constitutive Deed.

**ARTICLE 39.** The General Annual Meeting, in addition to the matters included in the Agenda shall:

- a) Discuss the report and financial statements submitted by the Administration.
- b) Approve the budget for the following year.
- c) Determine the Assessments the Beneficial Users shall pay during the next fiscal year, as well as the manner and time in which said payments shall be made.
- d) Appoint and remove the Administration.
- e) Discuss the proposals made by the Administration to proceed against a Beneficial User in order to force him to sell his Lot, or his beneficial trust interest thereon, when said Beneficial User has repeatedly committed violations of these Regulations or any rules adopted by the Administration, giving the Beneficial User the opportunity to be heard in his defense.

**ARTICLE 40.** The following resolutions shall only be adopted in General Beneficial Users' Meetings and by the unanimous vote of all the Beneficial Users entitled to vote whether such Meeting is held without, or upon first or further call:

- a) To modify the purpose for which the Development, especially the lots shall be used.
- b) To establish the common nature of other properties.
- c) To undertake purely voluntary jobs which, although resulting in a better aspect or improved comfort of the Development, do not increase the value of the same.
- d) To amend any part of this Charter.

**ARTICLE 41.** Any decision to amend these Regulations shall be taken in a General Beneficial Users' Meeting by at least seventy five percent (75%) of the voting power of all the Beneficial Users entitled to vote provided, however that they meet the general quorum requirements set forth in Article 31 herein for Meetings held upon first call, regardless of whether the Meeting to amend the Regulations is held without, or upon first or further call. Notwithstanding the above provision, any amendment of the preceding Article shall only be adopted by a majority of the voting power of all the Beneficial Users entitled to vote in that Meeting.

**ARTICLE 42.** Every Beneficial User or his duly appointed representative shall have the right to inspect the books and records kept in connection with the Development and to obtain, at his, own expense, copies thereof for a purpose reasonably related to his interest as Beneficial User. The Administration shall establish reasonable rules regarding the manner and time in which said inspections should be made.

## SIXTH SECTION

### ADMINISTRATION

**ARTICLE 43.** The operation and management of the Development shall be vested in the Administration that shall be composed of the Board of Directors appointed by the Beneficial Users for concurrent one year terms; however, they shall not leave their position until their successors are elected and take office. Every Beneficial User, at the moment of their election, shall be entitled to as many votes as he normally has, in accordance with Article 38 herein.

**ARTICLE 44.** The Administration is composed of the Board of Directors and shall act as a body known as the Administration Committee. This Committee may meet any time one of its members requires it, or at least every three months at a time and place within the Development fixed by the Administration from time to time. The

notice of the meeting shall specify the time and place of the meeting and the nature of any special business to be considered.

**ARTICLE 45.** The meetings of the Administration Committee shall be open to all the Beneficial Users, however, they shall not be allowed to participate in any discussion, except when specifically authorized to do so by the Administration Committee. Whenever the aforesaid Administration Committee deems it appropriate, because of the nature of the matter to be discussed, it shall act in private, provided, however, that the matters in question are announced in public session.

**ARTICLE 46.** The Administration Committee shall be legally convened when more than half of its members are present in a session and any resolutions adopted shall be approved by at least a majority of those members present. Minutes of every session of the Administration Committee, signed by those persons attending the same, shall be prepared and a book for this purpose shall be maintained.

**ARTICLE 47.** The Administration may be removed from its charge at any time, with or without cause by resolution adopted by the majority of the voting power of all Beneficial Users entitled to vote. Notwithstanding the above provision, if the Administration is composed by more than two persons, none of them shall be removed from his charge, without removing the whole Administration Committee, if the votes cast against such removal are enough to elect that same person, following the procedure set forth in Article 43 herein, as a member of a new Administration Committee. When the person to be removed was appointed by the majority of Beneficial Users, then that person may be removed from office prior to the expiration of his term of office by the vote of at least a simple majority of the voting power of Beneficial Users.

**ARTICLE 48.** The Administration shall have in addition to any others established in these Regulations or the Law, the following powers and duties:

- a) To manage and operate the Development in accordance with these Regulations, the Charter and the Law, whose provisions shall be strictly enforced.
- b) To pay the taxes and duties of any kind that may constitute a lien on the Common Areas.
- c) To contract the insurance policies necessary to protect the Development as provided in this Charter.
- d) To designate, hire, supervise and to fire or discharge the personnel that shall work in the Development and, in general, execute the agreement or agreements needed to furnish the goods and services that the Common Areas require; provided, however, that the Administration shall not enter into a contract with a third person, wherein said third person shall furnish goods or services for a term longer than one year, except in the case of prepaid casualty or liability insurance policy of not to exceed three years duration, provided that the policy permits short term cancellation by the insured party.

e) To maintain in good operating conditions the Common Areas and to execute the jobs required by them, either by the service personnel or by specialized third parties. Notwithstanding the above provisions, the Administration shall not incur in expenditures for capital improvements in any fiscal year that exceed, in the aggregate, five percent (5%) of the estimated gross expenses of the Common Areas.

f) To enter any Lot when necessary to perform maintenance, repair or construction job required or that benefits the Beneficial Users in general.

g) To represent the Beneficial Users in lawsuits and collection actions as well as in all matters related with the Administration of the Development. For the above mentioned purposes, it shall proceed, either by suit or by any other legal means, against the Beneficial Users who fail to comply with their obligations as per the terms of these Bylaws or the Law. Administration shall have the special responsibilities as required by these Bylaws or the law and specific authorization to grant or subscribe credit instruments and submit complaints. Notwithstanding the above provisions, the Administration shall not have the power to sell during any fiscal year any part of the Common Areas.

The Administration may grant special or general powers to any person it deems necessary; provided, however, that such powers shall not exceed, in any case, the power hereby granted to the Administration.

h) To maintain accounting records of all activities related with the operation and maintenance of the Development in accordance with the applicable general rules and the guide lines established by the Beneficial Users' Meeting, if any, and to prepare and distribute to each Beneficial User:

1. A pro-forma operation statement (budget) from each fiscal year that shall be distributed to each Beneficial User not less than sixty (60) days before the beginning of each fiscal year.

2. Balance sheets and operating statements for each fiscal year and distribute a copy of the same within ninety (90) days after the close of the fiscal year.

i) To notify the Beneficial Users in writing of the Assessments set forth by the Beneficial Users Meeting, as well as the manner and term to pay the same, at least thirty (30) days before such assessments become due.

j) To collect from the Beneficial Users the corresponding Assessments in order to cover the Common Expenses.

k) To prepare and submit to the Beneficial Users' Meeting for its approval the rules and regulations that shall govern the use of the Common Area, and the facilities thereon, which rules and regulations shall set forth the behavior to be observed by the Beneficial Users, their tenants or guests, in the mentioned areas.

l) To investigate any violation of the provisions set forth in the Law, Charter, these Regulations or the rules and regulations referred to in the above paragraph and to impose monetary penalties or suspend, total or partially, the rights of the Beneficial User responsible for such violation. No penalty or suspension shall be

imposed or provided above, without giving the Beneficial User the opportunity to be heard in his defense.

m) To propose to the General Beneficial Users' Meeting to proceed against a Beneficial User who repeatedly has violated the Law, the Charter, these Regulations or any other rule or regulations adopted by said Meeting, in order to force him to sell his interest in the Development, as provided in Article 53 of these Bylaws, if he has not ceased his violative conduct.

n) To suspend the right to use the Common Areas to those Beneficial Users who default in the payment of the Assessments.

o) To call the General Beneficial Users' Meetings, and record in writing the votes cast therein.

p) To maintain the Beneficial Users Register Book, as well as the Book of Minutes of the Administration Committee, if any.

q) In general, to execute all the resolutions adopted by the Beneficial Users' Meetings.

## SEVENTH SECTION

### GENERAL PROVISIONS

**ARTICLE 49.** The Administration shall contract insurance coverage to protect the Development in accordance to the following basis:

a) The policy or policies shall be in the amount determined by the Beneficial Users' Meeting which amount shall in no event be less than the value of the Development, not including the value of the land and shall protect against earthquake, fire, explosion, vandalism and damages caused by third parties accidentally or on purpose.

b) The insurance policy or policies shall be contracted with the company or companies determined by the Beneficial Users' Meeting from among those offering the best terms and conditions.

**ARTICLE 50.** In the event of a partial disaster which destroys less than three-fourths of the Development, a majority of the voting power of the Beneficial Users shall decide whether or not they rebuild it. Should the resolution to rebuild be taken, an agreement shall be reached with the insurance company so that it delivers the value of the indemnification in trust to the Fiduciary Institution that the Beneficial Users' Meeting appoints, under the terms and conditions expressly set forth by said Meeting. In such case, if the indemnification received from the Insurance Companies is less than the cost to rebuild the Development, the Beneficial Users shall contribute the necessary additional sums in accordance to their share or shall sell their rights to the majority at the price determined by an expert appraiser as provided in the Law.



Should the destruction of the Development be more than three-fourths of the same, the exclusive property as well as the Common areas shall be considered.

**ARTICLE 51.** The Beneficial Users at their own expense shall have the right to maintain insurance coverage different from the one provided in Article 49 herein and in case of disaster, they shall be the sole beneficiaries thereof, without any intervention by the other Beneficial Users or the Meeting.

**ARTICLE 52.** The Beneficial User who does not meet his obligations or who violates provisions under the Law or hereunder shall be held liable for damages and injuries caused to the other Beneficial Users and, if such be the case, for the restoration of things to their previous condition.

**ARTICLE 53.** The Beneficial User who repeatedly fails to meet his obligations may be sentenced by a Court to sell his property in accordance with the Law.

**ARTICLE 54.** Should any provisions hereof be declared void or in conflict with any Law applicable in the jurisdiction where the Project is located, the validity of all other provisions shall remain unaffected and in full force.

**ARTICLE 55.** All matters not specifically provided for herein shall be resolved as provided by the Law.

## LOT PERCENTAGES

001	0.4838	046	0.7276	091	0.5538
002	0.5529	047	0.6823	092	0.6608
003	0.5350	048	0.7698	093	0.5664
004	0.5169	049	0.7506	094	0.6524
005	0.4990	050	0.5438	095	0.5744
006	0.4844	051	0.5841	096	0.6762
007	0.4800	052	0.5763	097	0.6300
008	0.4868	053	0.7001	098	0.6042
009	0.4993	054	0.5988	099	0.6322
010	0.5122	055	0.6904	100	0.5207
011	0.5251	056	0.6053	101	0.6032
012	0.5378	057	0.6848	102	0.8258
013	0.5105	058	0.5965	103	0.6700
014	0.5121	059	0.7053	104	0.4378
015	0.5077	060	0.5768	105	0.5806
016	0.4838	061	0.7643	106	0.6880
017	0.4838	062	0.5938	107	0.6934
018	0.4955	063	0.6043	108	0.6988
019	0.4801	064	0.7638	109	0.7062
020	0.4722	065	0.5173	110	0.7096
021	0.4709	066	0.7143	111	0.7870
022	0.4811	067	0.5630	112	0.7900
023	0.4990	068	0.7143	113	1.0470
024	0.5109	069	0.5634	114	1.0435
025	0.5130	070	0.7143	115	1.0355
026	0.4623	071	0.6021	116	1.0745
027	0.5160	072	0.7736	117	1.1571
028	0.5806	073	0.6386	118	1.1611
029	0.6988	074	0.6173	119	1.1468
030	0.7042	075	0.6386	120	1.1182
031	0.7096	076	0.9800	121	1.0814
032	0.7203	077	0.8563	122	1.0428
033	0.7332	078	0.8184	123	0.9952
034	0.7357	079	0.8473	124	0.9665
035	0.8498	080	0.8437	125	1.0224
036	0.8747	081	0.9930	126	1.1127
037	0.8129	082	0.8870	127	1.2336
038	0.7586	083	0.8278	128	1.3472
039	0.7569	084	0.8045	129	1.4019
040	0.8209	085	0.7356	130	1.3843
041	0.9915	086	0.7369	131	1.3237
042	0.7926	087	0.9138	132	1.2226
043	0.7061	088	0.8100	133	1.2298
044	0.7340	089	0.6279	134	1.2496
045	0.7350	090	0.6724	135	1.1835

