

By-Laws Modifications

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1. Proposal.

Current content of the Article	Recommendation
<p><b>6</b></p> <p>The condominium owner may alienate, encumber or rent and in general exercise all acts of dominion over his property without the consent of the other co-owners; any alienation, encumbrance or attachment shall automatically include the related rights and duties of the common property. However, when the co-owners are foreign, the exercise of their rights shall be subject to the legal provisions that apply to them.</p>	<p><b>6</b></p> <p>I. The condominium owner may alienate, encumber or rent and in general exercise all acts of dominion over his unit without the consent of the other condominium owners; any alienation, encumbrance or rental shall automatically include the related rights and duties of the common property. However, when the condominium owners are foreign, the exercise of their rights shall be subject to the legal provisions that apply to them.</p> <p><b>II. Condominium Owner Responsibilities and Obligations:</b></p> <p><u>1) It is the condominium owner’s responsibility to provide a set of By-Laws, Rules and Policies of the Condominium Regime to each renter, guest or occupant of his unit.</u></p> <p><u>2) The condominium owner must require the renter, guest or occupant to fulfill the obligations derived from the By-Laws, Rules and Policies of the Condominium Regime.</u></p> <p><u>3) In the event that a renter, guest or occupant breaches the By-Laws, Rules or Policies of the Condominium Regime, the condominium owner of the unit shall be responsible for the breach and payment of the corresponding fines.</u></p> <p><u>4) If the Board of Directors determines that a renter, guest or occupant endangers the safety and/or security of the Condominium Regime: (a) The Board of Directors shall issue an endangerment declaration, and shall fine the condominium owner \$500.00 United States Dollars (b) It is the responsibility of the condominium owner to evict the renter, guest or occupant from the unit within the following 24</u></p>

	<p><u>hours after the condominium owner has been notified by the administrator of the endangerment declaration.</u></p> <p><u>5) If a renter, guest or occupant does not vacate the unit within 24 hours after notice was given to the condominium owner of an endangerment declaration, then the condominium owner of the unit shall be fined \$100.00 United States Dollars for each day that the renter, guest or occupant continues in possession of the unit.</u></p> <p>III. Shared Ownership of an Individual Unit</p> <p>Each condominium owner who shares ownership of an individual unit is individually accountable that the responsibilities and obligations imposed by these Bylaws including Article 6 are met and that any fines imposed pursuant to these Bylaws are paid. Notice by the Board of Directors or Administrator to a condominium owner of a unit of shared ownership is notice to all such shared owners of the unit.</p> <p><i>IV. All fines imposed pursuant to these bylaws are due immediately upon imposition and notice to the condominium owner.</i></p>
<p><b>8</b> The form and construction of common areas may not be divided or modified.</p>	<p><b>8</b> <i>The form and construction of common areas may not be divided or modified, <u>unless an 75% of the undivided property percentage authorizes such division or modification.</u></i></p>
<p><b>14</b> All new purchasing co-owners will submit to the Homeowners Office the name, address, phone number and e-mail address of the title holders and commit to be subject to the law applicable to the Real Estate Co-Ownership provisions of the state of Baja California Sur, the charter and these Bylaws</p>	<p><b>14</b> <i>All new purchasing condominium owners commit to be subject to the law applicable to the <u>Property in Condominium Regime Law of the State of Baja California Sur, the constitutive deed and these Bylaws, and during the following 5 business days after obtaining legal possession of the private unit must submit to the Homeowners Office the name, address, phone number and e-mail address that is his official contact for all purposes of compliance with these laws. A new condominium owner who</u></i></p>

	<p><i>fails to comply with this shall be fined \$100 United States dollars per each day of breach.</i></p> <p><i><u>The condominium owner acting as seller shall undertake as an obligation to inform regarding this obligation to the new condominium owner.</u></i></p>
14 Bis	<p><b>14 Bis</b></p> <p><u>When a condominium owner enters a contractual agreement to alienate, encumber, sell or transfer his unit, said condominium owner is required to inform the Administrator and file information of the future condominium owner with the Administrator.</u></p>
57	<p><b>57</b></p> <p>Assembly notices shall be made at least ten days in advance of the meeting and shall indicate the place, month, day and time as well as the agenda. Co-owners shall be notified in writing, fax or email.</p> <p><i>Assembly notices shall be made at least ten days in advance of the assembly meeting and shall indicate the place, month, day and time as well as the agenda. Condominium owners shall be notified by email.</i></p>
60	<p><b>60</b></p> <p><i>Once the assembly has been called, it may not be held without representation of 90% of the indivisible condominium part on a first notice; on a second notice, the quorum shall be a minimum 51% of such indivisible part. On a third notice, resolutions shall be carried by simple majority of those present. Voting shall be personal, by name and direct. If a co-owner is absent, he may be represented by another co-owner via power of attorney instrument, (proxy). This representation may never exceed two representations in addition to the representative's own"</i></p> <p><i>Once the assembly has been called, it may not be held without representation of <u>75% of the condominium owners</u> on a first notice; on a second notice, the quorum shall be a minimum 50% plus one of the condominium owners. On a third notice, the meeting shall be declared legally established with the attending Condominium Owners. Resolutions shall be carried by simple majority of those present except where it is elsewhere stated that a specific majority is required.</i></p>
60 Bis	<p><b>60 Bis</b></p> <p><u>Voting may be pursuant to either (A) or (B):</u></p> <p><b>(A)</b> Personal, by name and direct. If a condominium owner is absent, he may be represented by another condominium owner via power of attorney instrument (proxy). This representation may never exceed two representations in addition to the representative's own.</p> <p><b>(B)</b> By email, within the following conditions:</p>

Any condominium owner may notify the Administrator of his intention to cast his/her vote via email. To do so, the condominium owner shall by email inform the Administrator of such intention and indicate one specific email address to be used by the condominium owner to cast his vote pursuant to the rules set forth in the electronic voting procedure in this article.

The Administrator shall include the email address provided by the condominium owner pursuant to the above-mentioned paragraph in an electronic notification system, which shall provide notifications, and all information and access to voting by email as provided for in the electronic voting procedure in this article.

The Board of Directors shall inform the condominium owners of the email address that shall be used to receive the cast of votes. The Administrator shall have the credentials and all required information to access this email account.

Electronic Voting Procedure:

1. The condominium owner may choose to cast his votes by: (a) filing out the format authorized in the electronic notification system and sending such format to the email address authorized by the Board of Directors, or (b) casting his/her vote as an email sent to the email address authorized by the Board of Directors to receive the vote.

The condominium owner shall send via email his/her vote at least 48 hours prior to the first call of the meeting. In the event that such email is not sent within the term hereby established, the votes shall not be considered valid.

2. The administrator shall confirm reception of the e-mail of the condominium owner within the following 24 hours after its reception;

The Administrator, after the first call of the Assembly, shall be in charge to provide the tellers with a list of the electronic votes received

	<p><u>and the formats/ballots printed out. The teller's will verify this information and include such electronic votes on the voting system accordingly.</u></p> <p><u>4. The email received containing the cast of vote(s) shall be considered as attendance of the condominium owner that sent such email without need of any representative during the assembly.</u></p> <p><u>5. The vote(s) issued by a condominium owner via email shall be considered as-is; therefore, in the event of any modification of the motion on the agenda, the vote will no longer be valid.</u></p> <p><u>6. The voting via email shall not be used by a proxy holder of a Co-owner</u></p> <p><u>7 The voting via email negates the right to use a proxy holder to vote.</u></p> <p><u>8 A representation by proxy or by e-mail as provided for in (A) and (B) is counted as present.</u></p> <p><u>(C) Notwithstanding the provisions of section (A) and (B), the condominium owner may vote personal, by name and direct, in which case any proxy or email vote previously submitted is void.</u></p>
<p><b>66</b> The secretary shall run a minute book authorized by the State Government. The secretary, the assembly chairman and the Board of Directors president shall authorize the minutes.</p>	<p><b>66.</b> <u>The Board of Directors shall have a condominium minute's book which shall be kept by the Administrator of the Condominium. The Administrator, the assembly chairman and the Board of Directors president shall authorize the minutes and shall be included in such condominium minute's book.</u></p>
<p><b>67</b> The secretary shall always have the minute book available to the co-owners and shall inform them in writing of the assembly's resolutions</p>	<p><b>67.</b> <u>The Administrator shall always have the minute book available to the co-owners and shall inform them in writing of the assembly's resolutions</u></p>

<p><b>72</b></p> <p><i>A. The Assembly shall elect a Board of Directors of five co-owners. It shall deal with business urgently requiring attention by the Assembly. The Board of Directors shall have all of the powers and duties specified in article 30 of the law applicable to the Real Estate co-ownership provisions in the state of Baja California Sur which reads verbatim: "Co-Owners shall be administered by the individual or corporation designated by the Assembly pursuant to this law and this regulation".</i></p> <p>The rest of the article remains the same</p>	<p><u><b>72.</b></u></p> <p><i><u>A. The Assembly shall elect a Board of Directors of five condominium owners. It shall deal with business urgently requiring attention by the Assembly. The Board of Directors shall have all of the powers and duties specified in articles 37, 38 and 40 of the Property in Condominium Regime Law of the State of Baja California Sur.</u></i></p> <p><i><u>The resolutions of the Board of Directors shall be considered as such when approved by at least 3 of its members.</u></i></p> <p><i>B. The Board of Directors shall hire an Administrator.</i></p> <p><i>C. The Board of Directors will have the following functions and obligations:</i></p> <p><i>I. Make sure that the Administrator fulfills all the agreements of the general assembly;</i></p> <p><i>II. Supervise that the Administrator achieves the fulfillment of his/her functions;</i></p> <p><i>III. Hire and give end to professional services.</i></p> <p><i>IV. Verify and give its judgment about the financial statements that the Administrator should present to the General Assembly:</i></p> <p><i>V. Verify and supervise the funds investments;</i></p> <p><i>VI. Give a report to the Assembly about the condominium administration;</i></p> <p><i>VII. Help the Administrator in telling the owners about the fulfillment of their obligations</i></p>
<p><b>76</b></p> <p>The Administrator is responsible for caring for and overseeing the condominium assets and the shared services, and for promoting integration and development of the community. He shall perform with full representation and shall have a general power of attorney for suits and collections</p>	<p><b>76.</b></p> <p><i>The Administrator is responsible for caring for and overseeing the condominium assets and the shared services, and for promoting integration and development of the community. <u>The Administrator shall perform with full representation and by means of its appointment</u></i></p>

and for administrative acts, with all general powers, including those that by law require a special clause and without restriction, pursuant to the first two paragraphs of article 2, 554 of the civil code for the State of Baja California Sur and the correlative or concordant articles of the civil codes of each of the States of Mexico, to file and abandon "Amparo" (constitutional lawsuit for the protection of individual Rights. Translator) cases, to file or act in complaints, denunciations, criminal investigation or accusations, and to abandon them, to become State's witness and to grant to the pardon of the victim, By way of illustration and no restriction, in accordance with article 2,587 of the civil code for Baja California Sur, the correlative or concordant articles of the civil codes of each of the States of Mexico, the agents shall be empowered to desist, to settle, to submit to arbitration, to prepare and answer interrogatories, to make assignment or property, to challenge, to make or receive payments and for all the other actions expressly determined by Law, and they may exercise these powers before all classes of private parties or tax, administrative, judicial or labor authorities, whether city, local or federal. They were especially granted powers to act indistinctly as the corporation's legal representatives with special power for administrative acts, including all general and such special powers which by Law require a special clause pursuant to the second paragraph of article 2, 554 of the civil code for the Federal District and correlative and concordant articles of the civil codes of each of the States of Mexico for all the effects prescribed in article 11,692 section I, II and III in relation to articles 786 and 876 of the Federal Labor Law, including by way of illustration and not restriction, representation of the corporation in the conciliation, suit and exceptions, filing and admission of evidence hearings the corporation is summoned to, as well as the negotiation of individual and collective labor agreements.

by the Board of Directors, shall have the following powers:

**(1) GENERAL POWER OF ATTORNEY FOR CLAIMS AND COLLECTIONS** with all general faculties and those special that requires special clause according to Law, in terms of the first paragraph of the article 2,468 of the Civil Code current in the State of Baja California Sur and its correlatives of the Federal Civil Code and in the other states of the Mexican Republic and the Federal District. The Administrator shall also have the faculties contained in the article 2,501 of the mentioned Code, according to it they, enunciatively but not limitative, may:

I.- Settle;

II.- Submit to arbitration;

III.- Receipt payments;

IV.- Receipt money; Receipt and collect checks on its name, in representation of the Condominium; To propose and accept conciliatory agreements, file all kinds of procedures and desist of them, to concur at auctions, propound interrogatories and biddings and request the adjudication of goods, negotiate and obtain payments for all kinds of incapacities and compensations, counterclaims and answer claims, oppose delays and set exceptions, offer and deliver all kind of proofs, documents and acknowledge of signature, argue forgery of the opposite party, to question, re question and interrogate witnesses, to propound and ratify accusations and repair damages in criminal cases, to constitute as adjuvant of the District Attorney and when proceed, to grant the corresponding pardon and to execute all the faculties described in the above mentioned paragraph, before all kind of persons or companies, decentralized organisms and all kind of authorities, federal, local or municipal, whether administrative authorities, judicial authorities, legislative authorities, labor authorities;

V.- To file criminal complaints on behalf of the Grantor, appoint legal advisors, defendants, as well as grant the pardon in the events deemed convenient; authorize repairment agreements pursuant to the criminal procedure rules.

The agent is empowered to grant general or special powers of attorney with the faculties he considers pertinent within his sphere, and to revoke those he grants in accordance with the powers conferred on him.

VI.- File all kind of legal procedures, including the injunction (Amparo).

**(2) POWER FOR ACTS OF ADMINISTRATION.**  
With all the general and special faculties that require special clause according to Law, in terms of the second paragraph of the article 2,468 of the Civil Code current in the State of Baja California Sur and the correlatives dispositions on the Federal Civil Code, the Federal District and those states of the Mexican Republic where exercised;

**(3) Act as legal representative of the Condominium, and have faculties for acts of administration in labor matters in terms of Article eleven (11), forty six (46), forty seven (47) six hundred and ninety two (692) and any other related and applicable of the labor law, including but not limiting to act on behalf of the Condominium in labor hearings, of conciliation, suits and arguments and offering and admission of evidence, absolve positions as well as the negotiation of individual or collective labor agreements, act before Unions relating to existing collective labor agreements or to be executed and to carry out any acts relating to Employer-Worker relationship whether conflictive or friendly, sign covenants, transactions and conciliations before any labor or judicial authority, including local or federal labor boards;**

**(4) To act on behalf of the Condominium before all kind of authorities, Federal, Local or Municipal, whether administrative authorities, judicial authorities, legislative authorities, labor authorities and on behalf of all kinds of individuals and entities;**

**(5) To carry out any procedure relating to the registration of the Corporation in the Federal Taxpayers Registry (Registro Federal de Contribuyentes) and in the National Registry of Foreign Investments (Registro Nacional de Inversiones Extranjeras), including but not limiting, to sign any type of documents related thereto, and;**



	<u><i>(6) In general, to carry out every necessary acts and operations to duly comply with the granted faculties.</i></u>
<p><b>83</b>  <i>The condominium which is the object of these Bylaws may only expire in the following cases: A) By resolution of the co-owners assembly with a 66% majority of the entire condominium”.</i></p> <p>The rest of the article remains the same</p>	<p><b>83</b>  <i>The condominium which is the object of these Bylaws may only expire in the following cases: A) By resolution of the condominium owners assembly with a <u>75%</u> majority of the entire condominium.</i></p> <p>The rest of the article remains the same</p>
<p><b>85</b>  All actions, operations or negotiations related to the expiration and dissolution of the condominium shall be made by the Board of Directors or by the person designated as the condominium liquidator appointed by the proprietor’s assembly by 66% of the present and proxy votes.</p>	<p><b>85.</b>  <i>All actions, operations or negotiations related to the expiration and dissolution of the condominium shall be made by the Board of Directors or by the person designated as the condominium liquidator appointed by the condominium owners assembly by <u>75%</u> of the present and proxy votes.</i></p>
<p><b>91</b>  For modification of these Bylaws, the notice of meeting shall indicate the agenda and the proposed modification. Those modifications must be approved by 66% of the indivisible part of the condominium according to the indivisible parts table described in article 45 hereof.</p> <p>The rest of the article remains the same</p>	<p><b>91.</b>  <i>For modification of these Bylaws <u>or the incorporation deed of the condominium</u>, the notice of meeting shall indicate the agenda and the proposed modification. <u>The modifications shall be approved in an extraordinary meeting by at least 75% of the undivided property percentage</u> of the condominium according to the indivisible parts table described in article 45 hereof.</i></p> <p>The rest of the article remains the same</p>