



**REGULATIONS OF THE
RESIDENTIAL
CONDOMINIUM CALLED
ROYAL GOLF CLUB
WHICH HAS APPLICABILITY
FOR ALL CONDOMINIUMS OF THE
CIVIL
ASSOCIATION CALLED
ASSOCIATION OF CONDOMINIUM
OWNERS OF THE ROYAL GOLF
CLUB CONDOMINIUM, A.C.**

The Residential Condominium is located in the first section of the second stage of the Residential Tourist Development "San Carlos Country Club", located in the town of San Carlos, Commissary and legal foundation of Nuevo Guaymas, Municipality of Guaymas, Sonora.

This Condominium shall be subject to the provisions herein contained for the Condominium Owners of the "Asociación de Condóminos del Condominio Royal Golf Club, A.C.".

Any individual or legal entity that acquires one or more exclusive properties within the "Royal Golf Club" Residential Condominium is obliged to abide by these Regulations, the Design and Environmental Control guidelines, the condominium's articles of incorporation, the Regulations, the members that still belong to the master condominium's articles of incorporation, as well as each and every one of the irrevocable trusts transferring ownership in the restricted zone that may be created at the time, and the contract by which the property was acquired, as well as other applicable administrative provisions. The lessees, the persons in the service of the owners and any other person who for any circumstance occupies the exclusive properties are obliged to observe the above provisions insofar as they are applicable to them.

LEGAL BASIS

These regulations are issued based on the provisions of Law 101 as well as Law 293 on the Real Estate Condominium Property Regime for the State of Sonora, published in the Official Gazette of the Government of the State of Sonora and the Civil Code for the State of Sonora, applied in a supplementary manner and the Code of Commerce in its house applied in a supplementary manner in the case of Trusts.

DEFINITIONS

ARTICLE 1.- The specific terms used in these regulations are defined as follows:

A.- LAW.- Law 101 as well as by Law 293 on the Regime of Condominium Property of Real Estate for the State of Sonora, published in the Official Gazette of the Government of the State of Sonora and the Civil Code for the State of Sonora, applied in a supplementary manner and the Code of Commerce in its house applied in a supplementary manner in the case of Trusts.

B.- DEED: The deed by which the present condominium property regime is constituted.

C.- REGULATIONS: These Condominium Regulations apply to each and every one of the members of the Condominium Association called Asociación de Condóminos del Condominio Royal Golf Club, A.C.

D.- TRUST - The trust agreements derived from the Master Trust Agreement contained in public deeds numbers 5210, 5224 and 5221 executed before the Public Notary Number 13 of Guaymas, Sonora, Mr. J. Guillermo Yepiz Rosas.

E.- MASTER CONDOMINIUM - The Condominium Property Regime to be constituted on the lands of the "San Carlos Country Club" Tourist Development, over which the members of the Condominium Owners Association of the Royal Golf Club Condominium, A.C., or any affiliated or subsidiary company thereof, have rights, or any affiliated or subsidiary company of the same, which will be constituted so that the condominium owners, beneficiaries and owners of the different exclusive properties that conform it can use the common areas of said master condominium, whose maintenance will be in charge of the condominium owners, beneficiaries and owners of said master condominium.

F.- SECTORS: The group of Private Properties that take advantage of common areas, services or goods, independently from other areas of the same condominium, and whose Condominium Owners subject their activities to the resolutions of the CONDOMINIUMS ASSEMBLY and the decisions of the corresponding Group Assemblies,

G.- TRUSTS: Irrevocable Trusts Transferring Ownership in the Restricted Zone individually derived from the master trust mentioned in paragraph d).

H.- GUIDELINES: These are the regulations for the construction, modification and measures for the conservation of the environment and ecology, covered by the Design and Environmental Control Guidelines attached to the Condominium's Articles of Incorporation.

I.- THE DEVELOPMENT - is the company called SITUR INFRAESTRUCTURA Y SERVICIOS, S.A. de C.V.

J.- CONDOMINIUM: Those properties that have been affected to the present condominium property regime and that are described in the constitutive deed of the same.

K.- CONDOMINO: The individual or legal entity that acquires, is the owner or beneficiary of one or more EXCLUSIVE PROPERTIES.

L.- BENEFICIARY: The individual or legal entity that has entered into any type of contract, agreement or preparatory or definitive agreement with THE DEVELOPMENT, the purpose of which is, under any title, the acquisition of the property or of the rights of use, enjoyment or exploitation of one or more of the EXCLUSIVE PROPERTIES that make up this CONDOMINIUM.

BENEFICIARY shall also be the individual or legal entity that is the assignee of the rights mentioned in the preceding paragraph, provided that such assignment of rights has already been authorized by DEVELOPMENT.

M.- EXCLUSIVE OWNERSHIP: Those CONDOMINIUM lots that belong or are affected by an Irrevocable Transfer of Ownership Trust Contract or Assignment of Rights derived therefrom, individually and exclusively to each CONDOMINIUM.

N.- COMMON PROPERTY PROPERTY: Those areas, properties, facilities and services listed as such in the condominium property deed and, in general, all the parts of the condominium that are not destined to the exclusive use of each CONDOMINIUM.

O.- PROPERTY OF COMMON PROPERTY OF PRIVATE USE - Those properties of common property which, due to their location or use, are used only by two or more PRIVATE PROPERTIES in undivided ownership and in the percentages that correspond to them.

P.- COMMON EXPENSES: The total amounts of a Budget for maintenance and administration of the Condominium's Common Property, approved by the General Assembly of Condominium Owners and specified in these Regulations.

Q.- EXTRAORDINARY COMMON EXPENSES: All those not foreseen in the Annual Budget approved by the CONDOMINIUMS ASSEMBLY and which are necessary to impose on the CONDOMINIUMS, BENEFICIARIES AND OWNERS to face special situations.

R.- MAINTENANCE AND ADMINISTRATION FEE. This is the amount to be paid by each CONDOMINIUM, BENEFICIARY or OWNER to cover the total Common Expenses and is calculated on the basis of the undivided value of each EXCLUSIVE PROPERTY, as expressed in the Deed of Incorporation.

S.- CONDOMINIUM ASSEMBLY: It is the supreme body of the CONDOMINIUM, which is integrated according to the terms set forth in these Regulations and which is derived from the Condominium Owners Association of the Royal Golf Club Condominium, A.C.

T.- ADMINISTRATIVE ASSEMBLY. It is the representative body of the Condominium Association of the Royal Golf Club Condominium, A.C. made up of the members indicated in said Civil Association.

U.- ADMINISTRATOR: It will be the Condominium Owners Association of the Royal Golf Club Condominium, A.C., for the maintenance and administration of the CONDOMINIUM.

P.- SURVEILLANCE COMMITTEE: The body whose functions are set forth in the Articles of Incorporation of the Condominium Owners Association of the Royal Golf Club Condominium, A.C.

Q.- MANAGER. Is the individual or legal entity that will be hired by the Condominium Owners Association of the Royal Golf Club Condominium, A.C., to assist in the recovery of fees, maintenance, administration and other functions entrusted by the Condominium Owners Association of the Royal Golf Club Condominium, A.C.

CHAPTER I

GENERAL PROVISIONS

ARTICLE 2.- The general destination of each lot was exclusively the one indicated in the corresponding DEED, as the case may be, either as an Irrevocable Trust Contract for the Transfer of Ownership in a Restricted Zone, Assignment of Rights derived therefrom or deeds of Purchase and Sale.

ARTICLE 3.- The CONDOMINIUM is classified as a Sole Condominium.

ARTICLE 4.- The location of the property, surface, measurements, boundaries, which correspond to each owner or beneficiary is determined in each deed.

ARTICLE 5.- The CONDOMINIUMS shall be jointly and severally and unlimitedly liable for the payment of all the quotas corresponding to the CONDOMINIUM, in the proportion of the undivided property that corresponds to this CONDOMINIUM with respect to the CONDOMINIUM and that shall be established in the articles of incorporation of the CONDOMINIUM.

ARTICLE 6.- These REGULATIONS shall be obligatory both for the CONDOMINIUM and for its successors and assigns, and for persons acquiring lots or buildings of an EXCLUSIVE PROPERTY or the use thereof, under the terms of these REGULATIONS.

ARTICLE 7.- All CONDOMINIUMS are obliged to designate a conventional domicile for all the effects of these Regulations. In case of change of domicile,

the ADMINISTRATOR AND THE MANAGER must be notified in writing in due time. In the absence of such notice, the communications addressed to the last registered address shall be valid.

CHAPTER II

RIGHTS AND OBLIGATIONS OF CONDOMINIUM OWNERS OR OCCUPANTS

ARTICLE 8.- Every condominium owner may use, enjoy and dispose of his EXCLUSIVE PROPERTY exclusively, with no other limitations than those established by THE DEED, the TRUST, these REGULATIONS, the GUIDELINES, the contract by which the CONDOMINIUM has acquired its EXCLUSIVE PROPERTY, and other applicable laws, regulations and administrative provisions.

The lessees, the persons in the service of the CONDOMINIUMS and any other person who for any circumstance occupies the EXCLUSIVE PROPERTY, are obliged to observe the same provisions as the CONDOMINIUMS insofar as they are applicable to them.

ARTICLE 9.- Each CONDOMINIUM shall use its EXCLUSIVE PROPERTY in an orderly and quiet manner and exclusively for residential purposes and, therefore, may not use it for purposes other than those indicated in the DEED and may not perform any act or incur in omissions that disturb the peace of the other CONDOMINIUMS or that compromise the soundness, safety, health and comfort of the CONDOMINIUM.

ARTICLE 10.- All CONDOMINIUMS shall at all times respect the limits on building densities and other specifications contained in the GUIDELINES annexed hereto, which it's part of the REGULATIONS.

ARTICLE 11.- The CONDOMINIUMS and, if applicable, the TENANTS shall refrain from any act, even in the interior of their property, that may cause nuisance to others, and shall be obliged to maintain their EXCLUSIVE PROPERTY in a good state of conservation.

ARTICLE 12.- Each CONDOMINIUM shall carry out, at its own expense, all the repairs required by its EXCLUSIVE PROPERTY.

ARTICLE 13.- Each of the CONDOMINIUMS is directly responsible for the acts or omissions that cause any damage or harm to third parties. Said responsibility of the CONDOMINIUM is extended to the facts, acts or omissions of its employees, contractors, subcontractors, family members, servants, visitors, tenants or bailees.

ARTICLE 14.- When any of the CONDOMINIUMS allows a third party to make use of THEIR EXCLUSIVE PROPERTY under any title, it shall notify the ADMINISTRATOR in writing. The aforementioned written notice shall specify the name or names of the authorized persons, their contact information, the duration of their stay and the statement that the CONDOMINIUM shall be responsible for any damage that the authorized person may cause to the CONDOMINIUM. The CONDOMINIUM shall be responsible for the payment of any tax charge that may be imposed on the operation by virtue of which it has allowed the use of THE EXCLUSIVE PROPERTY. The lease term of the EXCLUSIVE PROPERTY shall be at least 1 (one) month's lease. In the event that the CONDOMINEE rents the EXCLUSIVE PROPERTY for a period shorter than the established term, the CONDOMINEE shall be subject to a fine in the amount of \$10,000.00 (TEN THOUSAND 00/100 M.N.).

ARTICLE 15.- The CONDOMINIUMS shall not do or fail to do to the persons who in any way use their EXCLUSIVE PROPERTY and the PROPERTY OF COMMON PROPERTY, anything that may detract from the good appearance of the CONDOMINIUM, therefore, they shall make use of said property in an orderly, quiet manner and in accordance with morals and good customs.

CHAPTER III.

ALIENATION OR ASSIGNMENT OF EXCLUSIVE PROPERTIES

ARTICLE 16.- Each CONDOMINIUM may alienate, encumber, lease or assign its EXCLUSIVE PROPERTY in an Irrevocable Transfer of Ownership Trust or Assignment of Trustee Rights, without the need for the consent of the other CONDOMINIUMS. In the alienation, encumbrance or lease, the rights of co-ownership in the PROPERTY OF COMMON PROPERTY OF THE CONDOMINIUM shall be invariably understood as included.

The right of co-ownership on the PROPERTY OF COMMON PROPERTY shall not be alienable or taxable by third parties, together with the EXCLUSIVE OWNERSHIP of which it is considered inseparable.

Under the terms of Article 24 of the Law on the Condominium Property Regime for the State of Sonora, the alienation of the rights of any of the other condominiums will not be subject to the right of the "tanto" in favor of the other condominiums. The right of the right of the so much is established exclusively in favor of the tenant in good standing in the fulfillment of its obligations and who has been occupying the unit in question for more than one year in such capacity.

ARTICLE 17.- The CONDOMINIUMS may alienate or assign their EXCLUSIVE PROPERTY in Trust, or lease it, provided they respect the provisions contained in the DEED, in the TRUST, in these REGULATIONS, and in the applicable laws, regulations or administrative provisions.

In those cases in which the EXCLUSIVE OWNERSHIP is held by several persons, they must appoint a common representative before the CONDOMINIUMS ASSEMBLY.

It shall be mandatory to include in each contract by means of which the ownership of lots or buildings that are part of an EXCLUSIVE PROPERTY is alienated, assigned, transferred or in any way transferred, that the person who acquires them shall be jointly and severally liable for the obligations of the EXCLUSIVE PROPERTY to which they belong.

ARTICLE 18.- It is subject to the decision of THE DEVELOPMENT, the authorization to affect or alienate any lot or building derived from the Master Trust on the EXCLUSIVE PROPERTY of each CONDOMINIUM, prior compliance with the applicable laws, regulations and administrative provisions.

It will be mandatory to include in each contract by means of which the EXCLUSIVE PROPERTY is alienated, assigned or in any form is transferred, that the person who acquires it, will be jointly and severally liable for the obligations of the EXCLUSIVE PROPERTY to which they derive. Once the assignment, alienation or cession has been carried out derived from the Master Trust, the Developer will not have any interference over the EXCLUSIVE PROPERTY, the CONDOMINIO and the Condominium Association of the Royal Golf Club, A.C. Condominium.

ARTICULO 19.- In case of alienation, assignment or transfer of any EXCLUSIVE PROPERTY, the new CONDOMINIUM and the persons who subsequently acquire the property by any title, shall be subject to the present Regulations and shall also be unlimitedly and jointly and severally liable for the obligations of any kind of the former CONDOMINIUM, in relation to the use of its EXCLUSIVE PROPERTY and of the PROPERTY OF COMMON PROPERTY.

No EXCLUSIVE PROPERTY may be alienated, affected or assigned if the CONDOMINIUM is not up to date in the payment of its condominium fees, whether ordinary or extraordinary, as approved by the CONDOMINIUMS ASSEMBLY. For this purpose, the ADMINISTRATOR OR MANAGER shall issue the respective certificate.

ARTICLE 20.- In order to preserve the characteristics of the CONDOMINIUM, the CONDOMINIUMS, BENEFICIARIES OR OWNERS, after obtaining the corresponding licenses or permits, may carry out construction, excavation or cleaning works within their EXCLUSIVE PROPERTY, as long as they respect at all times the uses and destinations of the EXCLUSIVE PROPERTY, the specifications that for such effect have been agreed upon in the contract through which they have acquired the EXCLUSIVE PROPERTY, in the GUIDELINES ANNEXED to these Regulations and in the applicable Laws, Regulations and administrative provisions.

For these purposes, the CONDOMINIARY or BENEFICIARY, prior to the beginning of any construction within its EXCLUSIVE PROPERTY, must submit for approval to the Condominium Owners Association of the Royal Golf Club, A.C., or to the person or company designated by the latter, the plans and projects of the works it intends to carry out.

Once the deed of conveyance, assignment or transfer of ownership in favor of the CONDOMINIUM is granted, and provided that there is no debt owed by the CONDOMINIUM to the Condominium Owners Association of the Royal Golf Club, A.C., the construction plans and projects will be authorized by THE Oversight Committee and THE MANAGER.

No CONDOMINIUM may carry out works that damage, harm or endanger the buildings of other CONDOMINIUMS or the facilities and areas comprising the COMMON PROPERTY.

In the event that the ADMINISTRATOR detects the performance of works in violation of the provisions of this article, he shall warn the CONDOMINIUM to stop such works and proceed to correct them. In the event that the CONDOMINIUM owner ignores what the ADMINISTRATOR determines, the latter shall take the case to the CONDOMINIUMS ASSEMBLY in order to determine the corresponding sanctions, without prejudice to the fines, penalties or sanctions that correspond to the offending CONDOMINIUM owner derived from the contract by which he has acquired his EXCLUSIVE OWNERSHIP and from the applicable legislation and in the Deeds.

ARTICLE 21.- The CONDOMINIUMS, BENEFICIARIES and OWNERS shall refrain from performing any act, even within THEIR EXCLUSIVE PROPERTY, that prevents or makes the operation less efficient, hinders or hinders the use of the COMMON PROPERTY, that changes the use and destination of their EXCLUSIVE PROPERTY, or that contravenes in any way the provisions of these REGULATIONS, the GUIDELINES and the DEED.

CHAPTER IV

OF COMMON PROPERTY

ARTICLE 22.- The following are PROPERTY OF COMMON PROPERTY:

a) The land, roads, porches, corridors, gardens, walkways, swimming pool, barbecue grills, recreational areas, service berm, palapas, jacuzzi, recreational areas and other property for common use.

b) Premises intended for general common service facilities and administrative or security areas.

c) Works, installations, apparatus and other objects for common use or enjoyment, such as pits, cisterns, pumps, motors, sewers, channels, systems and conduits for the distribution of water, drainage, electricity, gas, etc., with the exception of those belonging to each villa or department.

ARTICLE 23.- The right of each CONDOMINO over the PROPERTY OF COMMON PROPERTY shall be proportional to the value of its EXCLUSIVE OWNERSHIP according to what is established in the DEED.

All condominium owners, beneficiaries, owners and occupants are bound by the terms of the DEED and of these REGULATIONS, and shall be responsible for the damages they cause to the COMMON PROPERTY.

ARTICLE 24.- The PROPERTY OF COMMON PROPERTY may not be the object of divisional action nor may it be modified as to its form or destination.

ARTICLE 25.- Each CONDOMINIUM may use the PROPERTY OF COMMON PROPERTY and enjoy the services and general facilities, according to their

ordinary nature and use, without restricting or making more onerous the rights of the others, but it shall not have any right of possession over them.

Therefore, the CONDOMINIUMS may not perform acts that in any way imply the real or apparent intention of exercising dominion over said PROPERTY.

ARTICLE 26.- In all matters concerning the repair and maintenance of the PROPERTY OF COMMON PROPERTY, the provisions on the Condominium Property Regime established in the Law on the Condominium Property Regime for the State of Sonora shall be applicable.

ARTICLE 27.- The works necessary to maintain the property in a good state of conservation and safety and for the services to work efficiently, shall be ordered by the ADMINISTRATOR, without the need for prior agreement of the CONDOMINIUMS, and charged to the approved expense budget.

ARTICLE 28.- Even if a CONDOMINO abandons his rights or renounces the use of certain PROPERTY OF COMMON PROPERTY, he shall continue to be subject to the obligations imposed by the LAW, the DEED, these REGULATIONS, and other applicable legal provisions.

CHAPTER V

GOODS FOR PRIVATE USE

ARTICLE 29.- Those PROPERTIES OF COMMON PROPERTY that by their location or by their use only take advantage of two or more EXCLUSIVE PROPERTIES, will be able to become COMMON PROPERTY OF PRIVATE USE, previous notification in writing of the holders of such PRIVATE PROPERTIES to the ADMINISTRATOR.

In such case, the PRIVATE USE COMMON PROPERTY shall be used exclusively by the CONDOMINIUMS owners of the corresponding EXCLUSIVE PROPERTIES, for which reason they shall be responsible for the maintenance and administration of said PROPERTY, being exclusively in charge of all the expenses generated by the same.

In order to determine the manner of contributing to the maintenance and administration of the COMMON PROPERTY FOR PRIVATE USE, unless otherwise agreed by all the CONDOMINIUMS which take advantage of said property, the following procedure shall be followed:

The undivided percentages in the general CONDOMINIUM of the EXCLUSIVE PROPERTIES to which the PRIVATE USE COMMON PROPERTIES in question belong shall be added together. The percentage that each one of said PRIVATE PROPERTIES has shall be multiplied by one hundred and divided by the sum of the undivided percentages of the EXCLUSIVE PROPERTIES.

The result will be the proportion of contributions to be made by each EXCLUSIVE PROPERTY for the maintenance and administration of the PRIVATE USE COMMON PROPERTY.

While the interested CONDOMINIUMS carry out the conversion of the COMMON PROPERTY OF PRIVATE USE, they will be considered as PROPERTY OF COMMON PROPERTY, in the understanding that once the respective conversion is carried out, the undivided ownership of the general CONDOMINIUM will NOT be modified, but the amounts paid by all the CONDOMINIUMS of the CONDOMINIUM that would have corresponded to the maintenance and administration of the COMMON PROPERTY OF PRIVATE USE shall be destined only to the PROPERTY OF COMMON PROPERTY.

CHAPTER VI

OF THE SECTORS.

ARTICLE 30.- REPEALED.

ARTICLE 31.- REPEALED.

ARTICLE 32.- REPEALED.

ARTICLE 33.- REPEALED.

ARTICLE 34.- REPEALED.

ARTICLE 35.- REPEALED.

ARTICLE 36.- REPEALED.

ARTICLE 37.- REPEALED.

CHAPTER VII.

PROHIBITIONS BY SECTOR

ARTICLE 38.- REPEALED.

ARTICLE 39.- REPEALED.

CHAPTER VIII.

FINANCIAL RESPONSIBILITIES OF JOINT TENANTS, BENEFICIARIES AND OWNERS

ARTICLE 40.- They are COMMON EXPENSES those that are applied to the following items:

a) Non-individual taxes, duties and cooperations of which the CONDOMINIUMS, BENEFICIARIES and OWNERS are collectively responsible.

b) Repair, cleaning, administration, conservation, security and replacement of PROPERTY OF COMMON PROPERTY.

c) Salaries, benefits and gratuities of the personnel in the service of the common interests of the property.

d) Fees payable to the ADMINISTRATOR and to the persons hired by the ADMINISTRATOR.

e) - Expenditures to be made for the acquisition and maintenance of utensils or machinery required for the conservation, cleaning, repair, replacement and security of the COMMON PROPERTY.

f) - The amount of the insurance premiums, if any, contracted on the COMMON PROPERTY PROPERTY.

g) Expenses for the provision, supply and maintenance of common services.

h) Expenses for the consumption of water, electricity and materials of consumption of the COMMON PROPERTY.

i) - The expenses for payment of property taxes and other contributions, taxes and duties levied on the PROPERTY OF COMMON PROPERTY.

j) - The proportional part of the maintenance and administration fee corresponding to the EXCLUSIVE PROPERTY with respect to the MASTER CONDOMINIUM of which it forms part.

k) - The expenses derived for the construction of different facilities in the PROPERTY OF COMMON PROPERTY, such as palapas, swimming pool, recreational facilities, etc.

ARTICLE 41.- Each BENEFICIARY is obliged to contribute to the payment of the COMMON EXPENSES, in accordance with the approved budget and in the form of payment to be determined.

ARTICLE 42.- Extraordinary COMMON EXPENSES are all those that are not foreseen in the annual budget approved by the CONDOMINIUMS ASSEMBLY, to determine the amount of the ordinary COMMON EXPENSES and that it is necessary to impose on the BENEFICIARIES AND OWNERS to face special situations.

ARTICLE 43.- The BENEFICIARIES AND OWNERS shall pay the ordinary COMMON EXPENSES fees payable by them, in the annual proportion corresponding to their date of acquisition, as far as the first year is concerned, and in advance semesters payable in the months of January and July of each

subsequent year, without the need for prior notice at the administration offices or in the manner agreed upon by the CONDOMINIUMS ASSEMBLY.

ARTICLE 44.- The minutes of the ASSEMBLY in which the payment of MAINTENANCE AND ADMINISTRATION FEES is determined, to cover the ordinary COMMON EXPENSES or in which the EXTRAORDINARY COMMON EXPENSES are distributed or already made, shall be notarized before a Notary Public in terms of the LAW, and will acquire the quality of an enforceable title of collection that brings with it execution in the civil executive process, in the terms of Article 37 of the LAW, which may be exercised against the EXCLUSIVE PROPERTY or other assets owned by the BENEFICIARY.

ARTICLE 45.- All the taxes, rights and expenses that are caused on each one of the EXCLUSIVE PROPERTIES, shall be borne exclusively by the owners thereof.

ARTICLE 46.- They will be exclusively at the expense of the CONDOMINIUMS, BENEFICIARIES, OWNERS or their employees, contractors, subcontractors, relatives, servants, visitors, lessees or commodataries, the necessary amounts for the repair of the damages that the own CONDOMINIUMS or the people before indicated, cause to the EXCLUSIVE PROPERTIES the PROPERTIES OF COMMON PROPERTY, the COMMON PROPERTIES OF PRIVATE USE and the facilities affected to them.

CHAPTER IX

OF THE MAINTENANCE AND ADMINISTRATION AND RESERVE FUNDS

ARTICLE 47.- Once the payments of the CONDOMINIUMS, BENEFICIARIES OR OWNERS have been made, the BOARD OF ADMINISTRATION shall create two funds: one to be applied to maintenance and administration expenses, and the other as a reserve for the acquisition or replacement of implements and machinery necessary for the operation and maintenance of the COMMON PROPERTY. The amount of the maintenance and administration fund shall be determined by the CONDOMINIUMS ASSEMBLY in the annual expense budget formulated for this purpose by the ADMINISTRATOR and approved by the CONDOMINIUMS ASSEMBLY.

ARTICLE 48.- For the creation of the RESERVE FUND, the BENEFICIARIES shall cover an amount equivalent to 15% (fifteen percent) of the amount of the annual budget for COMMON EXPENSES.

As long as the RESERVE FUND is not used, the amounts comprising it must be invested by the BOARD OF DIRECTORS in the manner determined by the CONDOMINIUMS ASSEMBLY.

ARTICLE 49.- When these funds are not sufficient to cover the COMMON EXPENSES, each BENEFICIARY shall contribute the additional quota agreed upon by the CONDOMINIUMS ASSEMBLY; for such purpose, the ADMINISTRATOR shall call the corresponding ASSEMBLY to provide resources and authorize the expenditure.

CHAPTER X

CONDOMINIUM ASSEMBLY

ARTICLE 50.- The CONDOMINIUMS ASSEMBLY is the supreme body of the CONDOMINIUM that governs the COMMON PROPERTY, and its resolutions taken in accordance with the rules indicated below, shall bind each and every one of the CONDOMINIUMS, BENEFICIARIES AND OWNERS, including dissidents and absentees, who shall have no legal action to annul or modify the resolutions taken in any legally constituted CONDOMINIUMS ASSEMBLY.

The CONDOMINIUMS ASSEMBLY shall be composed of the CONDOMINIUMS that present themselves in their own right, through representatives or by Fiduciary authorization, at the legally convened assemblies, and shall have the votes corresponding to them. The ASSEMBLIES may be ordinary, special or extraordinary.

ARTICLE 51.- The ORDINARY CONDOMINIUM ASSEMBLIES shall be held at least once a year, in the place designated by the ADMINISTRATOR, preferably within the CONDOMINIUM and approved by the Oversight Committee, and may develop, according to the Agenda, the following points:

a) - To analyze, discuss and, if applicable, approve the accounts rendered by the ADMINISTRATOR for the last period of his term of office.

b) - To discuss and approve the annual budget for the following fiscal year submitted by the ADMINISTRATOR, which includes the budgets of the Sectors, and to determine the manner in which the funds necessary to cover it shall be provided. The reserve fund shall be included in this budget.

c) - To resolve all matters concerning the PROPERTY OF COMMON PROPERTY.

d) - Approve the execution of works in the PROPERTY OF COMMON PROPERTY when the amount of such works does not exceed by more than fifteen percent the total budget of the fiscal year in which they are to be carried out.

e) - If applicable, to resolve on the conversion of COMMON PROPERTY to COMMON PROPERTY FOR PRIVATE USE, establishing the bases for its administration, maintenance and for the fulfillment of the obligations derived from said COMMON PROPERTY FOR PRIVATE USE before the ADMINISTRATOR, or before the CONDOMINIUMS ASSEMBLY, as the case may be.

f) - To decide on any modification to the CONDOMINIUM's Articles of Incorporation and to these REGULATIONS.

g) - Appoint, fix the remuneration and remove the members of the Oversight Committee.

h) - Appoint and remove the ADMINISTRATOR and MANAGER, fix their remuneration and make a final decision on the cases of suspension made by the Oversight Committee.

i) - To grant the necessary powers of attorney for the administration and maintenance of the CONDOMINIUM.

j) - To specify the responsibilities of the ADMINISTRATOR with respect to third parties, which are the responsibility of the CONDOMINIUMS, BENEFICIARIES and OWNERS for acts performed by the ADMINISTRATOR in or in connection with the performance of his duties.

l) Any other matter considered in the Agenda.

k) - Review that the condominium owners' fees have been paid and in the event that there are condominium owners who have not paid them, the corresponding legal issues are carried out with the owners or Fiduciary Institutions, and in the event that they have not made the corresponding payments, they are prohibited from using the corresponding access cards.

ARTICLE 52.- SPECIAL CONDOMINIUMS ASSEMBLIES shall be held whenever necessary to resolve the provision of services and problems arising between two or more SECTIONS OF THE CONDOMINIUM or between adjoining CONDOMINIUMS.

Special or extraordinary general condominium owners' meetings will be held whenever it is necessary to make substantive changes to these bylaws, to the articles of incorporation of the Condominium Owners' Association of Condominio Royal Golf Club, A.C., granting of powers of attorney, and any others considered by the Civil Code in force.

ARTICLE 53.- The notices for CONDOMINIUMS ASSEMBLIES shall be made at least 10 calendar days prior to the date set for the meeting, and shall include in all cases the Agenda. The notices shall be posted in a visible place in the offices of the Administration, Guardhouse and Surveillance and shall also be communicated in writing to each of the members of the CONDOMINIUMS ASSEMBLY, depositing them in advance of the due date to comply with the stipulations of the first part of this article, in the electronic address indicated for such effect by each CONDOMINIUM in the contract by means of which it has acquired the ownership of its PROPERTY OR RIGHTS OF ITS EXCLUSIVE PROPERTY, or by the CORRESPONDING PUBLICATION in the Newspaper of greater circulation for the State of Sonora.

The notices of the GENERAL MEETINGS may contain first and second summons for the same day and within half an hour of each other.

It shall not be necessary to call a meeting when all the CONDOMINIUMS are present or represented at the ASSEMBLY.

ARTICLE 54.- For the ORDINARY ASSEMBLIES OF CONDOMINIUMS, there shall be a quorum on first call if at least 75% (seventy-five percent) of the totality of the undivided CONDOMINIUM is present or represented by simple proxy, and its resolutions shall be valid when approved by the votes representing the majority of the undivided CONDOMINIUM present. If on the date and at the time indicated for the holding of the ASSEMBLY on first call there is not the necessary quorum, the meeting shall proceed to wait thirty minutes for the meeting on second call, and in such case, the ASSEMBLY may be held with any number of CONDOMINIUMS that are present, in the understanding that each CONDOMINIUM shall have the votes equivalent to the percentage of the undivided CONDOMINIUM that corresponds to it.

ARTICLE 55.- The ASSEMBLIES shall be presided over by whoever is elected President of the Condominium Owners Association of the Royal Golf Club

Condominium, A.C., and in case of absence by the Vice President of said Association, and the Secretary of the Board shall appoint from among those present, two persons to act as Teller, in order to verify the existence of a legal quorum and the voting of the resolutions.

In the event that, once a CONDOMINIUMS ASSEMBLY has been installed, all the points indicated in the Agenda cannot be discussed or resolved, the ASSEMBLY shall be suspended and shall continue on a date to be determined by the attendees. In this new meeting only those items of the Agenda that were left pending in the previous meeting will be discussed.

In the case provided for in the immediately preceding paragraph, no new call shall be required to continue the ASSEMBLY.

ARTICLE 56.- In the event that one hundred percent of the undivided CONDOMINIUM is present, the ASSEMBLY may vary, modify, add or reduce the Agenda.

ARTICLE 57.- The Condominium Owners Association of the Royal Golf Club Condominium, A.C., through its secretary, shall gather and keep a record of each ASSEMBLY:

- a) Copy of the summons sent to the CONDOMINIUMS.
- b) The Minutes of the ASSEMBLY signed by the President, Secretary of the Condominium Owners Association of the Royal Golf Club Condominium, A.C., and the TRIBUTORS of the ASSEMBLY. and the Scrutineers of the ASSEMBLY.
- c) The attendance list authorized by the Tellers.
- d) - All those reports that may be submitted, as well as documents that, at the request of any of the members of the Oversight Committee, should be kept.

ARTICLE 58.- The minutes of the CONDOMINIUM ASSEMBLIES shall be kept under custody of the Condominium Owners Association of the Royal Golf Club Condominium, A.C., who may request the MANAGER to keep them.

The Minutes must be authorized by the signature of the President, the Secretary of the Condominium Owners Association of the Royal Golf Club Condominium, A.C. and the Scrutineers of the Assembly, as well as the signature of the Oversight Committee, as well as by the attendance list of the attending CONDOMINIUMS that wish to do so, the omission of the signature of the latter having no special effect.

In case of absence or lack of the Secretary or the President of the Vigilance Committee, the minutes will be signed by the President of the Condominium Association of Condominium Owners of the Royal Golf Club, A.C., who is the president of the Assembly, and the other persons designated by him, but for their validity they must always contain the signature of the scrutineers who verify that the resolutions were adopted by a majority of votes.

When it is necessary or convenient to notarize before a Notary Public any of the Minutes, this act may be formalized by the PRESIDENT OF THE ASSEMBLY who is the President of the Condominium Owners Association of the Royal Golf Club, A.C. or the person he/she designates.

In all cases, the resolutions adopted in the ASSEMBLIES shall be taken by means of an economic vote, and the scrutineers shall make the respective computation, leaving a written record of each vote in favor or against the matters dealt with, added to the respective minutes.

In the case of voting for the appointment of the PRESIDENT, VICE-PRESIDENT, SECRETARY, TREASURER and 2 VOWELS who are from the Board of Directors and the Oversight Committee who will be the PRESIDENT, VICE-PRESIDENT, SECRETARY AND 2 VOWELS, it may be done by secret ballot if so required at the meeting.

They may call a CONDOMINIUMS ASSEMBLY:

1.- THE PRESIDENT, THE TREASURER AND/OR THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CONDOMINIUM ASSOCIATION OF THE ROYAL GOLF CLUB CONDOMINIUM, A.C.

2.- THE ADMINISTRATOR.

3.- THE CHAIRMAN OF THE SUPERVISORY COMMITTEE

4.- THE MANAGER IF SO REQUESTED BY THE BOARD OF DIRECTORS THROUGH THE PRESIDENT AND/OR SECRETARY AND/OR TREASURER.

CONDOMINIUMS that represent at least twenty-five percent of the undivided CONDOMINIUM.

CHAPTER XI

OF THE ADMINISTRATOR

ARTICLE 59.- The COMMON PROPERTY PROPERTY shall be administered by the Condominium Owners Association of the Royal Golf Club Condominium, A.C., which is the ADMINISTRATOR. The Board of Directors shall hold office for a term of 2 continuous years, and may be reelected at the end of the subsequent administrative period.

The ADMINISTRATOR shall have the following powers and obligations, which it may exercise and comply with directly or through third parties contracted for such purpose:

I.- It will have all the faculties and obligations of a General Attorney of the CONDOMINIUMS for lawsuits and collections and for acts of administration of goods in the terms of the first two paragraphs of ARTICLE 2831 of the Civil Code for the State of Sonora; all the above limited to the PROPERTY OF COMMON PROPERTY.

Consequently, the ADMINISTRATOR may exercise the powers mentioned below, listed by way of example and without limitation.

a) - To represent the CONDOMINIUMS before any individual or legal entity and before any Civil, Criminal, Administrative or Labor Authority, whether Local, State or Federal, with all the powers relative to a General Agent for lawsuits and collections. Consequently, the ADMINISTRATOR may represent the CONDOMINIUMS with respect to the PROPERTY OF COMMON PROPERTY in all the businesses that are offered, as well as to promote and answer all kinds of lawsuits and judicial and extrajudicial matters, following them with all their proceedings, instances and incidents, until their final decision; To conform with the resolutions issued by the Authorities or to promote against them, as it deems convenient, to interpose and to carry in its sequel the appropriate legal resources; to promote and to carry in all its sequel the amparo trial and to desist of the same; to formulate and to present denunciations and criminal complaints of all kinds and to constitute itself in coadjutant of the Public Ministry, when the Law allows it.

b) - To carry out acts and enter into contracts that are included in a broad and general administration and that correspond to a General Power of Attorney for acts of administration, being able to carry out all that is required for the promotion, development and conservation of the PROPERTY OF COMMON PROPERTY.

c) - To subscribe for any concept, either by issuing, endorsing, drawing, endorsing, guaranteeing, accepting or collecting the amount thereof, all kinds of debt instruments, provided that it has been previously and expressly authorized to do so by the Oversight Committee.

d).- In addition to the faculties indicated in the previous paragraphs, the ADMINISTRATOR, will have all those that require special clause, and therefore will enjoy, in addition to those already indicated, of those that establishes the ARTICLE 2831 first and second paragraphs of the Civil Code for the State of Sonora, with exception of the faculties to exercise acts of dominion referred in the third paragraph of ARTICLE 2831 before mentioned, being able therefore, in an enunciative but not limitative way, to desist of the matters, trials and resources, to compromise and to receive payments, to commit in arbitrators or arbitrators, to absolve and to articulate positions, to challenge Courts and instances and the other acts that the Law determines.

II.- THE MANAGER may hire personnel in the name and on behalf of the CONDOMINIUMS, without being considered an employer for such reason.

III.- To contract with the individuals or legal entities it deems pertinent for the operation, maintenance and administration of the COMMON PROPERTY.

IV.- To keep the minutes of the CONDOMINIUM and to collect the documentation related to the PROPERTY OF COMMON PROPERTY, which may be consulted at any time by the CONDOMINIUMS.

V.- To keep the Minutes of the GENERAL CONDOMINIUMS MEETINGS and the Creditors' Registry Book.

VI.- To take care of the operation of the COMMON PROPERTY.

VII.- To carry out the necessary works, under the terms of these Regulations and of the CONDOMINIUM's Articles of Incorporation, to maintain the COMMON PROPERTY PROPERTY in a good state of safety, stability and conservation, so that it may function efficiently.

VIII.- To propose to the CONDOMINIUMS ASSEMBLY the budget for the following fiscal year, determining the amount that each BENEFICIARY must pay for the maintenance and administration fee of the total COMMON EXPENSES.

IX.- To execute the resolutions of the GENERAL ASSEMBLY OF CONDOMINIUMS, unless the latter has designated another person for some special task.

X.- Coordinate the resolutions adopted in the GROUP ASSEMBLIES, so that the maintenance of the common areas is compatible with that of the CONDOMINIUM.

XI.- Collect the MAINTENANCE AND ADMINISTRATION FEES that each BENEFICIARY must pay annually for the maintenance, administration, reserve and extraordinary funds, issuing the corresponding receipt.

XII.- Proceed against the lot or other property owned by the CONDOMINIARY and BENEFICIARY when the latter fails to comply with its obligation to pay the installments.

XIII.- To incur maintenance and administrative expenses charged to the corresponding funds.

XIV.- To deliver annually to each CONDOMINIUM and BENEFICIARY that so requests, at least thirty days prior to the CONDOMINIUMS ASSEMBLY, with acknowledgement of receipt, an account statement showing:

1.- A detailed statement of the expenses incurred for the fiscal year in question, charged to the maintenance and administration fund.

2.- A consolidated statement showing the amount of maintenance and administration fees already paid and those pending to be paid.

3.- The balance of the maintenance and administration fund to be allocated in the following fiscal year and, if applicable, the list of CONDOMINOS in arrears and the amount of the debts to be covered.

XV.- To summon the ASSEMBLIES in accordance with the terms of these regulations.

XVI.- To support the holding of the ASSEMBLIES of the Board of Directors.

XVII.- To intervene, in coordination with the SURVEILLANCE COMMITTEE, in the decisions to be adopted in problems arising between CONDOMINIUMS.

XVIII.- To confirm that the decisions adopted on the problems between CONDOMINIUMS are faithfully complied with.

XIX.- To require the CONDOMINIUM, BENEFICIARY AND OWNER in violation of the provisions issued by the GENERAL ASSEMBLY, with the representation of the other CONDOMINIUMS, to comply with its obligations and to exercise the necessary actions against the same, including the suspension of the use of the COMMON PROPERTY property to the CONDOMINIUM, BENEFICIARY AND OWNER in violation.

XX.- To submit to the Oversight Committee, on a quarterly basis, the Administration's financial statements.

XXI.- To take care of the due compliance and observance of the provisions of the CONDOMINIUMS ASSEMBLY.

XXII. - To provide such guarantee as may be determined by the CONDOMINIUMS ASSEMBLY to guarantee the liabilities that may be incurred by third parties such as contractors in the performance of their duties.

XXIII.- Such other powers and duties as may be legally agreed upon by the CONDOMINIUMS ASSEMBLY.

ARTICLE 60.- Any position of the BOARD OF MANAGEMENT may be removed from office before the expiration of the respective term by resolution of the CONDOMINIUMS ASSEMBLY, due to gross negligence, misappropriation of funds, gross negligence or willful misconduct in the performance of their duties.

ARTICLE 61.- The outgoing ADMINISTRATOR is obliged to render accounts until the last day of his term of office. The rendering of accounts shall be based on the accounting and financial statements delivered by the Oversight Committee or the person appointed to replace it, when such is the case.

The outgoing ADMINISTRATOR, together with his substitute, will draw up the Inventory Reception Act, which must be effectively verified within a non-extendable period of thirty days from the date on which the administration is transferred.

ARTICLE 62.- In the event that any of the ADMINISTRATORS should be negligent in drawing up the inventories, the ADMINISTRATOR affected may request the intervention of a firm of Certified Public Accountants of recognized prestige to resolve the drawing up of the respective inventory. In order to avoid controversies, the affected party shall request the negligent party by means of a written document delivered in the presence of a Notary Public.

ARTICLE 63.- The following points shall be recorded in the minutes of receipt of inventories:

- 1.- The cashing up of the maintenance, administration and reserve funds.
- 2.- The collection of letters from debtors.
- 3.- The valuation of shares and securities, if any.
- 4.- The physical inventory of the PROPERTY OF COMMON PROPERTY.

ARTICLE 64.- The rendering of accounts by the outgoing ADMINISTRATOR shall be in accordance with the following procedure:

The resulting items shall be submitted to the outgoing ADMINISTRATOR for review, acceptance or rejection. If after presenting the rejected, adjusted or modified items to the outgoing ADMINISTRATOR, the latter does not accept the observations made, the parties shall submit the problem to the CONDOMINIUMS ASSEMBLY to be held for this purpose, so that the latter may dictate the guidelines to be followed.

In order for ARTICLES 60, 61, 62, 63 and 64 of these regulations to be applicable, it must be demonstrated in court that there was bad faith on the part of any of the members of the Board of Directors, since each and every one of the members of the Board of Directors act in good faith and without any remuneration, and in the event that there is any type of controversy with respect

to third parties, the CONDOMINIUMS ASSEMBLY will respond for the Board of Directors for the damages that may have been caused, in the event that legal assistance is hired, the Reserve Fund will be used, since the CONDOMINIUMS ASSEMBLY will support any of the members of the Board of Directors at all times.

CHAPTER XII

OF THE SUPERVISORY COMMITTEE

ARTICLE 65.- THE OVIGILANCE COMMITTEE is the collegiate body of the CONDOMINIUM whose main function is to ensure that the BOARD OF MANAGEMENT complies with the resolutions of the CONDOMINIUM ASSEMBLY, the LAW and other applicable laws, regulations and other administrative provisions.

ARTICLE 66.- THE OVERSIGHT COMMITTEE shall be made up of a PRESIDENT, VIC-PRESIDENT, SECRETARY AND TWO VOWELS who shall hold office for two continuous years, counted from the date on which they occupy their position, and may be reelected at the end of the subsequent administrative period.

ARTICLE 67. The Oversight Committee shall have the following powers and duties:

a) - To oversee that the ADMINISTRATOR complies with the powers conferred upon him by these Regulations and the CONDOMINIUMS ASSEMBLY, and in the event of noticing serious violations, to summon the CONDOMINIUMS ASSEMBLY to resolve what is appropriate.

b) - To ensure that the ADMINISTRATOR complies with the resolutions issued by the CONDOMINIUM ASSEMBLIES.

c) - When appropriate, to give its approval for the execution of non-budgeted works in the COMMON PROPERTY, without the need to hold a CONDOMINIUMS ASSEMBLY, provided that the amount of such works does not exceed fifteen percent of the total budget for the fiscal year in question.

d) - Verify that the reserve fund is always at the appropriate level, as well as verify the acquisition and replacement of implements and machinery in which the amounts of this fund are invested, and if applicable, that the application thereof is made in accordance with that established by the CONDOMINIUMS ASSEMBLY.

e) - To report to the CONDOMINIUMS ASSEMBLY regarding their observations on the administration of the CONDOMINIUM.

f) - To cooperate with the BOARD OF DIRECTORS, whenever so requested by the latter, in calling upon the CONDOMINIUMS to comply with their obligations.

g) - Approve the report prepared by the BOARD OF DIRECTORS on the progress and problems of the programs agreed upon at the CONDOMINIUMS ASSEMBLY.

h) - Take care of the good management and efficiency of the BOARD OF DIRECTORS, receive complaints from the CONDOMINIUMS against the same and take such measures as it deems convenient in view of said complaints.

i) - Collaborate with THE BOARD OF DIRECTORS to designate and hire professionals and experts for the performance of works necessary for the best operation of the COMMON USE PROPERTY, and if necessary, approve the corresponding remunerations.

j) - Resolve matters not reserved to the BOARD OF DIRECTORS or to the CONDOMINIUMS ASSEMBLY.

k) - To authorize the emergency measures it deems convenient in those cases in which, even though they are the exclusive competence of the GENERAL ASSEMBLY or GROUP ASSEMBLIES on matters that cannot be left pending until the routine meeting of the latter.

l) - To call an ASSEMBLY when the BOARD OF DIRECTORS fails to do so in accordance with the terms of these Regulations.

m) - Annually submit a report to the CONDOMINIUMS ASSEMBLY on the activities that the Oversight Committee has carried out during the previous year.

n) - The powers and obligations arising from this document or as determined by the CONDOMINIUMS ASSEMBLY.

o) - To issue its opinion, when appropriate, on the construction or modification projects submitted to the Condominium Administration, in order to verify compliance with the standards established in the ENVIRONMENTAL DESIGN AND CONTROL GUIDELINES.

p) - To report on the approval, with or without conditions, of the projects subject to its control, as well as to verify their compliance.

q) It is hereby established that the SURVEILLANCE COMMITTEE shall have a contingency or expense fund of at least \$15,000.00 (FIFTEEN THOUSAND PESOS 00/100 M.N.), but the ASSEMBLY as a whole may determine the amount established.

ARTICLE 68.- At any time the members of the SURVEILLANCE COMMITTEE may be removed and replaced by the CONDOMINIUMS that have elected them under the terms of these Regulations.

ARTICLE 69.- The SURVEILLANCE COMMITTEE Sessions shall be held whenever so required and may be held at any time in order to follow up on matters within its competence, validly meeting with the presence of three or more of its members and always in the presence of at least the Chairman or Vice-Chairman of the BOARD OF DIRECTORS. The Chairman of the SURVEILLANCE COMMITTEE shall call the meetings in writing, preside over the meetings when present and shall have the casting vote in the event of a tie.

In the event that any resolution is submitted to a vote, the CHAIRMAN OF THE BOARD OF DIRECTORS shall always have the casting vote.

CHAPTER XIII

OF PENALTIES

ARTICLE 70.- When any CONDOMINIARY, BENEFICIARY or OWNER does not pay the MAINTENANCE AND ADMINISTRATION FEES determined at his expense, whether ordinary or extraordinary, within the months of January and

July of each year, or within the term indicated for payment thereof, pursuant to the terms of Article 37 of the Law on the Condominium Property Regime for the State of Sonora, until the first condominium owners' meeting is held, interest must be paid equal to that established by the Bank of Mexico with respect to current bank interest, and the foregoing is applicable, without prejudice of the legal actions that the ADMINISTRATOR takes against the EXCLUSIVE PROPERTY or other assets of the CONDOMINIUM, BENEFICIARY or OWNER that has defaulted in the payment of its MAINTENANCE AND ADMINISTRATION FEES and without need of previous agreement on the part of the CONDOMINIUMS ASSEMBLY.

ARTICLE 71.- In accordance with the provisions of Article 37 of the LAW, the statement of liquidation of debts for COMMON EXPENSES (Maintenance and Administration Fees) ordinary or extraordinary and of surcharges of the CONDOMINIUMS, BENEFICIARIES or OWNERS in arrears, brings with it execution in the civil executive route, if it is signed by the BOARD OF DIRECTORS directly by the President and/or Treasurer, and accompanied by the corresponding receipts pending payment, as well as a copy certified by the aforementioned Officers of the relative part of the Minutes of the Assembly or of the CONDOMINIUM Maintenance and Administration Regulations, as the case may be, in which the quotas payable by the BENEFICIARIES, CONDOMINIARIES or OWNERS have been determined.

ARTICLE 72.- In the case of CONDOMINIUMS, BENEFICIARIES OR OWNERS in arrears, the PRESIDENT OF THE BOARD OF MANAGEMENT shall proceed to take all the legal actions he deems pertinent, in accordance with the two immediately preceding articles, to demand compliance with their payments, and as determined by the SURVEILLANCE COMMITTEE, shall also proceed to suspend their services, such as garbage collection, security, access to the Royal Golf Club Condominium by vehicular means, etc.

ARTICLE 73.- THE CONDOMINIUM, BENEFICIARY or OWNER who repeatedly fails to comply with his obligations, in addition to being responsible for the damages caused to the others, may be sued and, if necessary, sentenced to the sale of his EXCLUSIVE PROPERTY at public auction, respecting the right of the CONDOMINIUMS in good standing in their obligations.

The exercise of this action will be resolved in a GENERAL ASSEMBLY of CONDOMINIUMS to be held with the quorum corresponding to the first call, by a minimum of 75% of those present, without for this reason it can be understood that the fulfillment of the omitted obligations has been released or dispensed, which in its case will be covered with the proceeds of the respective auction, respecting the rights of the preferential creditor.

ARTICLE 74.- If the person who does not comply with his obligations is an occupant, not an owner, the BOARD OF DIRECTORS shall sue the OWNER, CONDOMINIARY OR BENEFICIARY under the same terms of the preceding articles.

ARTICLE 75.- Delinquent interest of 2% will be charged and will be applied to the unpaid balance or overdue balance of the overdue maintenance fees, in the understanding that such collection of delinquent interest will be applied on the total overdue balance or unpaid balance with respect to the unpaid maintenance fees. The application of late payment interest will be applied as of the month of May 2009, being applied in turn on the following months, including the interest shall be charged on those unpaid balances that continue to be generated after that date, being the collection of the aforementioned late payment interest in force until such time as the CONDOMINIUMS ASSEMBLY does not decide otherwise.

CHAPTER XIV

ENVIRONMENTAL DESIGN AND CONTROL GUIDELINES

ARTICLE 76.- The Design and Environmental Control Guidelines are set forth in Annex 1 of these Regulations, and in order to be carried out, at least 2 signatures of the BOARD OF DIRECTORS of the Condominium Owners Association of the Royal Golf Club, A.C. are required.

In all matters relating to THE DEVELOPMENT it is hereby established that the WORD THE DEVELOPMENT is changed to THE ASSOCIATION OF CONDOMINIUMS OF THE ROYAL GOLF CLUB CONDOMINIUM, A.C. through the PRESIDENT OF THE BOARD OF ADMINISTRATION AND THE PRESIDENT OF THE OVIGILANCE COMMITTEE.

ARTICLE 77.- Any controversies arising from the interpretation of the LAW, the ESCRITURA and these REGULATIONS, shall be settled before the competent courts, which in the specific case are the Courts of the City and Port of Guaymas, Sonora.

CHAPTER XV

GUIDELINES APPROVED AT GENERAL MEETINGS

ARTICLE 78.- Once the ARCHITECTURE COMMITTEE has approved a construction project submitted by a CONDOMINIUM to carry out a new construction, remodeling and/or additional construction project to its EXCLUSIVE PROPERTY, a deposit in the amount of \$30,000.00 Pesos (THIRTY THOUSAND 00/100 M.N.), in order to make sure that the applicant CONDOMINO complies with the project presented and approved by the ARCHITECTURE COMMITTEE. Likewise, at the conclusion of the work, an inspection will be made to be able to reimburse the deposit paid, as long as the approved project has been complied with, there is NO damage to the common areas and there is no residue of construction materials and/or garbage.

ARTICLE 79.- The construction works in the Residential Condominium called "Royal Golf Club" may only be carried out from 8:00 a.m. to 5:00 p.m. Monday through Friday. From 8:00 a.m. to 1:00 p.m. on Saturdays. Likewise, it is prohibited to carry out construction works on Sundays.

ARTICLE 80.- The Residential Condominium called "Royal Golf Club" is a land use area reserved exclusively for residential homes. Any other type of buildings such as apartments, vertical condominiums, duplexes, triplexes, commercial buildings and/or warehouses are strictly prohibited.

ARTICLE 81.- The maximum height of perimeter fences shall not exceed one (1) meter in height.

ARTICLE 82.- The trash containers for common use are exclusively for domestic waste. It is forbidden to use them to dispose of construction materials.

ARTICLE 83.- If a condominium owner wishes to park motor homes, trailers, boats, boats, boats, jet skis, he/she may do so as long as it is on the sidewalk located on his/her EXCLUSIVE PROPERTY within the Residential Condominium called "Royal Golf Club", and must notify the ADMINISTRATION before doing so. The maximum term of stay shall be 1 (one) month from the time of notification.

ARTICLE 84.- It is prohibited to produce loud noises or sounds after 8:00 PM. High volume shall be considered as that which, produced in any area, affects the normal hearing in one or more areas of the EXCLUSIVE PROPERTY, prevents or hinders the normal use of the property, including communication and sleep. In the event that the CONDOMINIARY disregards this provision, he/she shall be liable to a fine in the amount of \$10,000.00 (TEN THOUSAND 00/100 M.N.).

