BYLAWS
Of The
MARINA SOL CONDOMINIUM
CABO SAN LUCAS
BAJA CALIFORNIA SUR
MEXICO

Approved by the Marina Sol
General Homeowners Association
November 9, 2013

Effective January 1, 2014
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BYLAWS OF “MARINA SOL” CONDOMINIUM
LOCATED IN CABO SAN LUCAS, BAJA CALIFORNIA SUR
MEXICO

CHAPTER 1
GENERAL PROVISIONS

Article 1. - LEGAL BASIS OF THE BYLAWS AND CITATION OF OTHER APPLICABLE
ORDINANCES AND LAWS

Compliance with these Bylaws is mandatory and they are issued in compliance with the provisions of the
articles of the Law on Governance of Condominium Real Estate Ownership currently in force in the state
of Baja California Sur. issued at the State legislature Meeting Room, in La Paz, Baja California Sur, on

In addition to the provisions of these Bylaws, the provisions in the Master Charter of the
CONDOMINIUM (number 3,562, volume 42, dated 18 June 1985, notarially expected before Notary
Public number 7 of the state of Baja California Sur, Lic. Héctor Castro Castro, and entered in the Public
Registry of Property at San José del Cabo, Baja California Sur under number 112, folio 274 of volume
VIII-E.P. section one, on 19 December 1985); the stipulations in the contracts designating secondary
trustees by virtue of which the HOMEOWNERS have acquired or may acquire their rights, as well as
such regulations in the Civil Code currently in force in the state of Baja California Sur and in the Law on
Governance of Condominium Real Estate Ownership currently in force in the state of Baja California Sur
as it may apply; and, since this is a condominium held in trust, the legal provisions in the Law to Promote
Mexican Investment and Regulate Foreign Investment and the regulations governing it shall apply.

Article 2. – PARTIES BOUND TO ABIDE BY THESE BYLAWS

All of the HOMEOWNERS are bound to abide by the terms of these Bylaws, and shall be individually
responsible for seeing to that any USERS, EMPLOYEES, HOUSEHOLD MEMBERS, GUESTS,
RENTERS and TENANTS as they may cause to come to or live in MARINA SOL CONDOMINIUMS
abide by them.

Article 3. – DEFINITIONS

For the purposes of these Bylaws, the meanings of the terms set forth below shall be as follows:

CONDOMINIUM (Condóminio): The real estate known in its entirety as MARINA SOL
CONDOMINIUMS.

REGIME: The document describing the location of the CONDOMINIUM and the
surrounding grounds, its surface, measurements, boundary lines, the general description of
the real estate itself and the description in particular of the COMMON-USE ASSETS, as
well as the PERCENTAGE OF THE UNDIVIDED RIGHTS belonging to each of the
HOMEOWNERS over the COMMON-USE assets and the use thereof; and the specific
description of the EXCLUSIVE-USE ASSETS, (RESIDENTIAL UNITS, GARAGES or
COMMERCIAL UNITS). Also referred to in the LAW as “The Articles of Incorporation of
the Condominium Property Regime,” or simply “Articles of Incorporation.”

COMMON-USE ASSETS: Those assets whose inherent personal rights of use and enjoyment belong
in common to all of the HOMEOWNERS, in such percentages as may be defined in these Bylaws. By
definition of the LAW in Article 2 thereof, the joint ownership belonging to all of the HOMEOWNERS with respect to the COMMON-USE ASSETS is indivisible.

EXCLUSIVE-USE ASSETS: Those assets whose trustees’ rights of use and enjoyment belong exclusively to one HOMEOWNER, whether said HOMEOWNER be one or more individuals, or one or more entities.

PERCENTAGE OF UNDIVIDED RIGHTS: Proportion to which title is held by each HOMEOWNER with respect to the COMMON-USE ASSETS, which is deemed to be an inseparable part of the rights of exclusive use of said HOMEOWNER.

MAINTENANCE FEES: Are annual fees or special assessments approved by the GENERAL HOMEOWNERS’ ASSEMBLY to fund the OPERATING FUND, RESERVE FUND and any other fund established by the ASSOCIATION. MAINTENANCE FEES are calculated by multiplying the rate approved by the GENERAL HOMEOWNERS’ ASSEMBLY by the square footage of the UNIT of exclusive use.

UNIT: This term is used to make reference in these Bylaws to the RESIDENTIAL UNITS, the garages, and the COMMERCIAL UNITS, which in total are the EXCLUSIVE-USE ASSETS of the CONDOMINIUM.

GENERAL HOMEOWNERS’ ASSEMBLY: Highest authority of the CONDOMINIUMS made up of each and every one of the HOMEOWNERS whose purpose, powers and obligations are defined in articles 34, 35, and other pertinent articles of the LAW and of these Bylaws.

GENERAL ASSEMBLY Is a meeting of the GENERAL HOMEOWNERS’ ASSEMBLY that takes the form of a LEGAL ASSEMBLY, (sometimes referred to as an ORDINARY ASSEMBLY in the LAW), or an EXTRAORDINARY ASSEMBLY.

LEGAL ASSEMBLY: This name is used to refer to a valid and mandatory meeting called with the formalities required by the LAW and these Bylaws, in which is represented the percentage of HOMEOWNERS described in Article 89 of these bylaws. Consequently, a LEGAL ASSEMBLY will be one that has 75% of the voters present, represented by proxy, or by electronic means at the first call; at the second call, 51% present, represented by proxy or electronic means; and at the third call, whatever percentage of voters are present, represented by proxy or electronic means.

EXTRAORDINARY ASSEMBLY: An Extraordinary Assembly is required by the LAW for specific actions as noted in various Articles of these Bylaws. An EXTRAORDINARY ASSEMBLY will require the representation of more than half of the UNIT HOMEOWNERS, physically present, by proxy, or by electronic means. A 75% affirmative vote is required for passage of EXTRAORDINARY ASSEMBLY motions. EXTRAORDINARY ASSEMBLIES must be called as such 21 days in advance of the meeting date. Motions subject to the requirements of an EXTRAORDINARY ASSEMBLY must be written and delivered to HOMEOWNERS in advance along with the Notice of Meeting and clearly noted as such on all ballots and proxies. Motions requiring EXTRAORDINARY ASSEMBLY voting may not be made from the floor at a regular General Assembly meeting nor from an Extraordinary Assembly meeting. The business of a regular LEGAL ASSEMBLY may also take place within an EXTRAORDINARY ASSEMBLY.
LAW: The Law on Governance of Condominium Real Estate Ownership currently in force in the State of Baja California Sur.

BOARD OF DIRECTORS: A collegial entity whose members shall be elected by the GENERAL HOMEOWNERS’ ASSEMBLY, and which shall be in charge of the management of the CONDOMINIUM and shall be invested with the powers and obligations set forth in Chapter V of these Bylaws and articles, 37, 38, 39, 40, 41 and other pertinent articles of the LAW.

VIGILANCE COMMITTEE: An entity elected by the GENERAL HOMEOWNERS’ ASSEMBLY with the powers and attributes conferred on it by article 44 of the LAW and Chapter VI of these bylaws.

HOMEOWNER (Condómino): The individual or entity who holds title to the rights and obligations of trustee to property located within the real estate known in its entirety as MARINA SOL CONDOMINIUMS.

USER (Usuario): Any individual or entity who, whether with or without any title or contract, occupies one or more UNITS, or uses in whole or in part, the rights of use or enjoyment of one or more HOMEOWNERS.

HOUSEHOLD MEMBER (Familiar): Any person who, under the responsibility of a HOMEOWNER or USER (RENTER, TENANT or GUEST) occupies a RESIDENTIAL UNIT in the CONDOMINIUM

GUEST (Invitado): Any person who, under the responsibility of a HOMEOWNER or USER (RENTER, GUEST, TENANT or HOUSEHOLD MEMBER thereof), or of the BOARD OF DIRECTORS, does not occupy a UNIT, but comes to the CONDOMINIUM as a temporary visitor.

RENTER (Arrendatario): Any person who, under the responsibility of a HOMEOWNER, PROPERTY MANAGER, or USER, occupies a Unit at the CONDOMINIUM under a short-term rental agreement.

TENANT: Any person who, under the responsibility of a HOMEOWNER, PROPERTY MANAGER, or USER, occupies a Unit at the CONDOMINIUM under a long-term lease agreement of more than 31 days and may be entitled to assignment some of the rights inherent to the HOMEOWNER.

EMPLOYEE (Dependiente): Any individual, worker or provider of administrative or professional services who, under the responsibility of a HOMEOWNER, USER, BOARD OF DIRECTORS, or the GENERAL MANAGER, comes to the CONDOMINIUM.

GENERAL MANAGER: An employee of the ASSOCIATION hired by the BOARD OF DIRECTORS and/or the HOMEOWNERS’GENERAL ASSEMBLY to fulfill the duties of overseeing the daily operation of the CONDOMINIUM and other duties as may be duly delegated by the BOARD OF DIRECTORS.

MANAGEMENT OFFICE. Physical offices of the management of the CONDOMINIUM.

ASSOCIATION. Marina Sol Condominiums Homeowners Association is the legal entity which carries out the management of the CONDOMINIUM.
PROPERTY MANAGER. Any third party individual, business, corporation, or other company providing real estate rental and other management services acting on behalf of any HOMEOWNER.

RULES OF OPERATION, (RULES): A document authorized by, but separate from, these Bylaws that contains the RULES that govern the day-to-day use of COMMON ASSETS, EXCLUSIVE-USE ASSETS and behaviors essential to the pleasant and safe enjoyment of the CONDOMINIUM.

OPERATING FUND: A fund established to pay all budgeted day-to-day maintenance, labor and other expenses of the CONDOMINIUM. This fund is referred to in the LAW as the “maintenance and administration fund.”

RESERVE FUND: A fund established for material expenses and extraordinary unbudgeted emergency expenses usually occurring less than once a year.

SCRUTINEER. A volunteer HOMEOWNER appointed at a LEGAL ASSEMBLY to observe and verify vote counting and to sign approved minutes for that assembly.

EXECUTIVE SESSION: A block of time within a regular meeting of the BOARD OF DIRECTORS, not open to the HOMEOWNERS, held to discuss confidential matters. No minutes are taken and no motions or votes may take place in EXECUTIVE SESSIONS.

CHAPTER II
ON COMMON-USE ASSETS AND EXCLUSIVE-USE ASSETS

Article 4. -- GENERAL REFERENCE TO THE DOCUMENTS DESCRIBING COMMON-USE ASSETS AND EXCLUSIVE-USE ASSETS
The location of the CONDOMINIUM and the surrounding grounds, its surface, measurements, boundary lines, the general description of the real estate itself and the description in particular of the COMMON-USE ASSETS, as well as the PERCENTAGE OF THE UNDIVIDED RIGHTS belonging to each of the HOMEOWNERS over the COMMON-USE assets and the use thereof; and the specific description of the EXCLUSIVE-USE ASSETS, (RESIDENTIAL UNITS, garages, or COMMERCIAL UNITS), are those established in the REGIME of the CONDOMINIUM and the amendments thereto. Any changes to the PERCENTAGE OF UNDIVIDED RIGHTS shall be recorded in the REGIME papers and filed with the appropriate government agencies in a timely fashion as required by law.

Article 5. --AUTHORIZED USES AND THEIR MODIFIABLE NATURE
The general individual use of each condominium or commercial space, individually, and the use of COMMON-USE ASSETS, shall be solely that expressly established in articles 7 and 10 of these bylaws. In accordance with Article 13 of the LAW, the uses authorized may not be changed except by an affirmative vote of 75% at an EXTRAORDINARY ASSEMBLY.

Article 6. --CLASSIFICATION OF ASSETS
The real estate in its entirety is divided into COMMON-USE ASSETS and EXCLUSIVE-USE ASSETS. Each HOMEOWNER shall hold exclusive title to his UNIT and joint title to such components and parts as may be deemed common, in the PERCENTAGES OF UNDIVIDED RIGHTS set forth in the Regime of the CONDOMINIUM.
Article 7. – DESCRIPTION OF COMMON-USE ASSETS
COMMON-USE ASSETS shall be, in general, those parts of the real estate not assigned for exclusive use; and, in particular, those listed in the following sections:

a) The grounds, cellars, porches, entrances, vestibule, hallways, corridors, stairways, elevators, common area patios, gardens, restrooms, parking lots and garages, and all other assets as may be for use in common, but expressly not the patios that are part of individual UNITS.

b) All sites assigned for general utilities installations.

c) All works, installations, apparatuses and other objects as may serve for the use or enjoyment in common, such as tanks, cisterns, garbage pails, pumps, motors, sewers, ducts, systems and conduits for the distribution of water, drainage, electricity, and gas, with the exception of those which exclusively serve each UNIT.

d) All foundations, structures, bearing walls and roofs for use in common.

e) Any other parts of the real estate as the HOMEOWNERS may unanimously resolve to use or enjoy in common.

f) The clubhouse, the swimming pool and the Jacuzzi, the “palapa” bar and the kitchen annexed thereto.

g) The site for the offices of the GENERAL HOMEOWNERS’ ASSEMBLY.

h) All of the areas so described in the Regime of the CONDOMINIUM.

Article 8. – ASSETS FOR USE IN COMMON ONLY BY ADJOINING HOMEOWNERS
Assets for use in common only by adjoining HOMEOWNERS shall be those floor structures, walls and other divisions which separate the UNITS to which they respectively hold title.

Article 9. – ABANDONMENT OR WAIVER OF THE USE OF COMMON-USE ASSETS
The abandonment or waiver of the rights to use certain assets in common does not relieve the HOMEOWNER of the obligations imposed on him by any of the following ordinances:

a) these Bylaws
b) the LAW
c) the contracts designating secondary trustees by virtue of which he has acquired or may acquire the status of HOMEOWNER.

d) The RULES OF OPERATION

Article 10. – DESCRIPTION OF EXCLUSIVE-USE ASSETS
EXCLUSIVE-USE ASSETS shall be those belonging entirely, individually and exclusively to each HOMEOWNER and described in these Bylaws and the Regime.
CHAPTER III
RIGHTS AND OBLIGATIONS OF HOMEOWNERS AND USERS WITH RESPECT TO
THE USE OF EXCLUSIVE-USE ASSETS AND COMMON-USE ASSETS

Article 11. – ON THE USE AND ENJOYMENT OF EXCLUSIVE-USE ASSETS

The HOMEOWNERS shall be entitled to use, enjoy and dispose of their EXCLUSIVE-USE ASSETS without any limitations or prohibitions other than those set forth in these Bylaws, in the LAW, the RULES OF OPERATION, in the contracts designating secondary trustees; and in any other laws as may be applicable.

In accordance with the provisions of article 5 of these Bylaws, the authorized uses of the various UNITS or sites of the CONDOMINIUM are the following:

a) Authorized use for RESIDENTIAL UNITS: Solely residential.

b) Authorized use for COMMERCIAL UNITS: Commercial, retail, offices, or other legal business enterprise.

c) Authorized use for privately owned garages: Residential owners and businesses operating at the CONDOMINIUM may use garages for the storage of vehicles of any kind and personal property only. Storage of property must be within the confines of the garage enclosure and may not extend beyond the garage doors. Garages may not be used to operate commercial workshops, retail, or other business activities other than storage.

d) Private garages may only be owned in conjunction with another residential or commercial unit at the CONDOMINIUM.

Article 12. – LIMITATIONS ON THE USE AND ENJOYMENT OF EXCLUSIVE-USE ASSETS

Each HOMEOWNER or USER shall use his EXCLUSIVE-USE ASSETS in an orderly and quiet manner and shall therefore not be entitled to put it to immoral or improper uses, or for any purpose other than those indicated in these Bylaws, or to do or omit, anything which may result in disturbing the peace of the other HOMEOWNERS and USERS or compromise the stability, security, safety and comfort of the CONDOMINIUM.

All HOMEOWNERS or USERS shall likewise abstain from doing anything, even inside their UNIT, which may prevent the operation or impair the efficiency of, or disturb or impede the use in common of, the general utilities and installations.

Failure to abide by the provisions of the foregoing paragraphs shall result in the liability of the HOMEOWNER or USER involved for payment of any direct and consequential damages as may be caused to the other HOMEOWNERS, in accordance with the provisions of Article 27 of these Bylaws.
Article 13 - REGISTRATION OF MANAGING AGENT
All owners shall be required to register with the Association management office their PROPERTY MANAGER, if applicable. Any non-resident owner who does not have a registered managing agent acknowledges that the CONDOMINIUM management is under no obligation to render services relating to the interior management of the UNIT, including but not limited to, maid service, repairs, rental services, and lockout service. In the event management does provide any of these services, the HOMEOWNER shall be billed accordingly for services rendered.

Article 14 – MAXIMUM ALLOWED OCCUPANCY
The maximum allowable occupancy of each UNIT shall be based upon the original size and configuration of the UNIT as determined by resolution of the GENERAL HOMEOWNERS’ ASSEMBLY detailed in the RULES OF OPERATION.

Article 15 - RIGHT TO REQUEST REGISTRATION OF OCCUPANTS
For the protection, safety and tranquillity of all of the HOMEOWNERS, HOMEOWNERS must provide, upon request by the GENERAL MANAGER or the BOARD OF DIRECTORS, information about the identity and number of persons who are occupying their UNIT and the duration of their occupancy. This information shall be strictly confidential and may be used only for the purposes of security and for identifying the occupants, to allow them to use and enjoy the common areas and utilities of the CONDOMINIUM. The GENERAL MANAGER or the BOARD OF DIRECTORS shall issue, at the HOMEOWNER’S expense, in cases where it is deemed necessary, credentials or similar documents identifying the occupants.

Article 16 – MANAGING AGENT REQUIREMENTS FOR RENTAL UNITS
Requirements for the retention of PROPERTY MANAGERS or other agents for UNITS used all or in part for vacation or other rental purposes shall be determined by resolution of the GENERAL HOMEOWNER’S ASSEMBLY and be recorded in the RULES OF OPERATION.

Article 17 – MAINTENANCE AND CONSERVATION OF EXCLUSIVE-USE ASSETS
All HOMEOWNERS shall maintain in good repair and operation such utilities and installations as may belong to their private UNIT. Each HOMEOWNER shall carry out, solely at their expense, all repairs as their EXCLUSIVE-USE ASSETS may require.

Article 18 – PROHIBITIONS ON HAZARDOUS EQUIPMENT OR SUBSTANCES
No equipment, machinery or substance which causes or may cause danger, unhealthiness or annoyance may be installed or stored on the property. Annoyances may include, but are not limited to, excessive noise, unsightly installations, clutter or possessions, and strong odors.

Article 19 – PRESTIGE AND IMAGE
HOMEOWNERS shall not do, or allow any persons that may occupy their property, on a short-term or long-term basis, to do anything which might adversely affect the good image and prestige of the CONDOMINIUM.

Article 20 - PERSONAL CONDUCT CODE
In accordance with Article 62 of the LAW, respect, tolerance, solidarity, mutual acceptance, and practicing personal and joint responsibility are basic elements that contribute to a healthy Condominium Community. As such HOMEOWNERS, USERS, GUESTS, EMPLOYEES, or other third parties may not physically or verbally abuse or assault other owners, guests, or Marina Sol employees. Violations will result in fines and penalties as outlined in the RULES OF OPERATION.
Article 21 - OWNER PROHIBITION TO DIRECT MARINA SOL EMPLOYEES
Individual HOMEOWNERS or their USERS may not direct the work of Marina Sol Employees. Employees are directed by the GENERAL MANAGER, acting under the direction of the BOARD OF DIRECTORS. Observation of necessary repairs or other maintenance items should be reported to the GENERAL MANAGER for assignment to the appropriate employee.

Article 22 – ACCESS TO AREAS FOR EXCLUSIVE USE IN CASES OF THE PERFORMANCE OF WORK AND REPAIRS WHICH ARE NECESSARY FOR THE CONDOMINIMUM
All HOMEOWNERS are obligated to permit the execution of necessary repairs to any of the COMMON USE ASSETS of the CONDOMINUM. If necessary, in the opinion of the BOARD OF DIRECTORS, HOMEOWNERS must permit access to their EXCLUSIVE-USE ASSETS to technicians, contractors and workers in charge of carrying out such work, especially in regard to installations and conduits which pass through more than one UNIT.

Article 23 – SUBDIVISIONS
No HOMEOWNER may subdivide the UNIT belonging to him without the affirmative vote of an EXTRAORDINARY ASSEMBLY. Commercial units may partition or connect units upon approval by the BOARD OF DIRECTORS. However, such partitions must be temporary so that the UNIT can easily be converted back to its original configuration.

Article 24 – NO TIMESHIRSES or FRACTIONAL SHARE UNITS
No UNIT ownership may be subdivided into “Time-share” or “Fractional Share” interests.

Article 25 – WORK AND REMODELLING
HOMEOWNERS may carry out, upon authorization from the BOARD OF DIRECTORS work and repairs inside their UNIT. Any modification that alters the structure, walls of any kind, other essential components of the property or which may damage the stability, structural integrity, security, safety or comfort thereof shall be forbidden.

The BOARD OF DIRECTORS shall establish a “Construction Policy” and a “Construction Application Form” which shall be approved by resolution of the GENERAL HOMEOWNERS’ ASSEMBLY and recorded in the CONDOMINIUM’S RULES OF OPERATION. The foregoing may be amended from time to time at the discretion of the GENERAL HOMEOWNERS’ ASSEMBLY as provided for in these Bylaws.

Article 26 – ARCHITECTURAL APPEARANCE: Requirements, restrictions and details for `architectural appearances are defined in the RULES OF OPERATION document.

Article 27 – RESPONSIBILITY FOR DAMAGE AND LOSS IN THE COMMON AREA
Failure to comply with any provisions of these Bylaws or the commitment of acts that result in damage to COMMON-AREA ASSETS, including, but not limited to buildings, general installations, fixtures and furniture of the CONDOMINIUM shall bind the USER or the responsible HOMEOWNER to pay such expenses as may be incurred to repair or restore the utilities and installations involved, and shall also be liable for payment of any direct and consequential damages as may result, and may be penalized under the terms of article 26 of the LAW.

Article 28 – ON THE TRANSFER AND ENCUMBRANCE OF RIGHTS
Article 23 of the LAW states: The HOMEOWNER can use, enjoy and dispose of his Unit of Exclusive Property, in accordance with the restrictions established by the LAW, these Bylaws, and the RULES OF OPERATION. No sections of the UNIT, such as rooms, bedrooms, service rooms may be separated from the UNIT and disposed of or assigned partial rights of the whole UNIT.
The OWNER and its TENANT or other legal assignee, shall agree among themselves who must comply with certain obligations in the presence of the HOMEOWNERS’ GENERAL ASSEMBLY and in what case the USER will be the HOMEOWNER’s representative in the ASSEMBLIES, but at all times the HOMEOWNER shall remain responsible for the obligations of the TENANT or USER. For the TENANT or USER to represent or assume obligations of the OWNER, notification by both parties must be given to the BOARD OF DIRECTORS in writing within the first five working days from the granting of its representation. In the case that such notification to the BOARD OF DIRECTORS is not carried out, the USER will not have any representation, except in the case of a power of attorney conferred upon the USER by the HOMEOWNER for a specific purpose in accordance with the LAW.

In any lease contract, agreement, or any other legal instrument, whereby the use of a UNIT is granted to a third party, it shall include the obligation to fulfill, and adhere to, the provisions of these Bylaws and the RULES OF OPERATION, and must attach a copy of the same to the lease agreement or contract.

If a HOMEOWNER transfers or assigns any rights or uses of COMMON-AREA ASSETS as may be allowed by the LAW or these Bylaws to a TENANT or other USER, the owner unconditionally forfeits personal use of such rights or uses that have been assigned or transferred.

Breach of this provision may result in a civil action as provided for in Article 49 of the LAW.

**ARTICLE 29 - NOTICE OF TRANSFER**

Upon agreement to sell or transfer a UNIT, the HOMEOWNER must advise the ASSOCIATION of intent to transfer. Prior to the completion of the transfer, the HOMEOWNER must be current in all fees, dues, fines and other contributions. Further, the Buyer or New HOMEOWNER must sign a document acknowledging receipt of these Bylaws, RULES OF OPERATION and must register with the ASSOCIATION, including name and personal contact information including mailing address and phone number as well as fax number and email address, if applicable. Failure to provide the signed document of acknowledgment as required above in no way releases or forgives the new HOMEOWNER of his obligations to comply with these Bylaws and the RULES OF OPERATION.

**Article 30 – ON THE USE OF COMMON-USE ASSETS**

Each HOMEOWNER may avail himself of the COMMON-USE ASSETS and enjoy the general utilities and installations, according to their ordinary uses, without restricting or making more onerous the right of the other HOMEOWNERS, in accordance with the provisions of Chapter IX of these Bylaws.

**Article 31 – GENERAL RESTRICTIONS ON THE OCCUPATION OF COMMON-USE ASSETS**

Ground floor HOMEOWNERS or their assigns may not occupy, for their exclusive or preferential use over the other owners, the vestibules, cellars, gardens, patios, or other places located on that floor, and shall abstain from performing work in said places. With the same reservation, HOMEOWNERS or their assigns on the top floor may not occupy the roof terrace or roof, add on new floors or carry out any other construction in this area. The restrictions mentioned here are applicable to all other Common Areas of the CONDOMINIUM.

Only the GENERAL HOMEOWNERS’ ASSEMBLY, in LEGAL ASSEMBLY, may authorize the temporary preferential use of certain common use areas of the CONDOMINIUM, when circumstances require, for the performance of activities beneficial to the majority or to all of the HOMEOWNERS.
Article 32 – GENERAL RESTRICTIONS ON THE USE OF ASSETS FOR COMMON USE
No HOMEOWNER or USER of the property shall be entitled to obstruct the entryways, traffic areas, gardens and other places for use in common by leaving in them any object as may signify an attempt to exercise domain over the COMMON-USE ASSETS or Common Areas, or impede foot or vehicle traffic; nor may they be used to play, skate, bicycle, etc., or carry out any other activity not compatible with the natural use of these parts, since the same are assigned to use in common and may only be done within the terms set forth in these Bylaws.

Article 33 – PETS
Pet rules, restrictions, penalties and fines are set forth in the RULES OF OPERATION document of the CONDOMINIUM.
CHAPTER IV
ON MAINTENANCE AND CHARGES IN COMMON

Article 34 – FISCAL OBLIGATIONS AND JOINT OBLIGATIONS
Each HOMEOWNER shall pay, separately from the property taxes for his own UNIT, that part of the taxes on COMMON-USE ASSETS for which he is responsible. Likewise all other taxes or fees levied on them as taxpayers by reason of the CONDOMINIUM.

Article 35 – PAYMENT OF HOMEOWNERS’ EXCLUSIVE AND SEPARATE UTILITIES
Likewise, each HOMEOWNER shall pay separately for whatever electric, telephone, gas and other utilities as he may use exclusively, the management of which the ASSOCIATION has not reserved to itself.

Article 36 – OBLIGATION TO CONTRIBUTE TO SUCH FUNDS AS THE GENERAL HOMEOWNERS’ ASSEMBLY MAY DETERMINE
All HOMEOWNERS shall be obligated to attend to expenses in common, for which purpose an OPERATING FUND shall be established and used to pay all maintenance, operating, employee and management expenses. A RESERVE FUND shall also be established. HOMEOWNERS shall likewise be obligated to contribute toward the creation of such other funds as the GENERAL HOMEOWNERS’ ASSEMBLY may decide upon.

Article 37 – BASIS FOR DETERMINING THE RATES FOR PAYMENT OF MAINTENANCE FEES AND OTHER AUTHORIZED CONTRIBUTIONS TO CONDOMINIUM FUNDS
Each HOMEOWNER binds himself to contribute toward the payment of MAINTENANCE FEES, and other contributions to approved ASSOCIATION funds based on the PERCENTAGE OF UNDIVIDED RIGHTS for which he is responsible, as detailed in the REGIME. MAINTENANCE FEES will be calculated using a rate set by the GENERAL HOMEOWNERS’ ASSEMBLY derived from budgets approved by the ASSEMBLY.

Article 37a – TERMS FOR PAYMENT OF MAINTENANCE FEES
Payments of MAINTENANCE FEES shall be made quarterly on the first day of January, April, July, and October. Payments received in the MANAGEMENT OFFICE or postmarked to the designated United States address after the 15th of these months shall be considered late and be subject to interest and penalties as defined in Articles 92 and 93 of these Bylaws. Payments shall be submitted as stipulated on the annual MAINTENANCE FEE invoice.

The BOARD OF DIRECTORS may, at its option, offer a discount to OWNERS paying their annual MAINTENANCE FEES in full by January 15th of each new fiscal year.

Article 38 – OPERATING FUND
The fund for maintenance and management expenses, the OPERATING FUND, shall be made up of the HOMEOWNERS’ contributions, in proportion to the PERCENTAGE OF UNDIVIDED RIGHTS stipulated in these Bylaws, at such rate as the GENERAL HOMEOWNERS’ ASSEMBLY may approve. The established rate for this Annual MAINTENANCE FEE must be read into the minutes of the LEGAL ASSEMBLY at which it is established and duly notarized and translated as required by law.

Article 39 – RESERVE FUNDS
RESERVE FUNDS shall be used only for the replacement or repair of major COMMON-USE ASSETS and facilities as well as unbudgeted and uninsured repairs to the facility created by acts of God such as storms and earthquakes. Examples of such assets include, but are not limited to, structural damage to buildings, plumbing and utility infrastructures, elevator and pool equipment. RESERVE FUNDS shall not be used for regular maintenance, repairs, landscaping, or furniture replacements ordinarily budgeted in the annual OPERATING FUND budget.

Other unforeseen emergency expenses may be paid from the RESERVE FUNDS at the discretion of the BOARD OF DIRECTORS. Emergency expenses shall be defined as those expenses, which, if not paid, would result in safety hazards, interruption of vital utilities and services, or the loss of use of key components of the COMMON-USE ASSETS. Funds may only be transferred without the approval of the GENERAL HOMEOWNERS’ ASSEMBLY when there are insufficient funds in the OPERATING FUND to temporarily cover such emergency expenses while still meeting ASSOCIATION obligations and payroll.

Any emergency transfers from the RESERVE FUNDS to the OPERATING FUND, shall require notification to the VIGILANCE COMMITTEE and HOMEOWNERS.

Windfall profits, (or losses), derived from monetary exchange gains shall be transferred upon completion of year-end financials to, (or from), the RESERVE FUND. Such exchange gains may remain in the OPERATING FUND only if the RESERVE FUND balance meets the minimum requirement set forth in Article 42, section b, and the GENERAL HOMEOWNERS’ ASSEMBLY approves this use of the gains with a 75% affirmative vote.

Any other use of RESERVE FUNDS must be approved by the GENERAL HOMEOWNERS’ ASSEMBLY with a 75% affirmative vote at a LEGAL ASSEMBLY.

**Article 40 – DEFINITION OF COMMON EXPENSES**

The following are charges in common:

a) All non-individual taxes, government and municipal fees, etc., which HOMEOWNERS must pay jointly.

b) All expenses for any nature of maintenance and repair needed for the various COMMON-USE ASSETS of the CONDOMINIUM.

c) All salaries, benefits and bonuses for the personnel serving the common interests of the CONDOMINIUM.

d) Cost of electricity and lighting in the common area.

e) All water charges for common areas and also for the UNITS unless the ASSEMBLY decides to install separate meters.

f) All disbursements for tools and equipment necessary for the maintenance, repair, cleaning and service of the COMMON-USE ASSETS of the CONDOMINIUM.

g) All premiums for the Condominium’s insurance policies.
h) In general, all expenses and obligations defined in the applicable LAW, these Bylaws, and those decided upon by a LEGAL ASSEMBLY of the GENERAL HOMEOWNERS’ ASSEMBLY.

**Article 41 – PREVENTIVE MAINTENANCE AND REPAIRS**
All work necessary for maintaining the buildings in a state of good repair and for ensuring the efficient operation of utilities shall be ordered by the BOARD OF DIRECTORS of the CONDOMINIUM, without having to obtain prior authorization from the HOMEOWNERS and charged to the approved budgeted OPERATING FUND or RESERVED FUND as outlined in articles 38, 39 and 40 of these Bylaws.

**Article 42 – MANNER OF INCREASING BUDGETS**
In the event of fiscal emergencies requiring use of RESERVE FUNDS as outlined in Article 39, or whenever the budget set by the GENERAL HOMEOWNERS’ ASSEMBLY is insufficient to cover the payments and obligations of the CONDOMINIUM, the GENERAL HOMEOWNERS’ ASSEMBLY shall decide on the best course of action for repayment of RESERVE FUNDS or increasing the budget at the next scheduled LEGAL ASSEMBLY.

a). Any shortfall in the OPERATING FUND budget for a fiscal year must be budgeted for and included in the budget for the following fiscal year.

b). The RESERVE FUND shall be maintained at a level not less than 50% of the annual OPERATING FUND budget. In any year that the RESERVE FUND should fall below this level, a minimum assessment equal to 5% of the total of the annual OPERATING FUND budget shall be added to the annual Maintenance Fees rate established by the GENERAL HOMEOWNERS’ ASSEMBLY for the purpose of increasing the RESERVE FUND toward the required level. These assessments shall be deposited to the RESERVE FUND quarterly based upon the actual dues collected during the preceding calendar quarter. If the minimum funding level established above has been met, the GENERAL HOMEOWNERS ASSEMBLY may decide, at its discretion, to build the RESERVE FUND beyond this minimum level at any LEGAL ASSEMBLY.

**Article 43 – DISTRIBUTION OF THE COSTS OF REPAIRING HIDDEN FLAWS WHEN IT BECOMES IMPOSSIBLE TO COLLECT FROM THIRD PARTIES**
The repair of hidden flaws for which compensation cannot be demanded of another party shall be paid for by the HOMEOWNERS in the proportion for which each is responsible according to these Bylaws; and the repair shall be decided upon by majority vote of the GENERAL ASSEMBLY.

**Article 44 – CAPITAL IMPROVEMENT AND OPTIONAL EXPENSES**
All new capital improvements or other optional expenditures not included and approved in the annual OPERATING FUND budget must be approved by a 75% majority of the LEGAL ASSEMBLY and include provisions for funding such expenditures.

**Article 45 – PROHIBITION OF CARRYING OUT WORKS IN COMMON AREAS WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS, AND EXCEPTIONS THERETO**
HOMEOWNERS shall not be entitled to carry out any work on COMMON-USE ASSETS except for urgent, emergency repairs, absent approval of the BOARD OF DIRECTORS.

**Article 46 – OBLIGATION TO REPORT THE ADVISABILITY OR NEED OF REPAIRS**
All HOMEOWNERS or USERS shall be obligated to bring to the attention of the GENERAL MANAGER or BOARD OF DIRECTORS, as soon as possible, the advisability or need of repairs.
Article 47 – RIGHT TO MAKE PROPOSALS
All HOMEOWNERS or properly assigned USERS shall have the right to propose to the BOARD OF DIRECTORS such measures as in their opinion are the most suitable for operation of the CONDOMINIUM, so that the BOARD OF DIRECTORS may bring them to the attention of the next GENERAL ASSEMBLY.

Article 48 – NECESSARY WORK CHARGED TO INDIVIDUAL HOMEOWNERS
Work needed on ceilings, floors, attached patios, and interior or dividing walls, on their respective parts on the inside of UNITS, shall be at the expense of the respective HOMEOWNERS.
As an exception to the previous paragraph, the painting of the exteriors of the balconies of the UNITS shall be considered as charges to the CONDOMINIUM unless the necessity to paint was caused by remodeling or other actions of the HOMEOWNER, in which case the responsibility and cost to repaint will be the responsibility of the HOMEOWNER.

Article 49 – INCREASE IN COMMON WORK OR EXPENSES FOR THE ENJOYMENT OF ONE OR MORE HOMEOWNERS
In the event a HOMEOWNER or group of HOMEOWNERS increases the common expenses for his or its own enjoyment, the responsible party or parties shall bear this increase, to which effect the BOARD OF DIRECTORS shall require payment thereof in accordance with the provisions in the chapter on penalties.
For the purposes of this Article, by increase of common expenses shall be understood any abuse by one or more HOMEOWNERS of the CONDOMINIUM’S general utilities, such as drinking water supply, parking facilities or any of the utilities and facilities referred to in Article 40 and chapter IX of these Bylaws.

Article 50 – CLEANING
All HOMEOWNERS or USERS of the CONDOMINIUMS shall collaborate in keeping the CONDOMINIUM clean, wherefor no garbage or waste shall be thrown out in the common areas.

Article 51 – HOMEOWNERS’ LIABILITIES FOR DEFAULT
Any HOMEOWNER who fails to fulfill any of his obligations as established by these Bylaws, by the LAW, or by the GENERAL HOMEOWNERS’ ASSEMBLY, shall be liable for any direct and consequential damages as he may cause to the other HOMEOWNERS, apart from any penalties and fines as he may incur, according to the provisions in these Bylaws.
CHAPTER V
ON MANAGEMENT

Article 52 – BOARD OF DIRECTORS
The BOARD OF DIRECTORS shall be invested as a collegial entity with the powers, and placed in
charge of the obligations detailed in these Bylaws.

All decisions of the BOARD OF DIRECTORS shall be valid if they are accepted by the majority of the
directors on the BOARD. The BOARD shall prescribe the rules for its own governance and operation,
and said rules shall be valid unless they run counter to the provisions in these Bylaws, in the LAW, or to
resolutions passed by the GENERAL HOMEOWNERS’ ASSEMBLY.

Article 53 – BOARD OF DIRECTORS QUORUM
In order to achieve a quorum for an official meeting of the BOARD OF DIRECTORS, there must be a
minimum of five Directors in attendance either in-person or by telephone. Directors must represent
themselves and may not grant a proxy to any other Board member or person.

In order for any resolution or measure to be passed by the BOARD OF DIRECTORS, it shall require a
majority of the Directors in a valid quorum. In the event a Director or Directors abstain from voting due
to conflict-of-interest, a majority of the remaining Directors is required to pass a resolution or measure.

The BOARD OF DIRECTORS may convene an EXECUTIVE SESSION at any time they choose to
discuss confidential matters including, but not limited to, personnel issues, disciplinary actions, and legal
matters. EXECUTIVE SESSIONS are for discussion purposes only and no minutes are kept. As
HOMEOWNERS are excluded from these sessions, no motions or voting may take place.

Article 54 – APPOINTMENT AND REMOVAL OF DIRECTORS
The BOARD OF DIRECTORS shall be made up of seven Directors, who shall be elected by the
GENERAL HOMEOWNERS’ ASSEMBLY. Directors shall remain in their posts for a term of two years
and may be re-elected for up to three consecutive terms. Directors must be HOMEOWNERS.
Candidates and elected Directors must be current with all dues, fee, fines and penalties to serve on the
BOARD OF DIRECTORS.

Within 24 hours of the posting of election results for new Directors, a BOARD OF DIRECTORS meeting
shall be held to decide who shall occupy the posts of President, Vice President, Secretary and Treasurer of
said BOARD OF DIRECTORS. These office designations shall be recorded in the minutes of the
meeting. These minutes shall be translated and notarized.

Members of the BOARD OF DIRECTORS may not serve concurrently on the VIGILANCE COMMITTEE.

Directors, individually, or the entire membership of the BOARD OF DIRECTORS may be removed by
67% agreement of the GENERAL HOMEOWNERS’ ASSEMBLY. In the event of such a vote,
Directors shall remain entitled to cast their individual vote.
Article 55 – EXERCISE OF THE POWERS OF THE BOARD OF DIRECTORS
The powers of the BOARD OF DIRECTORS shall be exercised by its President. In his absence, the Vice President shall assume the duties of the President.

The President of the Board will be the designated spokesperson for the ASSOCIATION. In the absence of the President or his inability to act for any reason, the Vice-President shall be the designated spokesperson. No other director or employee other than the designated spokesperson shall speak on behalf of the ASSOCIATION, unless previously authorized by the BOARD OF DIRECTORS. In all cases, employees and Directors should distribute authorized releases from the ASSOCIATION and should refer all questions to the designated spokesperson.

Article 56 – LEGAL REPRESENTATIVE OF THE CONDOMINIUM
The Civil Association shall be the HOMEOWNERS’ legal representative in all matters related to the CONDOMINIUM; and shall have the powers of general attorney-in-fact, to manage assets and for judicial proceedings and collections, including the power to testify before a judge in matters relating to the Condominium.

Article 57 – BINDING AND MODIFIABLE NATURE OF DECISIONS OF THE BOARD OF DIRECTORS
Any measures as may be adopted and any provisions prescribed by the BOARD OF DIRECTORS in the discharge of its duties shall be binding upon all of the HOMEOWNERS unless 67% of the GENERAL HOMEOWNERS’ ASSEMBLY modifies or revokes them.

Article 58 - COMMITTEES OF THE BOARD OF DIRECTORS
(a) The Board of Directors may establish, by resolution, an Architectural Committee, a Security Committee and other committees as appropriate, to deal with items delegated to them.
(b) For each committee so established a mission statement and list of duties will be developed.
(c) Membership of committees shall consist of no fewer than three (3) persons. Committees will elect their own Chairperson from within their members.
(d) Committees will meet as appropriate, at the call of the committee Chairperson. A timely report to the BOARD OF DIRECTORS and the GENERAL HOMEOWNERS’ ASSEMBLY will be made after each committee meeting concerning the committee’s deliberations, decisions and/or actions.

Article 59 – OBLIGATIONS OF THE BOARD OF DIRECTORS
The BOARD OF DIRECTORS shall be responsible for:

a) Caring for and watching over the CONDOMINIUM’S assets and the common assets, and for promoting the formation, organization and development of the community.

b) Maintaining and safekeeping all books and documentation related to the CONDOMINIUM.

c) Attending to complaints made by the HOMEOWNERS with respect to operation of the general installations and utilities.

d) Performing all management and maintenance activities.

e) Performing all works necessary to keep the CONDOMINIUM safe, stable and in good repair so that the utilities will function normally and efficiently, in accordance with the provisions of the LAW and these Bylaws.
f) Implement and comply with the resolutions made by the GENERAL ASSEMBLY.

h) Pay all CONDOMINIUM maintenance and management expenses from the appropriate fund.

i) Ensure that receipts are given to each HOMEOWNER for any sums as he/she may have paid toward the aforementioned funds or other obligations and contributions.

j) Keep a detailed record of expenses paid from the OPERATING FUND and the RESERVE FUND. Operating Statements and Balance Sheets detailing the above and any other bank or investment accounts shall be distributed to the Homeowners no less than 21 days preceding a LEGAL ASSEMBLY.

k) Keep a detailed record showing the amounts of contributions and unpaid dues, and the balances owing. A statement of these records shall be distributed to the Homeowners no less than 21 days preceding a LEGAL ASSEMBLY.

l) Call General Assembly Meetings at least twenty one days in advance of the date on which they are to be held, indicating the place, date, time and agenda.

m) Send any notices in writing as may be necessary to registered HOMEOWNERS and creditors or their representatives, at such domiciles or delivery addresses as have been indicated therefore.

n) Post notices of General Assembly Meetings at least ten days in advance in one or more visible places in the CONDOMINIUM.

p) Perform such other duties as may be assigned to it by the GENERAL ASSEMBLY, and fulfill all of the obligations for which it is responsible under the LAW, the CONDOMINIUM Bylaws, RULES OF OPERATION, and all other applicable legal provisions.

q) Preparation of the CONDOMINIUM annual budgets and proposed annual Maintenance Fee rate for the approval of the GENERAL HOMEOWNERS’ ASSOCIATION.

r) Hiring, firing and retention of a GENERAL MANAGER to oversee the day to day operations of the CONDOMINIUM. The BOARD OF DIRECTORS shall determine the scope of the GENERAL MANAGER’S duties and hold the GENERAL MANAGER accountable for the execution of such duties.
Article 60 - CONFLICT OF INTEREST
Owners that have a business relationship or contractual relationship with the CONDOMINIUM may not serve on the BOARD OF DIRECTORS or VIGILANCE COMMITTEE.

Each and every director, committee member, officer, or employee has an obligation of loyalty to the ASSOCIATION and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the Association.

When running for office, seeking appointment to a position, or seeking to provide contractor or professional services to the ASSOCIATION, each and every potential director, committee member, officer, employee, contractor or professional service provider shall declare before the GENERAL HOMEOWNERS’ ASSEMBLY all actual or potentially material conflicts that may arise between their duty to the ASSOCIATION and their personal obligations or other fiduciary duties and financial interests. These declarations shall be recorded in the minutes of the LEGAL ASSEMBLY.

Directors that have business or financial relationships with any business or undertaking that does business or seeks to do business with the ASSOCIATION shall abstain from decisions that the BOARD OF DIRECTORS is considering in regard to these businesses or undertakings. Where appropriate, Directors with such conflicts shall excuse themselves from meeting during discussions relating to the business in question. In no case shall a director, committee member, officer, or employee engage directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder, (10% or more), in any business or undertaking that competes with, does business with or seeks to do business with the ASSOCIATION except with the express written approval of the BOARD OF DIRECTORS.

To avoid conflicts of interest, the directors, officers, and employees must do more than merely act within the law. They must conduct their affairs in such a manner that their performance will, at all times, bear public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.

Members of the BOARD OF DIRECTORS, VIGILANCE COMMITTEE, or the GENERAL MANAGER may not contract with the ASSOCIATION. However, this does not apply to a Board Member providing a service in conjunction with their role on the Board. This Article shall not preclude any Commercial or Business Owner from serving on the BOARD OF DIRECTORS provided that Business has no contractual relationship with ASSOCIATION.

Article 61 – LIABILITY OF THE DIRECTORS
All members of the BOARD OF DIRECTORS shall be jointly liable with their predecessors for any irregularities committed by the latter if, having knowledge thereof, they willfully fail to report said irregularities to the GENERAL ASSEMBLY immediately called for that purpose.

Article 62- INDEMNIFICATION OF DIRECTORS
The ASSOCIATION shall indemnify every Director and their respective successors, personal representatives and heirs, to the greatest extent permitted by law against all loss, costs, and expenses including counsel fees, reasonably incurred by such person in connection with any action, lawsuit or proceeding to which such person shall be made a party by reason of such person’s being or having been a Director of the ASSOCIATION, except as to matters as to which such person shall be finally adjudged in such action, lawsuit or proceeding to be liable for gross negligence or willful misconduct in the performance of such person’s duty to the ASSOCIATION.
Article 63 – PROFESSIONAL ADMINISTRATION
In accordance with Articles 37 and 39 of the LAW, whenever the GENERAL HOMEOWNERS’ ASSEMBLY so decides with the 75% approval of an EXTRAORDINARY ASSEMBLY, management of the CONDOMINIUM may be entrusted to one individual who shall enjoy, as an individual, all of the powers and be responsible for all of the same obligations mentioned in the foregoing articles.

Article 64 – DIRECTORS’ COMPENSATION
The members of the BOARD OF DIRECTORS or Professional Management, as the case may be, shall be entitled to compensation or reimbursement of out-of-pocket expenses in such manner as the GENERAL HOMEOWNERS’ ASSEMBLY may decide.
CHAPTER VI
ON THE VIGILANCE COMMITTEE

Article 65 – VIGILANCE COMMITTEE
The VIGILANCE COMMITTEE shall be made up of three persons who shall be elected by the GENERAL HOMEOWNERS’ ASSEMBLY for a term of two years up to three consecutive terms. VIGILANCE COMMITTEE members may be removed with a 67% vote of the GENERAL HOMEOWNERS’ ASSEMBLY in a LEGAL ASSEMBLY.

The members of the VIGILANCE COMMITTEE shall not be entitled to compensation.

The members of the VIGILANCE COMMITTEE may not serve concurrently on the BOARD OF DIRECTORS.

The members of the VIGILANCE COMMITTEE shall be limited to the obligations set forth in Article 66 and not undertake or assist in activities normally the responsibility of GENERAL MANAGER or the BOARD OF DIRECTORS.

Article 66 – OBLIGATIONS OF THE VIGILANCE COMMITTEE
In accordance with Article 44 of the LAW, the VIGILANCE COMMITTEE shall have the following functions and obligations:

a) Monitor that the BOARD OF DIRECTORS complies with resolutions adopted by the GENERAL HOMEOWNERS’ ASSEMBLY.

b) Monitor that the BOARD OF DIRECTORS fulfills its duties, and report irregularities and potential conflicts of interest to the GENERAL HOMEOWNERS’ ASSEMBLY.

c) Monitor the hiring and termination of professional services by the BOARD OF DIRECTORS as approved by the GENERAL HOMEOWNERS ASSEMBLY, in a manner that insures actions will be taken consistent with the Bylaws, and RULES OF OPERATION and that the actions taken are consistent with the objectives of the items approved by the GENERAL HOMEOWNERS ASSEMBLY.

d) Monitor that the BOARD OF DIRECTORS is keeping the COMMON USE-ASSETS well-maintained and secure.

e) Verify the statements of account and financial reports the BOARD OF DIRECTORS must submit to the GENERAL HOMEOWNERS’ ASSEMBLY.

f) Confirm proper use and investment of the RESERVE FUNDS as outlined in these Bylaws.

g) Deliver to the GENERAL HOMEOWNERS’ ASSEMBLY its comments on the management of the CONDOMINIUM.

h) Report to the GENERAL HOMEOWNERS’ ASSEMBLY any evidence of HOMEOWNERS’ defaulting as reported to it by the BOARD OF DIRECTORS.

i) Assist the BOARD OF DIRECTORS in calling the attention of the HOMEOWNERS to the fulfillment of their obligations.
j) In accordance with Articles 33 and 44 (IX), of the LAW, call special LEGAL ASSEMBLIES of the HOMEOWNERS when the BOARD OF DIRECTORS fails to do so within three days of a notarized request from owners representing 25% of the UNDIVIDED RIGHTS of the CONDOMINIUM.

k) Perform such duties as may be assigned to it by the GENERAL HOMEOWNERS’ ASSEMBLY and fulfill all of its obligations under the LAW, these Bylaws, RULES OF OPERATION and all other applicable legal provisions.

l) Monitor that Bank and other Investment accounts are opened and maintained in accordance with the LAW and these Bylaws.
CHAPTER VII
ON THE GENERAL HOMEOWNERS’ ASSEMBLY

Article 67 – GENERAL HOMEOWNERS’ ASSEMBLY
The GENERAL HOMEOWNERS’ ASSEMBLY is the highest authority of the CONDOMINIUM and is made up of all of the HOMEOWNERS. In accordance with Article 32 of the LAW, the GENERAL HOMEOWNERS’ ASSEMBLY must have a President and a Secretary. Additionally the ASSEMBLY must have at least two SCRUTINEERS, (vote counters/observers), designated at the respective LEGAL ASSEMBLY.

Article 68 – SELECTION OF SCRUTINEERS
Selection of 2 SCRUTINEERS will be made by a blind drawing form the total pool of HOMEOWNERS present at the LEGAL ASSEMBLY that volunteer for the duties.

Article 69 – ON MANDATORY ASSEMBLIES
In accordance with the provisions of Article 32 of the LAW, the ORDINARY OR EXTRAORDINARY ASSEMBLIES will be mandatory at least once every six months and any additional times as needed.

Exception to the foregoing; the CONDOMINIUM, classified as Tourist Housing under Article 5, fraction III, paragraph b, of the LAW, may elect to assemble once a year with the 75% approval of the GENERAL HOMEOWNER’S ASSEMBLY.

Additional EXTRAORDINARY ASSEMBLIES may be summoned as required and in accordance with the provisions of these Bylaws and the LAW.

Article 70 – ON VOTING RIGHTS
Each HOMEOWNER shall enjoy a number of votes equal to the PERCENTAGE OF UNDIVIDED RIGHTS his or her exclusive property represents in relation to the total value of the CONDOMINIUM as described in the REGIME. For this purpose, it is established that each square foot of exclusive property shall have equal value regardless of its location in the CONDOMINIUM. A HOMEOWNER’S vote is multiplied by the UNIT’S percentage of the undivided interest to determine the value of that vote.

BOARD OF DIRECTOR and VIGILANCE COMMITTEE Members shall be elected by secret ballot with each residential and commercial UNIT receiving one vote. Parking garages and storage units, (bodegas), are not entitled to vote for BOARD OF DIRECTOR or VIGILANCE COMMITTEE candidates.

In order to exercise the right to vote, it is absolutely required that the HOMEOWNER be current in the payment of all dues, fines, and contributions to such funds as the GENERAL HOMEOWNERS’ ASSEMBLY may decide upon.

Article 71 - DESIGNATION OF MEMBER WITH AUTHORITY
In the case where a UNIT is owned by multiple persons, a corporation, a partnership, a limited liability company, or any other non-person entity, a single person shall be designated and registered with the CONDOMINIUM as the legal representative of that UNIT with authority to vote and for all other matters. In the event that there is a dispute as to who is the legal authority, the vote for that unit shall be withheld, however, this matter may only be disputed by another owner or member of the non-person of the UNIT in question entity, and not by the CONDOMINIUM without cause or any other third party. In the case of
multiple ownership which includes immediate family members (spouse, sibling, parent, or child), there is no need to register and any member of that family may represent the UNIT without registering except in the case of disputed authority.

Article 72—MANNER OF VOTING
Voting shall be in person, by proxy as outlined in Article 79, by approved electronic means, or by official written ballot.

Article 73 –MAJORITY REQUIRED FOR VALIDITY OF RESOLUTIONS
In accordance with Article 32, section IV of the LAW, with the exception of any Article to the contrary as contained in these Bylaws, and in the cases of exception prescribed in the LAW, all resolutions and calls to action of the GENERAL HOMEOWNERS’ ASSEMBLY shall be adopted by a simple majority (more than 50%) provided there is a quorum as described in Article 87 of these Bylaws.

Article 74 – NO RESTRICTION ON THE RIGHT TO VOTE
HOMEOWNERS, including members of the BOARD OF DIRECTORS, may vote on any matter that comes before the GENERAL HOMEOWNERS’ ASSEMBLY in the capacity as a HOMEOWNER.

Article 75 - DELINQUENT OWNERS MAY NOT VOTE
UNITS that are not current in the payment of their Homeowners assessment, penalties, interest, fines or other contributions approved by these Bylaws or the HOMEOWNERS’ GENERAL ASSEMBLY in accordance with the LAW, may not vote. However, UNITS that are current in dues but have a disputed delinquency with respect to interest and penalties may vote.

Article 76 - SECRET BALLOT
Votes for electing members of the BOARD OF DIRECTORS, VIGILANCE COMMITTEE members, as well as written motions in LEGAL and EXTRAORDINARY ASSEMBLIES shall be by secret ballot. With respect to resolutions made from the floor at a LEGAL ASSEMBLY, where a show of hands cannot determine the outcome of a vote, and where feasible, voting shall be conducted by secret written ballot. Procedures for secret balloting, and the highest practical level of confidentiality for proxies and electronically submitted ballots, will be determined by resolution of the GENERAL HOMEOWNERS’ ASSEMBLY and placed in the RULES OF OPERATION document.

Article 77 – REPRESENTATION IN GENERAL ASSEMBLIES
HOMEOWNERS may choose to be represented in the GENERAL ASSEMBLY by a substitute or “proxy” whose authority to act in that capacity will be certified by a proxy letter authenticated by two witnesses. The proxy holder may vote on behalf of the HOMEOWNER as long as that HOMEOWNER is current with all dues and contributions as detailed in Chapter IV these Bylaws. If so designated by the HOMEOWNER, the proxy holder shall have the right to vote on all matters that come before the GENERAL HOMEOWNERS’ ASSEMBLY except for matters which require the affirmative written consent of the HOMEOWNER.

Article 78 - RULES GOVERNING PROXIES
In accordance with Article 32 fraction X of the LAW, for a Proxy to be valid, it must be delivered to the CONDOMINIUM MANAGEMENT OFFICE either in-person, hand-delivered, mail, courier, scanned email image, fax, or by means of other approved electronic communications that provide the functional equivalence to the original non-electronic documents.

The Proxy form must be signed by the owner, dated, and include a valid and working contact telephone number in the event verification is necessary. The Owner's signature must be witnessed by two witnesses
who must verify by signing the Proxy form where noted. HOMEOWNERS who grant proxies via electronic means must retain the original and be prepared to present it upon request. Proxies may be withdrawn by written notice or by appearing in-person at the meeting. Proxy holders do not need to be HOMEOWNERS, but the person granted the proxy must be present at the LEGAL ASSEMBLY to vote. A proxy holder may not give that proxy to another individual without the express written authorization of the HOMEOWNER originally granting the proxy.

When feasible, proxy review, counting, authentication, and distribution shall be conducted by an independent non-owner third party. In the event of a disputed proxy, unless the validity of the proxy can be immediately determined, the vote of the proxy shall be set aside. Should a vote be close enough that the disputed proxy could affect the final outcome; the validity of a proxy shall be determined by a panel including the Scrutineers appointed for that LEGAL ASSEMBLY, along with Directors and Vigilance Committee members not appearing on that proxy ballot.

No one person may hold proxies representing more than 4 UNITS and, if applicable, their associated garages, whether such proxy is granted by a proxy form, power of attorney or any other instrument. Proxy givers must contact the potential proxy holder to verify the ability and willingness of the potential holder to accept the proxy.

No current member of the BOARD OF DIRECTORS OR VIGILANCE COMMITTEE members may hold proxies.

Article 79 – GENERAL AND PARTIAL ASSEMBLIES

The CONDOMINIUM and the ASSOCIATION operates as a single entity with no special sections or sub-groups that require partial assemblies as described in Article 32 of the LAW.

Article 80 – GENERAL ASSEMBLIES

GENERAL HOMEOWNERS’ASSEMBLIES shall have the following powers with the approval of a simple majority (more than 50%) of a LEGAL ASSEMBLY unless otherwise noted in these Bylaws:

- a) To appoint and remove the BOARD OF DIRECTORS freely, in accordance with the provisions of articles of these bylaws and the LAW. Removal of directors shall require a 67% majority vote of a LEGAL ASSEMBLY.

- b) To determine the direct responsibilities of the BOARD OF DIRECTORS as it relates to third parties and the responsibilities, and actions that can be taken by the HOMEOWNERS associated with actions the BOARD OF DIRECTORS have taken in performing their duties.

- c) To appoint and remove a VIGILANCE COMMITTEE under the provisions of these bylaws and the LAW. Removal of VIGILANCE COMMITTEE members shall require a 67% majority vote OF A LEGAL ASSEMBLY.

- d) To review and approve the annual statement of accounts submitted by the BOARD OF DIRECTORS for its approval at the first regular LEGAL ASSEMBLY following the close of the fiscal year, provided that the assembly does not occur less than 100 days from such closing.

- e) To discuss and, when appropriate, approve the expense budgets for the following year.
f) To determine the MAINTENANCE FEES chargeable to the HOMEOWNERS for funding the OPERATING FUND and the RESERVE FUND.

g) To promote the best course of action before the competent authorities whenever the BOARD OF DIRECTORS violates the aforementioned LAW, these Bylaws, the RULES OF OPERATION, or any other applicable legal provisions.

h) To instruct the BOARD OF DIRECTORS how to improve the performance of its duties.

i) To adopt the appropriate measures in such matters of common interest as are not included within the functions conferred upon the BOARD OF DIRECTORS.

j) To appoint one of the HOMEOWNERS to chair discussions.

k) To modify these Bylaws, RULES OF OPERATION, or the Regime structure of the common areas.

ARTICLE 81 - RULES OF OPERATION
The GENERAL HOMEOWNERS’ ASSEMBLY shall have the authority to approve and adopt a set of RULES OF OPERATION as a document separate from these bylaws, but authorized and controlled by the pertinent articles of these bylaws. These rules will exist as a set of ongoing Resolutions of the GENERAL HOMEOWNERS’ ASSEMBLY, but will be required to meet higher tests for adoption or modification than ordinary Resolutions requiring simple majorities. These RULES OF OPERATION shall cover, but not be limited to the following:

a) The day-to-day use of COMMON-USE ASSETS and matters affecting the safe use and enjoyment of the common elements of the CONDOMINIUM. These RULES may include, but are not limited to Swimming Pool Rules, Clubhouse Rules, Parking Area Rules, Laundry Facilities Rules, Pet Rules, Fines and Penalty Schedules.

b) The day-to-day use of EXCLUSIVE USE ASSETS including, but not limited to, Construction Rules, Architectural Rules, Appearance Rules, Safety Issues, Occupancy limits, Fines and Penalty Schedules.

c) Rules for voting, secret ballot and proxy procedures not otherwise specified in these Bylaws.

d) Rules on property management, renting and occupancy not otherwise specified in these Bylaws.

Nothing in the RULES shall be in conflict with the LAW or articles of these Bylaws.

ARTICLE 82 - ON CREATING NEW RULES OR AMENDING EXISTING RULES
Motions for creating new RULES OF OPERATION, or for amending or changing existing RULES, may be placed on the ballot of a LEGAL ASSEMBLY by the BOARD OF DIRECTORS or submitted by HOMEOWNERS for placement on the ballot. Proposed amendments or changes to RULES by HOMEOWNERS must be submitted in writing to the BOARD OF DIRECTORS 45 days in advance of LEGAL ASSEMBLIES accompanied by the signatures of 10 HOMEOWNERS to qualify for placement on proxy ballots distributed to all HOMEOWNERS. Written submissions
may be made by mail or e-mail to any Director or hand delivered to the Marina Sol MANAGEMENT OFFICE. New RULES, or amendments to existing RULES, will require the affirmative vote of at least 67% of the GENERAL HOMEOWNERS’ ASSEMBLY represented at scheduled LEGAL ASSEMBLIES.

ARTICLE 83 - OBLIGATION TO COMPLY WITH THE RULES OF OPERATION
All HOMEOWNERS, HOUSEHOLD MEMBERS, GUESTS, RENTERS, TENANTS, and any other USERS, are required to abide by these RULES. HOMEOWNERS may be subject to reprimands, fines, or other penalties for failure of any USER of their UNIT to comply. HOMEOWNERS who rent their units are responsible for insuring that all GUESTS, RENTERS and TENANTS are aware of and comply with the applicable RULES OF OPERATION.

Article 84 – MEETING NOTICES
Notice shall be issued by the BOARD OF DIRECTORS or, if necessary in accordance with the provisions of the LAW, or by the VIGILANCE COMMITTEE.

Article 85 – JUDICIAL NOTICE OF MEETING REQUESTED BY HOMEOWNERS REPRESENTING ONE FOURTH OF THE CONDOMINIUM UNITS
HOMEOWNERS may call a meeting without action on the part of the BOARD OF DIRECTORS whenever they certify before a competent court or notary that they represent at least one fourth of the votes of the CONDOMINIUM.

Article 86 – FORMALITIES FOR THE DELIVERY OF MEETING NOTICES
Notice of a meeting shall be posted in visible parts of the CONDOMINIUM and shall be sent to each of the HOMEOWNERS at the respective designated communication address they have registered with the ASSOCIATION. This may be a physical mailing address, fax phone number, email address, or other approved electronic communication. If necessary, it shall also be delivered to such creditors as may have registered for that purpose.

The notice of any LEGAL ASSEMBLY or EXTRAORDINARY ASSEMBLY sent to an owner’s designated communication address must be accompanied by the agenda, proxy, and ballot detail for that meeting as well as budgets and financial reports appropriate to the meeting and as required in these Bylaws.

Article 87 – QUORUM FOR THE EXISTENCE AND VALIDITY OF GENERAL ASSEMBLIES
When a GENERAL ASSEMBLY is held by virtue of a first call, (notice of meeting), a quorum representing 75% of the voters, in person, by proxy, or by electronic means is required; when it is held by second call, the quorum shall be at least 51% of the voters. If the GENERAL ASSEMBLY is held by third call, a quorum shall exist with whatever percentage of the voters is present, represented by proxy, or by electronic means. In accordance with Article 33 of the LAW, first call, (notice), shall at least 10 days before the holding of the Assembly, second call at least 24 hours before the Assembly, and the third call made 10 minutes before the Assembly.

Article 88 – ON THE MANNER OF PRESIDING OVER GENERAL ASSEMBLIES
All general assemblies shall be presided over by the President of the BOARD OF DIRECTORS the Vice President in his absence, or by the HOMEOWNER appointed at each GENERAL ASSEMBLY, and his function shall consist of organizing the sequence thereof and moderating any discussions as may arise.
Article 89 – ON MEETING MINUTES
The Secretary of the BOARD OF DIRECTORS shall act as secretary at all GENERAL ASSEMBLIES. In the event that Professional Management is retained by the GENERAL HOMEOWNERS’ ASSOCIATION, the person appointed thereby shall act as secretary. In any case the secretary shall record the meeting minutes in a special book. All minutes of LEGAL ASSEMBLIES and EXTRAORDINARY ASSEMBLIES shall be translated and notarized. The minutes shall be transcribed in chronological order and they shall be witnessed by the Secretary and certified by the President of the ASSEMBLY, VIGILANCE COMMITTEE members in attendance, and the Scrutineers. Should any changes be made to the REGIME or the Articles of the Bylaws, the minutes must be certified by a legal Notary and filed with the appropriate government authorities.

Article 90 – RIGHT TO CONSULT THE BOOK OF MEETING MINUTES
The ASSOCIATION shall keep the book of minutes available to the HOMEOWNERS and creditors in the MANAGEMENT OFFICE during its regular business hours.

Article 91 – BINDING NATURE OF GENERAL ASSEMBLY RESOLUTIONS
Resolutions legally adopted by the GENERAL HOMEOWNERS’ ASSEMBLY shall be binding upon all HOMEOWNERS, even those absent and dissenting.
CHAPTER VIII
ON PENALTIES

Article 92 – OBLIGATION TO PAY INTEREST FOR DELAYED PAYMENTS
HOMEOWNERS who fail to pay their MAINTENANCE FEES, fines, or other contributions approved by the GENERAL HOMEOWNERS’ ASSEMBLY shall be obligated to pay interest for late payment at a rate of 1.5% per month, (18% per year). Interest shall begin accruing the day after the payment becomes delinquent. Unless otherwise noted in these Bylaws or the RULES OF OPERATION, MAINTENANCE FEE payments shall be considered delinquent on the 16th day after each quarterly due date, or in the case of other contributions, 30 days after the date of assessment.

Waiver or reduction of interest charges may only be granted by resolution of the GENERAL HOMEOWNERS’ ASSEMBLY at a LEGAL ASSEMBLY.

Article 93 – PENALTY FOR FAILURE TO PAY MAINTENANCE FEES AND CONTRIBUTIONS
In addition to the interest for delayed payments stipulated in these bylaws, any HOMEOWNER who becomes delinquent, as described in Article 92, in any of the payments for which he is responsible, shall be assessed a one-time penalty for each default, a sum equivalent to TWENTY percent of the amount of each debt owing. In accordance with article 47 of the LAW, collection of this penalty may also be subject to civil court proceedings.

Waiver or reduction of penalties may only be granted by resolution of the GENERAL HOMEOWNERS’ ASSEMBLY at a LEGAL ASSEMBLY.

Article 94 – JUDICIAL COLLECTION PROCEEDINGS
Failure to pay three monthly bills or the equivalent, (more than 30 days late on a quarterly payment), for dues for common expenses and contributions to the funds established by the GENERAL HOMEOWNERS’ ASSEMBLY, may result in a civil court proceeding in accordance with the provisions of article 47 of the LAW. Such claim shall be filed against the HOMEOWNER for payment in full of all his charges and payment of interest and penalties for delayed payment calculated in accordance with the provisions in the foregoing articles on the total amount owing.

Article 95 – DOCUMENTS ON WHICH THE CLAIM IS BASED
The pertinent claim must be signed by the legal representative of the ASSOCIATION, (the President of the BOARD OF DIRECTORS or Professional Administrator), and by the President of the VIGILANCE COMMITTEE. In the absence of the President, the Vice President shall act on behalf of the President as provided for in these Bylaws. In the absence of the President of the VIGILANCE COMMITTEE, another member of the committee may be appointed to act on his behalf.

All claims must be accompanied by a statement detailing all the amounts owing, plus the applicable interest and penalties. This statement must be accompanied by the relevant part of the minutes from the GENERAL HOMEOWNERS’ ASSEMBLY, in which the MAINTENANCE FEES were determined and approved.
Article 96 – HOMEOWNERS’ DIRECT LIABILITY FOR DEFAULT ON THE PART OF THEIR RESPECTIVE USERS

Each HOMEOWNER shall be personally liable for any defaults committed by the USERS who use or enjoy the rights belonging to the former. In the event of default on the part of USERS, the claim shall be filed directly against the interested HOMEOWNER.

Article 97 – PENALTY Consisting OF SUSPENSION OF SERVICES PAID in COMMON

When any HOMEOWNER falls over three months behind in payment OF MAINTENANCE FEES, apart from any interest, penalties or civil proceedings undertaken in his case, the BOARD OF DIRECTORS shall be empowered to suspend, relative to the appropriate UNIT, those services that, according to these Bylaws, are related to common-area MAINTENANCE FEES. Such services may include, but are not limited to, use of the pool, Jacuzzi, clubhouse, coin laundry, common area parking, and connection to the CONDOMINIUM’S parabolic antenna and general television programming, as long as the arrears lasts, without needing prior judicial or administrative authorization.

Article 98 – FORCED JUDICIAL SALE

Any HOMEOWNER who repeatedly fails to fulfill his obligations, in addition to being liable for any direct and consequential damages as he may cause to the others, may, based on the provisions of article 48 of the LAW, be sued so that he will be forced to sell his rights, even in public auction, and the right of preferential purchase set forth in the aforementioned LAW shall be respected.

The exercise of this action shall be decided upon by the GENERAL HOMEOWNERS’ ASSEMBLY in an EXTRAORDINARY ASSEMBLY requiring a minimum of 75% affirmative vote. This action may occur whenever default has occurred on more than three occasions or in any of the following cases:

I. – For the commission of total default in the payment of dues and contributions fixed by the GENERAL HOMEOWNERS’ ASSEMBLY during more than three consecutive months.

II. – When a HOMEOWNER or USER, (with the participation, consent or knowledge of the HOMEOWNER) commits and is convicted of a felonious crime within the UNIT.

III. – For the HOMEOWNER’S refusal to pay any direct or consequential damages as may have been caused to assets for common use of the CONDOMINIUM through his actions or those of his assigns, provided always that the claim is well-founded and substantiated.

IV. – For the HOMEOWNER’S refusal to file proceedings for the eviction of his RENTERS or USERS when they have violated these bylaws and have repeatedly refused to heed warnings from the BOARD OF DIRECTORS and the VIGILANCE COMMITTEE for these reasons.

V. – In any other case in which the GENERAL HOMEOWNERS’ ASSEMBLY so decides, for failure to comply with any of the obligations in these Bylaws and in the LAW.

Article 99 – WARNINGS AND FINES

Refer to the Marina Sol RULES OF OPERATION for a schedule of warnings and fines for violations of the RULES.
CHAPTER IX
GENERAL PROVISIONS FOR THE USE AND ENJOYMENT OF COMMON AREAS AND GENERAL UTILITIES

Article 100 – BASIS AND PURPOSE OF THE PROVISIONS AND RESTRICTIONS ON THE USE AND ENJOYMENT OF THE COMMON AREAS AND GENERAL UTILITIES
In addition to the provisions in Chapter III and other pertinent articles of these Bylaws, in order to guarantee good use and enjoyment of the CONDOMINIUM’S Common Areas and general utilities, specific RULES for use of the common areas and general utilities are detailed in the Marina Sol RULES OF OPERATION document as provided for in Articles 81 and 82 of these Bylaws.

CHAPTER X
PROVISIONS WHICH MUST BE OBSERVED IN THE RENTAL OF UNITS

Article 101 – THE RIGHT TO RENT
All HOMEOWNERS, under the strictest personal liability, are entitled to rent the UNIT or UNITS to which they hold title, to the person or persons of their choice, with no limitations other than those in this chapter and of any applicable laws.

Article 102 – BINDING NATURE OF THESE BY LAWS FOR RENTERS AND INHERENT LIABILITY OF HOMEOWNERS
All RENTERS, TENANTS, any other USER shall be bound at all times to strict observance of the provisions in these Bylaws and the RULES OF OPERATION. HOMEOWNERS who rent shall be directly liable to the GENERAL HOMEOWNERS’ ASSEMBLY for assuring that their RENTERS are familiar with the RULES and abide by them.

Article 103– OBLIGATIONS OF HOMEOWNERS WHO RENT
For the protection, safety and tranquillity of all of the HOMEOWNERS, those HOMEOWNERS who rent their UNITS shall have the following obligations:

1. They must inform the BOARD OF DIRECTORS, upon request, of the identity and number of persons who are occupying the UNIT involved and the duration of their occupancy. This information shall be strictly confidential and may be used only for the purposes of security and for identifying the occupants in order to allow them to use and enjoy the common areas and utilities of the CONDOMINIUM. The BOARD OF DIRECTORS shall issue, at the expense of the HOMEOWNER, in cases where it is deemed necessary, credentials or similar documents identifying the RENTERS, TENANTS or other authorized USERS.

2. To provide, with any rental agreements or contracts entered into, a copy of the RULES OF OPERATION, stipulating the obligation of the RENTERS or TENANTS to strict observance thereof, and expressly mentioning that any violation of these RULES shall constitute grounds for revocation of the contract and eviction. Long term TENANTS must also be provided with a copy of the Bylaws in addition to the RULES OF OPERATION.

Omission of the foregoing shall be deemed to be a failure to comply with these Bylaws on the part of the HOMEOWNER, but shall not relieve the RENTERS, TENANTS, and their assigns from the obligation to abide by them.
3. To answer directly and immediately to the GENERAL MANAGER, BOARD OF DIRECTORS or the GENERAL HOMEOWNERS’ ASSEMBLY whenever required to do so, for payment of any direct or consequential damages and penalties as may arise from the actions or omissions of their RENTERS and assigns.

4. To evict RENTERS from the UNITS they are renting by judicial or extrajudicial means in cases where the GENERAL MANAGER, BOARD OF DIRECTORS, or the GENERAL HOMEOWNERS’ ASSEMBLY so decides, whenever the RENTERS and/or their assigns have committed more than three violations of any of the provisions of the RULES or these Bylaws, or at any time refuse to heed warnings given them by the GENERAL MANAGER or perform or allow others to perform any act or omission which endangers the safety and tranquillity of the CONDOMINIUM.

Article 104 – UNLIMITED individual LIABILITY OF HOMEOWNERS WHO RENT
HOMEOWNERS are responsible for the actions of their RENTERS or TENANTS. All HOMEOWNERS who rent shall be individually liable to the competent authorities for fulfilment and observance of any fiscal, civil, sanitary or other provisions whatsoever as may be applicable by virtue of any rental contracts entered into. HOMEOWNERS shall be held personally liable for any unpaid fines incurred due to the actions of their RENTERS or TENANTS.

Article 105 – RENTAL THROUGH THIRD PARTIES
HOMEOWNERS who rent shall be entitled to enter freely into contracts with third party PROPERTY MANAGERS under the strictest personal responsibility, so that the latter may take charge of managing and renting on their behalf any UNITS to which they hold title. Under these assumptions, any HOMEOWNERS who choose to rent in this manner shall be personally obligated as follows:

   a). Report in writing to the BOARD OF DIRECTORS on the identity, address and contact information of the PROPERTY MANAGER, who is authorized to manage and rent the UNIT.

   b). All HOMEOWNERS who rent shall stipulate, in any rental contracts they enter into with their representatives or PROPERTY MANAGER, the ineluctable obligation to abide by each and every one of the obligations referred to in these Bylaws and in the RULES OF OPERATION.

   c). To bind their PROPERTY MANAGER, their EMPLOYEES and agents to strict observance and respect of each and every one of the provisions of these Bylaws, the RULES OF OPERATION, the LAW, and any other Federal, State, or local laws that may govern or regulate the rental or leasing of real property.

Article 106 – OBLIGATIONS OF MANAGERS OR THIRD PARTIES
All PROPERTY MANAGERS, or other properly authorized individuals acting on behalf of a HOMEOWNER, in all contracts they execute, must clearly specify that they are acting as the representatives and agents of a certain HOMEOWNER-landlord, and that their acts shall only bind the HOMEOWNER, expressly mentioning that the GENERAL HOMEOWNERS’ ASSEMBLY, the BOARD OF DIRECTORS, the Asociación de Usuarios de Marina Sol, A.C. and the CONDOMINIUM known as Marina Sol have no part whatsoever in said contracts.
Article 107 - EXPRESS EXONERATION FROM LIABILITY OF THE OTHER HOMEOWNERS AS REGARDS RENTAL AND OTHER CONTRACTS

The GENERAL HOMEOWNERS’ ASSEMBLY, the BOARD OF DIRECTORS, the Asociación de Usuarios de Marina Sol, A.C. and the CONDOMINIUM shall assume no liability of any kind whatsoever, be it fiscal, civil, mercantile, labor-related, administrative, or of any other nature whatsoever, arising from any contracts, promises and/or commitments as HOMEOWNERS who rent make, whether on their own behalf or through representatives or PROPERTY MANAGERS, to their RENTERS, TENANTS, and to their assigns, workers, authorities or in general any other individual or public or private entity as may be interested because of the aforementioned contracts.

Article 108 – OBLIGATIONS IN THE EVENT OF CLAIMS OR DISPUTES AGAINST THE CONDOMINIUM

Whenever the GENERAL HOMEOWNERS’ ASSEMBLY, the BOARD OF DIRECTORS, the Asociación de Usuarios de Marina Sol, A.C. and/or the CONDOMINIUM become involved in any claim, dispute or complaint or any judicial or administrative proceeding arising from, or related to, any deed or contract signed by one or more HOMEOWNERS as individuals or by their representatives or PROPERTY MANAGERS, it shall be the sole responsibility of the HOMEOWNER or HOMEOWNERS involved to protect and hold harmless, for their exclusive account and expense, the GENERAL HOMEOWNERS’ ASSEMBLY, the BOARD OF DIRECTORS, the Asociación de Usuarios de Marina Sol, A.C. and/or the CONDOMINIUM.

When the GENERAL HOMEOWNERS’ ASSEMBLY deems it appropriate, the BOARD OF DIRECTORS shall be entitled to contract for such professional services as may be required to defend or supervise the defense of the interests of the GENERAL HOMEOWNERS’ ASSEMBLY, the Asociación de Usuarios de Marina Sol, A.C. and/or the CONDOMINIUM which have been affected, and in that event the HOMEOWNER or HOMEOWNERS referred to in the foregoing paragraph shall pay all of the expenses and fees arising therefrom.

Article 109 – RIGHT TO VETO MANAGERS AND THIRD PARTIES

Whenever the BOARD OF DIRECTORS learns of any violation of the provisions in this chapter committed by any of the PROPERTY MANAGERS who are acting as the representatives or managers of HOMEOWNERS who rent, the BOARD shall be entitled, following a hearing of the interested parties, to declare a sanction, so that from that moment forward, for such time as the decision itself determines, those parties may be prevented from continuing to represent or manage on behalf of HOMEOWNERS, while protecting, of course, the general interests of all of the HOMEOWNERS and the good name of the CONDOMINIUM.

Under the conditions referred to in the foregoing paragraph the HOMEOWNER or HOMEOWNERS who rent and who have contracted for the services of any representatives or PROPERTY MANAGERS who have been sanctioned must proceed to demand immediate rescission of any contractual relations they may have with them, while protecting, of course, the RENTERS’ rights.
CHAPTER XI
SPECIFIC PROVISIONS FOR COMMERCIAL UNITS AND OFFICES

Article 112 – PARTIES BOUND TO OBSERVANCE OF THIS CHAPTER
In addition to the provisions in the foregoing chapters, the provisions of this chapter are applicable specifically and solely to COMMERCIAL UNITS and offices, and bind the HOMEOWNERS holding title to the same, as well as their RENTERS, managers or representatives.

Article 113 – ADVERTISING
The posting of advertisements visible from the common areas and exterior of the CONDOMINIUM shall be allowed in COMMERCIAL UNITS and offices, always with prior written approval of the BOARD OF DIRECTORS. The content and form of the advertisements shall be subject to all legal provisions currently in force and to such criteria as the BOARD OF DIRECTORS shall establish.

ARTICLE 114 – RESTRICTIONS ON USE FOR THIRD PARTIES
All clients, workers, providers or renderers of services, or any other third party related to the COMMERCIAL UNITS shall conduct themselves correctly and respectfully while they are inside the CONDOMINIUM in the COMMERCIAL UNITS of interest to them, but they shall not be entitled to use the facilities, installations and utilities in the common areas of the CONDOMINIUM listed in Chapter IX of these bylaws, except for the outdoor parking areas, which they may use observing the limitations set forth in the RULES OF OPERATION.

All HOMEOWNERS, with whom the third parties involved have relations, shall be liable to the BOARD OF DIRECTORS for the observance of said restrictions. The ASSOCIATION or GENERAL MANAGER may, with reason, request the HOMEOWNER’S intervention in cases where violations occur, and if the HOMEOWNER is absent or refuses to intervene, may proceed in the presence of at least two witnesses to warn the violator and if necessary remove him/her from the CONDOMINIUM.
CHAPTER XII
AMENDMENTS AND CONTROVERSIES

Article 115 – SPECIAL MAJORITIES REQUIRED FOR MODIFICATION OF THE ARTICLES OF INCORPORATION OR THE ARTICLES OF THE BYLAWS
In accordance with Article 13 of the LAW, amendments, changes, additions or deletions to the REGIME or the articles of these Bylaws, the affirmative vote of 75% of an EXTRAORDINARY ASSEMBLY is required. Bylaws may only be presented for revision at the Annual or Semi-annual meeting of the HOMEOWNERS’ GENERAL ASSEMBLY at which the exact language of the proposed revision must be submitted through the Board of Directors and placed on ballots and proxies distributed 21 days in advance of the meeting.

Article 116 – RESOLUTION OF CONTROVERSIES
Any controversies as may arise among the HOMEOWNERS with regard to the exercise of their rights in the CONDOMINIUM, or any complaints as they may have against any HOMEOWNER, shall be submitted in first instance to a hearing by the BOARD OF DIRECTORS which shall attempt to resolve them seeking the greatest unification, organization and development of the community.

The GENERAL HOMEOWNERS’ ASSEMBLY, as the highest authority of the CONDOMINIUM, shall be entitled to amend or revoke any decisions handed down by the BOARD OF DIRECTORS in controversies provided such decision is not in conflict with the LAW or these Bylaws.

Article 117 – INTERPRETATION AND APPLICATION OF THE BYLAWS AND OTHER PROVISIONS
Any controversies arising from the interpretation and application of these Bylaws, the RULES OF OPERATION, the LAW, contracts designating secondary Trustees, and likewise all other applicable legal provisions referred to in article 1 of these Bylaws, and the decisions and resolutions adopted by the GENERAL HOMEOWNERS’ ASSEMBLY, shall be submitted for arbitration in the competent courts of the City Government of Los Cabos in Baja California Sur.

Article 118 – LEGAL ADDRESS FOR SERVICE
For all legal purposes it is established that all legal notices of any judicial process that the BOARD OF DIRECTORS may have to take against any HOMEOWNER in relation to the interpretation of or compliance with these Bylaws or the agreements of the GENERAL HOMEOWNERS’ ASSEMBLY shall be legal and valid when delivered to the HOMEOWNER’S UNIT at the CONDOMINIUM under the formalities of the Law.

Further, the BOARD OF DIRECTORS shall send to the HOMEOWNER at least thirty days in advance, a notice with return receipt requested, to the last address that the HOMEOWNER has given for the receipt of communication. This notice will inform the HOMEOWNER of the process.

Article 119 – EXTINCTION OF THE CONDOMINIUM
The voluntary extinction of the condominium property regime shall be agreed upon in an EXTRAORDINARY ASSEMBLY and require 75% affirmative vote of the totality of the REGIME. The extinction of the CONDOMINIUM property REGIME must be recorded in a public deed and registered in the Public Registry of Property.
APPENDIX I
ON THE ASSOCIATION DE USUARIOS DE MARINA SOL, A.C.

1) DEFINITION AND DIFFERENTIATION FROM THE HOMEOWNERS’ GENERAL ASSEMBLY
The Asociación de Usuarios de Marina Sol, Asociación Civil (Marina Sol Users’ Association, Civil Association) created by the contract of association contained in public document number 53 of volume three, dated the twenty-eighth of November, nineteen hundred eighty-nine, notarially executed before notary public number 10, authorized to practice in Baja California Sur, Lic. RUBEN ALEJO ARECHIGA ESPINOZA, is a Civil Association which by its own nature and by virtue of the provisions in the LAW, is an entity with its own juridical personality, separate from the ASANBLEA DR CONDOMINOS DEL CONDONINIO MARINA SOL (GENERAL HOMEOWNERS’ ASSEMBLY OF THE MARINA SOL CONDOMINIUM), since the origin of the former is in the aforementioned contract of association, whereas the-latter exists by provision of the LAW, upon creation of the MARINA SOL CONDOMINIUM.

In accordance with the contents of the aforementioned contract of association, the Asociación de Usuarios de Marina Sol, A.C., shall, whenever the GENERAL HOMEOWNERS’ ASSEMBLY so decides, be entitled to occupy itself in the performance of such acts, contracts and activities as may be expressly conferred upon it, always in benefit of the interests of Marina Sol CONDOMINIUMS.

In accordance with the content of the aforementioned contract of association, the purpose of the Asociación de Usuarios de Marina SOL, A.C., is:

I. To carry out benefits for the improvements of the building and installations in general of the CONDOMINIUM Marina Sol in Cabo San Lucas for the same association.

II. To carry out benefits for its members for being USERS and everything that refers to their well-being.

III. To acquire, construct, lease or for whatever other title, to own in accordance to the legal procedures in effect, the things that are necessary or convenient to comply with the principal objectives of the ASSOCIATION, as well as to manage, lien, mortgage or in any other manner to encumber or convey those goods or rights, provided that it be in accordance with the applicable legal and administrative procedures.

IV. To accept donations, legacies, inheritances, usufruct, trusteeships and the celebration of any other acts or contracts, of a non-speculative nature, conducive to the increment, development, or conservation of the patrimony of the ASSOCIATION.

V. To promote and contribute to the opening, expansion, and strengthening of the services to the ASSOCIATION to achieve a better community development.

VI. To hire personnel and establish offices to give provide the above-referenced services.

VII. To bring about and execute all type of contracts or agreements and acts or operations of any nature, excepting those that constitute commercial speculation; however the services provided do not have to be provided free of cost.
VIII. In general, the ASSOCIATION shall be able to issue, appraise, accept, endorse, or negotiate titles or instruments of credit and shall carry out all the acts, operations and contracts, as well as grant and issue all kinds of documents that are necessary or desirable to bring about the Social Purpose.

2) PURPOSE OF THE CIVIL ASSOCIATION
The Asociación de Usuarios de Marina Sol, A.C., shall, whenever the GENERAL HOMEOWNERS’ ASSEMBLY so decides, be entitled to perform such deeds, contracts and activities as may be expressly conferred upon it, always in benefit of the interests of the CONDOMINIUM.

3) FUNCTIONS OF THE CIVIL ASSOCIATION
The Asociación de Usuarios de Marina Sol, A.C., in addition to such matters as may be expressly conferred upon it by the GENERAL HOMEOWNERS’ ASSEMBLY in aid of the BOARD OF DIRECTORS of the CONDOMINIUM, may take charge, at the request of said BOARD OF DIRECTORS, with prior approval from the VIGILANCE COMMITTEE and without needing prior authorization from the GENERAL HOMEOWNERS’ ASSEMBLY, of the following matters:

1. In aid of the BOARD OF DIRECTORS, enter on its own behalf into all contracts with workers, professionals, technicians and other providers of services and such personnel as may be necessary to satisfy the requirements of the CONDOMINIUM, and likewise to figure in all contracts for the public utilities of drinking water supply, electricity and others.

2. Under the responsibility of the BOARD OF DIRECTORS, be the depositary of CONDOMINIUM funds and if appropriate figure as the holder of title to such bank accounts as may be opened to that effect.

3. In general, serve as a representative before the authorities and the community in general, representing under the strict responsibility of the BOARD OF DIRECTORS, with the supervision of the VIGILANCE COMMITTEE, the interests of the CONDOMINIUM.

4. Acquire the equipment and material strictly necessary for aid of the CONDOMINIUM management tasks, under the strict responsibility of the BOARD OF DIRECTORS, with the supervision of the VIGILANCE COMMITTEE.

4) LIMITATION OF POWERS OF EMINENT DOMAIN
The Asociación de Usuarios de Marina Sol, A.C., may not at any time exercise powers of eminent domain without the express prior agreement of the GENERAL HOMEOWNERS’ ASSEMBLY.

5) GOVERNANCE OF THE CIVIL ASSOCIATION
In accordance with the charter of the ASSOCIATION itself, it shall be governed by these Bylaws and shall be controlled by the same BOARD OF DIRECTORS which acts as such for the GENERAL HOMEOWNERS’ ASSEMBLY.
IMPLEMENTATION

Article 1. – EFFECTIVE DATE

These bylaws, if approved by the GENERAL HOMEOWNERS’ ASSEMBLY shall enter into effect, on January 1, 2014

Article 2. – BYLAWS NOTIFICATION

Within 30 days following approval thereof, every HOMEOWNER shall receive a copy of the notarized document at their authorized delivery address. This delivery shall be by e-mail whenever possible or by traditional mail or hand delivery if e-mail delivery is not possible. Further, a copy of these Bylaws shall remain posted on the ASSOCIATION website at all times and available at the MANAGEMENT OFFICE during posted business hours.