

PALMA VISTA'S BYLAWS

In accordance with the provisions of Article Fourteen (14) of Law No. 129-2020, adopted on August sixteen (16) of the year two thousand twenty (2020), the original Regulations of the Palma Vista Condominium are hereby replaced to regulate the Horizontal Property Regime to which the property called **PALMA VISTA CONDOMINIUM** has been subjected, hereinafter referred to as "THE CONDO", as constituted by The Master Deed Number Sixty three (63) granted on the day sixth (6) of May of year Two Thousand Four (2004) in San Juan, Puerto Rico, before the Notary Public Ricardo O. Meléndez Saurí.

PRELIMINARY PROVISIONS; DEFINITIONS AND BASIC PRINCIPLES OF THE HORIZONTAL PROPERTY REGIME

a) Interim Administrator - The Developer in his role of managing the property in the transition period that begins from the granting of the first deed of sale and until the transfer of the administration to the Board of Owners is made, through the election of a Director or Board of Directors.

b) Involuntary Acquirer – The mortgage creditor who, in order to protect its accretion, acquires a property as part of a foreclosure process, bidding or without tendering, or giving in payment, in whole or in part.

c) Voluntary Acquirer – A person who, after exercising his judgment in the usual course of business, deliberately acquires the immovable property because it is a good business for him. It is understood to include a conventional buyer, a donor, an heir, a legatee, a permutant or a bidder who takes the good pro at the auction.

d) Administrative Agent - Person appointed by the Council of Owners to administer the day-to-day operation of the condominium, under the supervision of the Director or the Board of Directors.

e) Annex -Area assigned in the parent deed of a condominium for the particular use of an apartment and excluding other apartments.

(f) Apartment - Any unit of construction in a building subject to the regime established in this chapter, which is sufficiently delimited and consists of one (1) or more cubic spaces totally or partially closed or open, together with its annexes, if any, even if these are not contiguous, provided that such a unit is susceptible to any type of independent use and has direct access to public roads or to a certain private area (whether this is a common element of the condominium, or an area shared by two (2) or more condominiums or other developments, or a private area that exists and/or has been designated as access to two (2) or more condominiums or other residential, commercial, a combination of both, or of any other kind), which may lead to public roads through an easement of passage or other legal

mechanism, as approved by public or quasi-public entities with jurisdiction.

g) Short-term lease – Any lease shall mean a term less than ninety (90) consecutive days.

(h) Council of Owners - Governing and deliberative body of the condominium, with legal personality and constituted by all unit owners.

(i) Developer –Personnel submitting the property to the Horizontal Property Regime, which will serve as Acting Administrator from the granting of the first deed of sale and until the transfer of the administration to the Board of Directors is made, through the election of a Director or Board of Directors.

(j) Common elements – These are elements which are not individually owned by holders and subject to a system of forced indivisum.

(k) Limited Common Elements – These are common elements intended for the service of more than one unit owner to the exclusion of others, such as corridors, stairs and special elevators, common sanitary services to single-floor apartments and other similar ones.

l) Procommunal elements – These are areas that can be used independently, whether apartments, parking lots or premises, whose ownership has been assigned to the Council of Owners. So shall private units acquired by the Council of Owners by assignment, execution in debt collection or by any other legitimate means.

(m) Master Deed – Public deed by which the sole proprietor, or all owners, if there is more than one (1), expressly declare, clearly and precisely, their willingness to submit a property to the horizontal ownership regime.

n) Annual Financial Statements - Annual written report including the statement of annual financial status reflecting every annual income and expense, at the end of the Council's fiscal year.

o) Facade - The design of the architectural complex of the common elements and aesthetic exterior of the building, as is apparent from the documents constituting condominium.

(p) Board of Directors - A Director or group of Directors elected by the Council of Owners.

q) Improvement Work - Any permanent work that is not maintenance, aimed at increasing the value or productivity of the property in question or providing better services for the enjoyment of the apartments or common areas. The Council of Owners must unanimously approve an Improvement Work that requires a special assessment for its financing. When the Council of Owners has the funds for such Improvement Work, the consent of 2/3 parts of holders with equal participation in the common elements of the condominium is required.

(r) Extraordinary Work -Any maintenance work not provided for in the annual budget, which requires

the imposition of a special assessment for its execution.

s) Work to Address State of Emergency. - Any operational expense necessary to attend to a "State of Emergency", either in preparation to address any situation resulting from an emergency. A "State of Emergency" shall be deemed to exist when decreed by the relevant state or federal authorities.

(t) Urgent Work - Any work whose execution cannot be postponed for pressing safety reasons or because it is necessary for the restitution of essential services, such as the supply of water, electricity or the operation of lifts.

u) Person - Any natural or legal person.

v) Percentage of Participation - Formula based on the relationship between the deprived surface area of an apartment and the sum of all deprived surface areas of all condominium apartments.

w) Annual Budget - Document reflecting the estimated revenue and expenditure of the Council of Owners foreseeable for each fiscal year and contribution to the reservation that is required.

x) Condominium Regulations - Document that is part of the Master Deed setting out the administrative rules governing the condominium.

y) Unit Owner or Condómino - Any owner who is entitled to his apartment and a participation with the other owners in the common elements of a property subject to the Horizontal Property Regime.

(z) Extraordinary Assembly – Any assembly held to present, discuss and approve matters that are not part of the Annual Ordinary Assembly.

aa) Annual Ordinary Assembly – Assembly to be held once within the fiscal year of the condominium, in which the directors of the Board are elected, the financial status of the finalized fiscal year is approved, the projected budget for the next fiscal year is approved, and the insurance is approved, if applicable.

bb) Personal attendance at assemblies – Personal appearance of the unit owner to an assembly, provided that his or her first name, surname, general data, address, date, other individuals of the acquisition of his departure are registered, accredited with the documents showing such acquisition, having stamped his signature in the Book of Holders.

(cc) Notice of Suspension of Services – Document addressed to a unit owner who owes profits for non-payment. Applies to any service received through general common elements, water, electricity, gas, telephone, voice transmission, video, data, when the unit owner owes two or more maintenance fee terms, special fees, special assessments (derramas), fines with overdue payments of sixty days or more, or some expired insurance premium of any apartment that has an owner.

dd) Call or Citation (Convocatoria)– Document required to convene the Council of Owners, which must comply with article 50 of the Puerto Rico Condominium Law and the Condominium Regulations.

ff) Maintenance Fee – Contribution of each unit owner on the basis of his/her percentage of participation to contribute to the costs for the administration, conservation and repair of the general common elements of the property, and where appropriate, of the limited common elements, as well as of the more legitimately agreed.

gg) Delegation of vote by proxy – A process by which a unit owner delegates his vote by means of a document named Proxy, which has to be dated. A general power granted to Notary may be used. The authenticity of the signature will be established by agreement of the Board of Holders before the start of the assembly. Representation in assemblies may only be exercised by persons of legal age who, in turn, are unit owners, relatives of the latter until the second degree of consanguinity, the spouse or tenants of the condominium, or who are representatives of the owner by virtue of power granted before a notary or the legal representative of the owner. Only one Proxy can be ported per apartment.

hh) Special assessment – Special contribution agreed by the Council of Owners for the realization of Extraordinary, Urgent or Improvement Works. This contribution is calculated on the basis of the unit owner's share.

(ii) Parking – Space designated for the parking of a vehicle or several motor vehicles, as designated in the Master Deed, original drawing and writing reflecting the acquisition of a housing unit or a parking lot only. Parking can be general, common, limited, or proprietary common elements, as designated in Master Deed, flat and writing that reflects the acquisition of a housing unit or parking lot only

jj) Fines – Monetary penalty of up to a hundred dollars imposed by the Board of Directors, as an amendment to the Regulations approved by the Council of Owners, for each violation of the holder or resident to the rules of coexistence established in the Master Deed, the law, or the Condominium Regulations. Each violation includes a fine of up to one hundred dollars separately and independently for each. In case of violations of the rules of coexistence by an occupant, tenant or tenant of a short-term lease the fine will be up to \$200.00 per incident.

kk) Penalties – Penalty of ten per cent of what is due if more than fifteen days elapse from the date set for payment of the monthly fee, and one per cent after the third month of arrears in maintenance fees.

ll) Disaster and Emergency Plan – Plan to be updated every year, after review by government, municipal and federal entities that are relevant to the protection of life and property.

nn) Insurance – Insurance approved by the Board of Owners every year to insure against risks the property to cover the general, procommunal and limited common areas of the property, except for the private areas unless required by state or federal law, as well as other risks for the common benefit of the owners, without prejudice to the right that assists each to ensure on their own and own benefit their separateness.

oo) Trustee – Official appointed by the Department of Consumer Affairs, DACO, to carry out the functions of the Board of Directors when the Board of Directors cannot be chosen.

CHAPTER I

LEGAL BINDING EFFECT

Article 1. This Regulation is incorporated and is part of the Public Deed Number Sixty Three (63) granted in San Juan, Puerto Rico, dated six (6) of May of the year Two Thousand Four (2004) to the Notary Public Ricardo O. Meléndez Saurí, hereinafter referred to as "MASTER DEED", where the dedication of the property called "**PALMA VISTA CONDOMINIUM**" is recorded, in Horizontal Property Regime.

CHAPTER II

SCOPE OF APPLICABILITY

Article 2. The provisions of this Regulation apply to all grounds, buildings and units of the CONDO, and to all unit owners of housing units, as well as to tenants, guests, visitors, guests, employees and any person who is present or uses the facilities of the CONDO for any reason or title, and the presence in the CONDO of any person implies acceptance and obligation to comply with this Regulation.

CHAPTER III

COUNCIL OF OWNERS

Article 3. The Council of Owners is the supreme authority over the administration of the CONDO. Its resolutions and agreements, adopted in duly convened and constituted assemblies, are of inescapable and inexcusable compliance by each and every unit owner, occupants, residents and other persons who relate to the CONDO.

Article 4. The Council of Owners is made up of all the owners of the units that make up the CONDO. The person or persons in whose name the housing unit is registered, in the Land Registry, will be considered as the owner of the same, and therefore, as the owner, for all its corresponding legal purposes.

Article 5. Registration of Unit Owners. Transfers of title of ownership of housing units shall be recorded in a book called the Register of Unit Owners, only with the presentation of a simple copy of the public deed by which the said unit is transferred, such a simple copy of the deed must be delivered, for the files of the CONDO, within thirty (30) days of the sale. Both the acquirer and the transfer of the title of an apartment are jointly and severally responsible for providing their data to the Board of Directors in 30 days. The following data are those that you have to provide: first name, surname, contact phones, physical address, postal address, email address, and preferred method of notification of matters related to your apartment. Until they comply with providing the above information, the previous owner will remain responsible for the condo's debts, without recognition of ownership of the new owner.

The Register of Unit Owners will be carried out by the Secretary, and it will record the full name of the holders, in addition to registering their signature, general data and address, the date of the acquisition of the unit, the unit number and the percentage that corresponds to it in accordance with the MASTER DEED of the CONDO.

The Register of Unit Owners shall constitute "prima facie" evidence of those who are the holders entitled to vote at the meetings of the Council of Owners.

Article 6. Meetings of the Council of Owners. The Council of Owners shall meet at least once a year, in an ordinary session, to approve the income and expenditures of the previous fiscal year, the operational budget for the next fiscal year, to elect the Directors and other matters validly listened to in the call.

This regular meeting will be held once a year, during the month of August, within that natural fiscal year, and this will be expressed in the call for such an event. It shall also meet in extraordinary sessions when deemed appropriate by the Chairman or summoned by at least one-fifth of the unit owners, in writing, or a majority of Directors if the Board of Directors is incomplete.

Article 7. Calls. The Calls for the meetings of the Council of Owners shall be signed by the person or persons convening, and shall indicate the matters to be dealt with, as well as the day, time and place at which the session will be held.

Subpoenas shall be made in writing, handing over below the door of each unit owner's housing unit, or personally, by email, or by any other shipping method that may be certified by the Administrator Agent. Where the set-aside belongs to two spouses, or multiple persons, the email addresses of all unit owners will have to be provided. When a mortgage creditor executes a set-aside, he or she shall be notified to all assemblies of the Council of Owners, as the unit owner.

Subpoenas for the Annual Ordinary Assembly shall be made at least fifteen (15) days prior to the date of the meeting, and for extraordinary ones, within five (5) days in advance, unless otherwise provided by the Puerto Rico Condominium Law. In both cases a copy of the subpoena will be fixed on the bulletin board of the CONDO.

The Council of Owners may meet validly, even without a call, provided that all unit owners are made. It will not be necessary to hold a meeting of the Council of Owners for a particular purpose, if all unit owners, entitled to vote, waive the holding of such a meeting and agree in writing that a proposed agreement be taken. The representation in the assemblies of the CONDO may be exercised only by persons of legal age who, in turn, are unit owners, relatives of the condominium until the second degree of consanguinity, the spouse or tenants of the condominium, or who are representatives of the owner by virtue of power granted before a notary Public or the legal representative of the owner. None of the persons authorized to represent a unit owner may exercise the right to vote on behalf of more than one unit owner.

Article 8. Quorum. A single meeting of the Council of Owners shall be convened. In such a meeting, unit owners who are present at the meeting shall constitute a quorum, whatever the number of units represented.

Any unit owners may be required to have a photo identification and signature, to confirm the authenticity of the unit owner's signature before the assembly begins.

Article 9. Majority. The majority count, in which it is required, will be determined based on at least half plus one of the unit owners.

Article 10. Book of Records. Council of Owners' agreements shall be reflected in a Book of Acts. The minutes shall be signed at the end of their text by the President and the Secretary, or by the Director, or by persons exercising such a function in the assembly where the agreement was adopted, and shall be submitted for correction by the Council of Owners within thirty (30) days. In the event of

no chairman and/or secretary, they may be signed by at least two (2) members of the Board unless there is only one director on the Board of Directors in which case the Board of Directors may sign them alone. The officialized minutes with both firms shall give prima facie evidence of the transfer in the assembly and of the agreements reached by the Council of Owners. The Secretary of the Board of Directors shall be the custodian of the minutes of the Board of Directors.

Article 11. Form of meetings. The meetings shall be chaired and led by the President, and if not present, by the Secretary or Treasurer, and if none are present, by an interim President appointed by the majority of the unit owners present. If the Secretary does not appear, most unit owners shall appoint an interim Secretary.

CHAPTER IV

BOARD OF DIRECTORS

Article 12. The Board of Directors shall be composed of three (3) directors and constitutes the executive body of THE CONDO. The Directors shall be the President, the Secretary and the Treasurer. The President, Secretary and Treasurer must be unit owners.

These posts are named separately.

The representative or representative of a corporation that is the unit owner, who proves his express mandate by virtue of deed of power, registered in the Register of Powers and Testaments, may be elected as a vowel.

Each director responds to his or her personal capacity when incurs a crime, fraud or gross negligence, with the Council of Owners being the one who has active or standing to claim a fiduciary violation of directors.

In any other case in which pecuniary liability is imposed on a unit owner for his efforts as director, the Council of Owners shall cover such expenses. The Council of Owners may purchase insurance policy that covers these risks.

Outgoing directors need to cooperate in the transition with the new Board of Directors. They may be imposed on them by the competent forum one hundred dollars (\$100.00) of personal responsibility for each day of delay.

Since the validity of Puerto Rico Condominium Law, Law 129-2020 from August 16, 2020, a director cannot take up his post for more than 3 consecutive terms. A director cannot hold the same position until after 2 years, except that the director can continue on consecutive terms if a single candidate is available and the Council of Owners has not ratified it.

Directors can be removed from their posts in extraordinary assemblies.

Directors may not owe two (2) or more maintenance fee terms and/or special fees, special assessments (derramas) and/or fines of more than 60 days of overdue and/or insurance premiums. They have to stay without this kind of delinquency during their business.

The Board of Directors must record in a book its assets and obligations, as well as its income and expense items by date, with all its evidence for examination of unit owners at working hours. Proof must be provided in support of this information.

Payments by the Board of Directors cannot be bearer, and require a receipt.

Vacancies on the Board of Directors are covered by the Board itself subject to revocation of the appointment.

The Board of Directors relieves the Administrative Agent for Just Cause, reporting to the Council of Owners in thirty (30) days. Just cause is defined as culpable or negligent performance, dishonest or in violation of the rules of good conduct in the Regulations or your breach of the current contract.

The Board of Directors has a duty to make payment plans.

The Board of Directors has to guard and protect the documents constituting the horizontal condominium regime.

The Chairman of the Board of Directors may have assistants to preside over the assemblies.

The legal representative of the Council of Owners is hired by the Board of Directors, but must be notified to the Council of Owners within 30 days.

Any transaction of Five thousand dollars (\$5,000.00) or more has to be approved or rejected by the Council of Owners.

The Secretary of the Board may not disclose personal information from holders, unless permitted by law for other matters.

The Secretary is responsible for the drafting of Calls, Acts, and Certifications.

The Treasurer is the custodian of the bank accounts and instruments and funds of the Council of Owners, having to safeguard the assets being responsible for the fulfillment of financial obligations.

Treasurer coordinates financial affairs with the Management Agent and condo counter, coordinates the examination of financial documents with holders during working hours, receives and reviews monthly bank statements, verifies deposits no later than 5 days after receipt, confirms the validity and ownership of any rotated and cashed checks (never to the bearer) , and that for each of these disbursements there is a receipt, prepares and coordinates the sending of the financial statement and the budget with its contribution to the reserve account, ensures the use of the reserve account, certifies compliance with payment plans, supervises the cutting of services from common utilities and in compliance with the law.

Directors cannot be administrators at the same time.

Article 13. Duties and Faculties. Directors shall have the following duties and faculties:

- a) To attend everything related to the good governance, administration, surveillance and operation of the Condo in general and in particular everything related to the elements in common and general services, making for this purpose the appropriate warnings and warnings to the unit owners.
- b) Prepare in advance the annual budget of foreseeable income and expenditure, and submit it to the Council of Owners for approval.
- c) Direct financial matters concerning collections and payments, and provide that items of income and expenses affecting the CONDO and its administration are recorded in detail in a book, in order of dates, and have available for examination by all unit owners, in working days and times, the book expressed, as well as the proof of the items noted.
- d) Charge unit owners the amounts they must pay for common expenses and make any other necessary collections and payments, without making them to the bearer, by extending the corresponding receipts and checks.
- e) Keep at least two bank accounts in the name of the CONDO. An account will be maintained for the operational expenses of the CONDO, in which all CONDOS revenue will be deposited for these purposes. The second account will keep funds for reserve as expressed by the Condo Act. Deposits will be made as soon as possible, and checks will be rotated against that account to make the necessary payments, taking care that the checks are not issued to the bearer and that each one has their corresponding receipt or receipt.
- f) Submit for approval by the Council of Owners the financial statements for the last fiscal year or to the entire year that has not been previously approved. The financial statements shall include a statement of income and expenses for all existing funds, indicating the total amount invoiced and/or received as fees for common expenses and other reasons, detailed expenses according to the items included in the approved annual budget, including payments made to the Agent Administrator, if applicable. In addition, you must include a financial statement, indicating the cash balance sheets of each fund. It shall also include accounts receivable for common expenses and other concepts, other assets, obligations incurred and not paid at the end of the period and the balance sheet or deficit accumulated at the end of the reporting period in each existing fund. The Director or Board of Directors shall be responsible for making a copy of the financial statements notified to any unit owner, at least fifteen (15) days in advance, on the date on which the assembly where such financial statements are submitted for approval.
- g) To take care of the conservation of the CONDO and to have the ordinary repairs that are necessary, taking the appropriate measures.
- h) Keep the owner's book, which will record the names, signatures and other data of the unit owners of private apartments and parking lots, as well as the successive transfers or leases that occur in relation to those units. The book will be used to authenticate unit owners' signatures when necessary, particularly before assemblies.
- i) Comply with and enforce the legal provisions in force, this Regulation and the agreements of the Council of Owners.

- j) Increase or decrease fees for common expenses and fill vacancies of members of the Board of Directors, subject to revocation by the Council of Owners.
- k) All other powers assigned to it by the Council of Owners.
- l) Evaluate and recommend to the Council of Owners, for their election, an Administrator, who may or may not be a unit owner, and may be a natural or legal person, and the personnel that are necessary with their remuneration.
- m) Relieve the Administrative Agent of his duties for just cause. Fair cause, negligent or culpable performance of its functions, dishonesty or violation of the rules of good conduct set out in the condominium regulations or breach of its contractually established duties shall mean. The Director or the Board of Directors shall convene the Council of Owners no later than thirty (30) days after the relay to report such action, in order for the Council of Owners to act as it deems appropriate.
- n) Provide unit owners, insurers, holders and mortgage credit guaranters with all the information they wish related to the CONDO.
- o) The Board of Directors of the condominium may not contract with service providers for longer than the budget envisages, unless authorized by the Council of Owners by means of a unilateral resolution and without cause of that Council in assembly by majority vote. The essential mechanisms for the operation of the condominium that must always be addressed, such as elevators, power generators, water pumps, fire suppression systems and fire alarms, remain outside this analysis.
- p) The automatic extension of contracts is zero, unless approved by the Council of Owners in assembly.
- q) After the Board of Directors look for three quotes you can hire with a unit owner, director, person up to the second degree of consanguinity with a director, holder or Managing Agent. At least two of these quotes must be requested from individuals or companies that meet the conditions previously established. If three quotes do not appear, the Secretary indicates this in a record available for consideration by unit owners.
- r) A unit owner cannot be a lawyer on the Board of Owners. Nor can a director or person be until the second degree of consanguinity with directors or unit owners.

Article 14. Quorum. Most members of the Board of Directors constitute a quorum. If there is no quorum at any meeting of the Board, most present may postpone the meeting, without further notification, from time to time until quorum is obtained.

Article 15. Meetings.

a) From the Board of Directors

The Ordinary Meetings of the Board of Directors shall be held on the dates determined by the Board, once a month. The President may convene extraordinary meetings with five (5) days of notification to each member thereof, either personally or by email. The President or Secretary, with equal notification, may convene extraordinary meetings at the written request of any two members of the Board. A

meeting of the Board may be held without notification, immediately after the end of the regular annual meeting of the Council of Owners. It will not be necessary to cite for regular meetings of the Board held on dates set by the Board. Meetings may be held at any time, without notice, if all board members are present, or if before or after the meeting, absentees waive written notice. Subpoenas do not need to express the purpose or issues to be discussed at the meeting.

b) From the Council of Owners

Unit owners should not be held for a particular purpose if all voting holders resign from the assembly and consent to the proposed written action, except the election of directors, approval of budget, special assessment or special fee. The Council of Owners may establish electronic mechanisms for resigning assemblies and voting, in its Rules of Procedure, including how to identify the holder and how to vote. The Board of Directors has the power to require the presence of the Administrator Agent, the legal counsel and any other person who may contribute to the process.

c) Call for urgent matters

The Council of Owners may be convened no less than twenty-four (24) hours in advance to address urgent matters. Such a call may be by personal delivery, at the door, or by email.

d) Call by email or similar means

Similar shipping methods can be used as long as the Administrator Agent can certify it.

e) Disbursements for Works to Attend State of Emergency of the Reserve Fund

Operational expenses necessary to address a "state of emergency" may be covered provided that it is approved by the majority of the Council of Owners in assembly duly convened to address this specific issue. The emergency to determine federal and/or state agencies.

f) Subpoenas to assemblies

They are made in writing, delivered to the apartment by letter, email, or other means provided that the Administrator can validate your shipment if challenged by a unit owner. The address designated by the unit owner is always used when registering as required by this law.

(g) Methods for voting in the Rules of Procedure

Any representation vote shall obey the applicable legal provisions arising out of the Puerto Rico Condominium Law in force. The terms of anticipation of any call shall be the same as those arising out of the applicable legal provisions arising out of the Puerto Rico Condominium Law in force, except that for Urgent or Emergency Works the Council of Owners will be convened within twenty-four (24) hours. If the Urgent Work or Emergency so warrants, immediate action will be taken to then ratify the action taken with the Council of Owners, within twenty-four hours.

If all voting unit owners resign from an assembly, and consent to the proposed written action, it can be approved without assembly, under the exceptions mentioned above. This waiver can be made by email.

All assemblies through videoconferences require the use of any cyber platform that allows them to be held. The Council of Owners shall decide, during the holding of that videoconference, how the vote will be held, as well as the form of identification of the unit owner and how the votes cast will be notified after the vote is completed, as well as provide a space for the holder to substantiate his opposition where appropriate.

h) First option to hold an extraordinary assembly in the event of a state or federal emergency

Videoconferencing will always be the first option to convene the Council of Owners when the relevant authorities decree a state or federal emergency. You cannot use the video conference for the Annual Ordinary Assembly, or to approve special assessments (*derramas*).

If the Regulation has not been amended to establish the mechanism for holding videoconferences for extraordinary assemblies, the following procedure shall be used:

1. It is quoted by the Board expressing the name of the condominium.
2. The date of the assembly is reported.
3. The situation required by the extraordinary assembly by videoconference is reported, with reference to the emergency.
4. The voting term is reported if necessary.
5. The way to vote is reported (printed or electronic document)

Electronic voting requires that the result of the vote can be corroborated and certified.

The Book of Records archives a copy of the notification, a reliable copy of its submission, proof of the votes cast, certification of the result of the vote and evidence of the notification of the result.

Unit owners may discuss assembly matters.

Any proposed action is approved by a majority, except for any matter that Condominium Law of Puerto Rico requires to be approved unanimously or by the vote of 2/3 of unit owners with equal participation in the common areas. In the latter two criteria for the adoption of cases, absentee unit owners must be notified in a reliable way, informing them that they have 30 days to accept or oppose the agreement taken. If 30 days pass, and you don't object, your vote is counted as an acceptance. His opposition has to be based on assembly or in writing, and not be based on mere whim, which is not put.

(i) Annual Ordinary Assemblies

Fifteen (15) days before are quoted. It can be summoned by letter as long as the Administrator Agent can validate your shipment. You may also call by email or any other shipping method always subject to the requirement of validating your shipment to the address designated by the unit owner when registering.

The Call can be placed on the edict board of the condominium, or in a visible place for general use enabled, when the unit owner does not reside in the apartment and there is no other alternative method of notification. The measures carried out, as well as the date and reasons for the use of this form of notification, signed by the convener, must be set out.

j) Extraordinary Assemblies

They are quoted at least five (5) days in advance, except where other term is established by applicable law. They cannot be held during regular working hours.

Article 16. Voting and Proxy. At board meetings each member of the Board of Directors will have one vote, and agreements will be taken by a majority vote of the Directors present. For the assemblies of the Council of Owners the vote is exercised in person, or by delegating it with a Proxy. This Proxy must be validated by the signature that is registered in the Register of Unit Owners, being handed over with a minimum of twenty four (24) hours before assembly. In order to represent through the Proxy in the assembly, the carrier of the Proxy cannot owe three or more maintenance fees, nor special fees, special assessments (*derramas*) or fines with more than 60 days of overdue and/or insurance. If a payment plan was agreed there is no problem in this regard.

In the case of marriages, with at least one of them being the unit owner, only one additional unit owner can be represented.

The proxy holder can only vote. It cannot participate in the process of discussing and arguing proposed topics.

Corporations that hold them only participate if a Corporate Resolution is delivered at least twenty four (24) hours before the assembly.

In the case of a usufruct, the vote may be delegated by the owner knot, but a letter from the owner is required when discussing the approval of a matter requiring unanimous vote or 2/3 of holders with equal participation in the common elements.

Article 17. Compensation No director of the Board of Directors will receive compensation for its services.

Article 18. Vacancies and removal. The five members of the Board of Directors shall be elected separately by the Council of Owners. Any member may resign at any time. If a Director ceases as a unit owner, by transferring his title as owner of his apartment, he will be deemed to automatically resign from office. The Council of Owners shall have the right, at any time, to remove any of the Directors with justifiable cause. If a Director is removed, the Board of Directors shall elect another director to fill the vacancy, subject to revocation by the Council of Owners.

Directors shall be personally responding for their actions as long as they act as such, only when they engage in crime, fraud or gross negligence, with the Council of Owners holding the cause of action to claim the fiduciary violation. In any other case in which a unit owner is liable for his/her efforts as director, the Council of Owners shall cover such expenses. The Council may purchase insurance policies covering these risks.

Notwithstanding the foregoing, outgoing or post-performing directors shall have an obligation to participate, assist and ensure that the transition process between the outgoing and incoming Board of Directors takes place, including their duty to provide documents, data, books, records, and any other information, whether in physical, electronic or digital format, relevant to the administration and good governance of the regime. In addition, they shall be obliged to attend and sign the documents necessary for the transfer of signatures to the relevant banks. Failure by a director to comply with

these obligations will result in financial liability in his/her personal capacity and/or the imposition of penalties of up to one hundred dollars (\$100.00) foreach day that is in breach of the provisions of this subsection, as provided by the forum with jurisdiction.

CHAPTER V

EXECUTIVE CHARGES

Article 19. From the President. He will be the chief executive officer of the CONDO and will have the following duties and powers.

- a) Chair the meetings of the Board of Directors and the Council of Owners.
- b) Sign all contracts and documents on behalf of the CONDO Council of Owners, which are authorized by the Council of Owners and the Board of Directors.
- c) Ensure that books, reports, states and other documents and formalities required by law, and this Regulation, are kept up to date, and comply correctly with applicable laws.
- d) Submit an annual report of condominium operations to the Council of Owners, at the annual regular meeting, and from time to time inform the Board of Directors of all matters of interest of the CONDO.
- e) Jointly sign with the Secretary the calls and minutes of the meetings of the Council of Owners and the Board of Directors. Sign all checks together with the Treasurer.
- f) Attend all meetings of the Council of Owners and the Board of Directors of the CONDO.
- g) Represent in trial and outside it the Council of Owners, the Board of Directors and the CONDO.
- h) All other incidental duties inherent in your charge.
- i) The President and the Board of Directors overlooks the Superintendent and is his or her decision to share or delegate the supervision of the Superintendent to the Administrator.

The President shall represent the community at trial and outside it in matters affecting it and shall preside over the assemblies of the Council of Owners. It will appear in the name of the condominium to grant deeds and other documents to which the Council of Owners is a party. The President may have the persons he understands necessary to assist him in the process of presiding over the assembly.

In the case of actions to enforce this or any other applicable law, the condominium regulations or the agreements of the Council of Owners, or where the Board of Directors, on behalf of it, is required to appear in a lawsuit as a defendant or complainant, the President may appear on behalf of such bodies and file the actions and defenses he deems appropriate, selecting the legal representation it deems appropriate, after assistance to the Board. Of the actions taken, you

must notify the unit owners within thirty (30) days.

Any judicial or extrajudicial settlement agreement in excess of five thousand dollars (\$5,000) shall obtain approval from the Council of Owners. In non-residential condominiums, the regulation may set another sum.

In any event, the President of the Board of Directors shall be presumed to have the authorization of the Council of Owners to appear in every pertinent forum.

Article 20. From the Secretary. You will have the following duties and faculties:

- a) It shall draw up calls for meetings of the Council of Owners and notify subpoenas in the form provided for in Article 50 of Condominium Law of Puerto Rico.
- b) It shall draw up the minutes of the assemblies of the Council of Owners and the Board of Directors.
- c) It shall certify together with the President the minutes of each assembly.
- d) It shall issue with a view to the minutes book all the certifications that may be necessary with the approval of the Board of Directors.
- e) It shall communicate to absentees all resolutions adopted by the Council of Owners and the Board of Directors in the form available to this Law.
- f) It shall keep and make available for the review of the unit owners who so request, any documents belonging to the Council that works in the condominium archives, such as, but not limited to, documents relating to the tax activity of the condominium, the minutes of the assemblies of the Council of Owners, the minutes of the meetings of the Board of Directors, and the contracts awarded. It will not be made available for the review of a unit owner, the personal information of the other unit owners, unless other Article of Puerto Rico Condominium Law so permits, or that the unit owner has previously authorized the disclosure of such information.
- g) All other functions and powers inherent in his office and those assigned to him and/or delegated to him by the regulations or the Council of Owners

Article 21. Treasurer. The Treasurer shall have the following duties and faculties:

- a) The Treasurer shall be the custodian of all bank accounts and instruments where funds have been deposited or represented by the Council of Owners, whatever their source of collection, shall safeguard the assets and shall be responsible for the fulfilment of financial obligations.
- b) Coordinate with the Contracting Administrator and/or Accountant, the financial affairs of the Council of Owners ensure that they are recorded in detail in a book or application and/or computer programs, all transactions affecting assets and obligations and income

and expenses, by looking at them on a date order and specifying the accounts that were affected, thus maintaining appropriate ledgers.

- (c) It shall also coordinate that, for the examination of all unit owners, the information previously collected and the proof of the items recorded in the working days and hours that have been reported to the community are available for the examination of all unit owners.
- d) Coordinate and supervise, with the Administrative Agent and/or with the counter that is contracted, the collection to unit owners of the amounts with which they must contribute to the common expenses and any other amount that must be paid by the unit owners, and to continue the management of collection and payment that is necessary, extending the corresponding receipt for the credited sums that were required, and listed as an authorized signature in the issuance of checks for the payment and disbursement of the obligations of the condominium.
- (e) Receive and review monthly all statements of bank accounts where you have deposited common funds, verifying that deposits have been made within a term that has not exceeded five (5) working days from your date of receipt, and confirming the validity and ownership of any rotated and cashed checks, which may never be delivered to the bearer, and that for each of these disbursements there is a corresponding receipt or receipt.
- (f) Prepare, and coordinate the submission of financial statements, as required by Article 53(f) of the Puerto Rico Condominium Law.
- (g) Coordinate the drafting with the counter that is contracted, or draft for the review of the Board of Directors, the draft annual budget of foreseeable income and expenditure, including the contribution corresponding to the reserve account, specifying the maintenance fee that on the basis of the percentage of participation is payable to each unit ownership.
- (h) Deposit, in the corresponding accounts, the amounts collected and ensure that the use of the reserve fund is made as approved by the Council of Owners and in compliance with the provisions of this Law.
- (i) Sign the certifications requested of you around compliance with installment and special assessment (*derrama*) debt payment plans approved by the Board of Directors.
- (j) Supervise that suspensions of services from the common condominium infrastructure carried out by the administration are in accordance with the provisions of Puerto Rico Condominium Law.
- (k) All other functions and powers inherent in his office and those assigned to him and/or

delegated to him by the regulations or the Council of Owners.

CHAPTER VI

FROM THE ADMINISTRATIVE AGENT

Article 22. The Administrative Agent must be appointed by the Council of Owners and may or may not be appointed to an individual or corporation, whether holder or not, and who meets the appropriate conditions. The Council of Owners shall approve their remuneration. The Board of Directors may remove the Managing Agent whenever there is just cause for doing so, in accordance with the Puerto Rico Condominium Law in force, of which the Council of Owners will be informed within thirty (30) days of removal. The Administrator will have office hours and will be available at least in emergencies at all times, being available to answer phone calls during your office hours.

Article 23. The Administrative Agent shall have the following duties and powers:

To attend everything related to the good governance, administration, surveillance and operation of the Council of Owners of the CONDO, and in particular everything related to things or elements of common use and general services. The Administrative Agent must have a public liability policy with a minimum coverage of \$500,000.00, policy that covers dishonesty or crime risks, professional liability policy with minimum coverage of \$500,000.00, State Insurance Fund, Negative Criminal Background Certificate. If the Administrative Agent is a legal entity, a Negative Criminal Background Certification is required from the officer and his employees. These covers must remain in effect throughout the Administrative Agent's contract.

The Administrative Agent cannot retain condo information because there has been a change of management. If the Administrative Agent objects his dismissal, a court claim is needed, or enter mediation. In the event of a change of Administrative Agent, the outgoing Administrative Agent shall deliver by an acknowledgement of receipt all records, documents, keys and properties belonging to the Council of Owners at the time of being required by the Board of Directors and the retention of these records, documents, keys and properties is prohibited. In the event of any dispute over its termination as an Administrative Agent, the Administrative Agent shall file a judicial claim or submit the matter to the mediation of disputes, but in no case may it retain the records, documents and other property for which this subsection requires delivery.

The appointment of the Administrative Agent is one year, unless otherwise provided for in the Rules of Procedure.

- a) By delegation of the Board of Directors, the Administrative Agent may:
 - (i) Direct financial matters relating to collections and payments, as well as transactions in the general ledgers as necessary, with annotation of all income and expense items. These books, as well as the relevant accounts, invoices and receipts, will keep them available to unit owners on weekdays and hours.

- (ii) Collect the amounts that must contribute to the common or maintenance expenses, and make the other collections of all amounts owed to the CONDO, and pay all the debts thereof, extending the corresponding receipts and checks.
 - (iii) To make and submit to the Board of Directors, with the help of the CONDO'S accountant, the annual budget of income and expenses, taking into account the proportional contribution of the Holders.
 - (iv) Maintain a bank account in the name of the CONDO Council of Owners, in which the proceeds will be deposited as soon as possible.
 - (v) Sign statements and balance receipts.
- b) To make, where the interested parties have done so, complaints and complaints for violations of the rules of coexistence and infringements of this Regulation.
 - c) To be accounted for the conservation and operation of the various condominium units, mainly those commonly used, as well as their surveillance.
 - d) Every day, from Monday to Friday, ensure the collection of garbage deposited by residents in the underground garbage receptacles located in the project and deposit such garbage in the main garbage tanker of the CONDO.
 - e) To draw the attention in writing, appropriately, to any unit owner, tenant or occupant who violates the provisions relating to the use of common elements and the rules of coexistence established in this Regulation, with a copy to the Board of Directors.
 - f) Prepare, maintain and state all records, forms and reports required by law and by this Regulation.
 - g) Comply with and enforce the laws, these Regulations and all agreements of the Council of Owners and the Board of Directors.
 - h) To take care of the conservation of the CONDO and to have the ordinary repairs that are necessary, taking the appropriate measures.
 - i) Take care that the Book of Unit Owners properly knew.
 - j) All other powers assigned by the Board of Directors as well as those specified in the Administrative Agent's current contract.

CHAPTER VII

OF THE OWNERS, THEIR DUTIES AND PRIVILEGES

Article 24. The owner of a unit that fully proves ownership of its property, with all the rights and obligations inherent in that domain, shall be considered the owner.

Both the acquirer and the holder of the title will be responsible for notifying the Director or Board of Directors, within thirty (30) days of the date of the transaction of change of owner of his apartment, the name, surnames, contact telephones, physical address, postal address, email address and preferred method of notification of matters related to his apartment. They shall also notify the effective date of the change of owner, the information on the financing of the apartment by the acquirer, if any, and

other particulars of the acquisition, presenting and delivering a copy of the valid documents proving such transaction, in addition to stamping its signature in the corresponding register. The purchaser must notify of any other person residing in that apartment. The transferor who fails to comply with this requirement will continue to be fulfilled by maintenance fees, special fees, fines, special assessments (*derramas*), communal insurance or any other debt that accrues after transmission in solidarity with the new unit owner, until this notification requirement is met.

The information collected in the Register of Unit Owners will be kept protected for strictly administrative uses. Unit owners will have at least access to the name, email address and postal address of those who comprise the community of unit owners for the purpose of convening the Council of Owners. Unit owners may authorize the Board of Directors to provide further information for the purposes of a call by a unit owner.

It will be from this register of the purchaser of the apartment that the purchaser of the apartment may participate and vote in the assemblies of the Council of Owners.

The unit owner shall notify the Director or Board of Directors of any changes to the information required in this Article within thirty (30) days of the date of effectiveness of such change. In the same way, any changes to the mortgage, or any assignment or lease of the apartment, will be notified, delivering a reliable copy of the mortgage, assignment and/or lease agreement granted, no later than the date it takes effect.

The deed by which the transfer of title is made shall contain the description of each apartment and number of each, with expression of its measurements, situation, pieces of the processing, front door of entry and place with which it immediately communicates, and other data necessary for identification, as provided under article 12 (b) of this Law, as well as the percentage of participation in the common areas assigned to the apartment. Such deed must certify that the acquirer fully knows and will observe the provisions of Puerto Rico Condominium Law, the Master Deed and the condominium regulations. The mentioned deed must also certify that a certification was given on any debt and/or any judicial or administrative claims that may exist in relation to the apartment being purchased.

In the case of a lease there must be expression of the landlord known and will fully observe the provisions of this Puerto Rico Condominium Law, the Master Deed and the condominium regulations.

The landlord shall remain solely responsible for contributions for common expenses and shall also be liable for compliance or non-compliance with Puerto Rico Condominium Law and the regulations by the lessee.

Failure to comply with this Article has the effect that the person or persons residing in the housing unit are not recognized as persons authorized to receive any service from the Board of Directors, staff hired by the Board, administration or otherwise.

Article 25. The owner of each unit shall have full and absolute mastery of the space within its unit, as recorded in the parent and in the plans already registered, being able to exercise within its scope all the powers inherent in the domain, subject to the provisions of the Master Deed in this Regulation.

Article 26. The unit owner, in the enjoyment and use of his unity, will have to dedicate it to the destiny assigned to him in the Master Deed, that is, for strictly residential purposes. No owner, tenant

or occupant may dedicate it for commercial, professional or industrial purposes, and shall at all times adjust its conduct to the order, discipline, morality, decorum and rules of coexistence established by law, this Regulation and good customs. This enjoyment and use of his the unity comprises the right to rent it for more than three months, being considered a Long Term Lease. The Long Term Lease contract is a private matter between the unit owner and his tenant. Such contract must comply with all legal requisites, including full compliance by the tenant and occupant with the CONDO's Master Deed, this bylaws as well as Law 129-2020 from August 16, 2020, Condominium Law of Puerto Rico. Such tenant's conduct as well as any occupant conduct must comply with the CONDO's Master Deed, these bylaws as well as Law 129-2020 from August 16, 2020, Condominium Law of Puerto Rico.

Article 27. Every unit owner is responsible for violations of the rules of coexistence, and for the damage and inconvenience caused to other owners and neighbors, and to the common elements, by their families, visits, employees, tenants and, in general, by persons who are in the Unit for any title or reason.

Article 28. Each unit owner has an obligation to execute with the reasonably applicable haste, in his unit, all repairs and urgent works, the omission of which may cause damage and difficulties to the other Units or to the structure, solidity or general security of the CONDO, being responsible for the damages resulting from the breach of this obligation.

Article 29. Each unit owner must execute at his sole expense the modification, repair, cleaning, security and improvements of his/her apartment, without disturbing the legitimate use and enjoyment of others. It will be the inescapable duty of each owner to carry out the repair and security works, as soon as they are necessary so that the security of the property or its good appearance is not affected. Any owner or occupant of an apartment will be obliged to allow in his apartment repairs or maintenance work required by the property, allowing entry to the apartment for its realization.

In cases where there is an emergency or emergency situation that requires immediate access to the apartment to carry out mitigation or repair works and it is not possible to locate the unit owner or occupant of the apartment to authorize access to it, the Board of Directors shall have the power to authorize the entry of the personnel necessary to remedy that situation. For purposes of this Article, emergency or emergency situation means those that require mitigation or repair works to prevent further damage to the property of the owner, property or property of the other owners or that endangers the life and health of holders and/or third parties. Where access to the interior of an apartment is necessary and it has not been possible to contact the owner or occupant, despite having made the necessary arrangements to contact him, an act will be lifted collecting the circumstances that gave way to the intervention and an account of what happened.

Where the Board of Directors or the Administrative Agent has to intervene to detect a leak or problem that is affecting limited private, common or common areas and arises from the investigation that the problem comes from an apartment, the unit owner of that unit will have to reimburse the expenses incurred by the condominium for repair. These expenses will become part of the next maintenance fee, so that, if the expense is not paid together with it, the entire debt will be considered as a late period. The amount of the expense will be notified immediately to the unit owner.

Article 30. How to raise funds -Each unit owner shall pay monthly the common expenses approved in assembly of the Council of Owners in accordance with their percentage of participation, calculated in accordance with the law. This contribution is for the support of the general and limited common elements of the condominium. This contribution is mandatory. The unit owner may not get rid of it, even if he has a legal claim, unless authorized by the competent Court or Forum. Sending an invoice or statement interrupts the prescriptive term for the purposes of claiming the fee, special fees, special assessments (*derramas*), fines, insurance or debts of the Council of Owners.

The Court of First Instance may be requested to request the consignment of lease charges from a tenant of the holder, in charge of the debt of the holder to the Council of Owners.

These common expenses include administration, operation, maintenance, cleaning, insurance policies and reserve fund. Special fees and special assessments (*derramas*) will be presented in duly convened assemblies of the Council of Owners, in accordance with the law. Each unit owner shall pay in full the costs related to the works of improvement, aesthetic repairs, and other ordinary and extraordinary works required by his/her unit.

This contribution constitutes a statutory lien on the unit owner's apartment.

Article 31. The Administrative Agent shall communicate in writing to the unit owner, and the unit owner is obliged to allow entry into his Unit, to the persons responsible for designing, inspecting or performing any work of general interest, both when they affect the common elements and the neighboring units. Such works must be carried out in the time and form that cause the minor inconvenience to the unit owners.

Article 32. In case of sale or transfer of the unit, the unit owner is obliged to:

- (a) Notify the Board of Directors in writing, strictly complying with the information arising from Article 24 of this Regulation.
- (b) To require the acquirer, in the deed of transfer of title of the unit, his expression that he knows and agrees to comply with the Laws governing Horizontal Property, the Matrix Writing of the CONDOS, this Regulation and the other rules of the CONDOS.
- (c) Both the owner who sells or gives in voluntarily, as well as the buyer and assignee, shall be responsible, jointly and severally, for the payment of the common or maintenance costs they are due at the time of such sale or assignment.

Article 33. In the event that the unit owner of an apartment is absent from his/her unit, and any accident or eventuality arising in/or threatens his/her unit occurs, the Administrative Agent and/or any member of the Board of Directors may enter the unit in order to take appropriate action.

Article 34. It is the obligation of unit owners to attend meetings, both ordinary and extraordinary of the Council of Owners, and to answer referendums, having the right to set out and defend their views or ideas when matters are put to the vote.

Article 35. The annual budget shall include a reserve fund item which shall not be less than five per cent (5%) of the condo's operational budget for that fiscal year. This fund will be nurtured to a sum equal to two per cent (2%) reconstruction value of the building, at which point the Council of Owners

will decide whether or not to continue to contribute to it. This money will be kept in a special account, separate from that of operations, and only all or part of it may be available for the realization of Extraordinary, Urgent, Improvement works, and to attend State of Emergency, in accordance with the provisions of the Puerto Rico Condominium Law in force at the date of this Regulation.

Article 36. By majority vote of the Council of Owners, a special quota may be imposed on the occupant or visitor of the unit owner who makes such intense use of a common element that what is reasonably to be incurred in the normal and current use of the same. Such use cannot impede or impede the legitimate right of the unit owner.

A special fee may also be imposed on the owner of an apartment which, by the nature of legitimate activity, and in accordance with the fate of the Master Deed, causes greater common expenses than would have been generated without such activity.

Article 37.- The Council of Owners, composed of all unit owners, in duly convened assembly, may increase maintenance quotas, where necessary.

Article 38.- No unit owner may waive his contribution to the common expenses of the condominium, nor by waiver or abandonment of his right to use and enjoy the common areas.

Article 39.- The obligation to pay maintenance fees is monthly, and shall be payable from day one to fifteen each month. If these first fifteen days of the month elaps, the monthly fee will entail penalties, in accordance with article 59 of the Puerto Rico Condominium Law in force at the date of this Regulation. Penalties will be one percent (1%) from the third month of arrears in maintenance fees, and ten per cent (10%) apart from the total owed. Any check returned for insufficient funds will be charged twenty dollars.

Article 40. The Council of Owners, through its Board of Directors, may take appropriate legal action to collect any accumulated debt, for which article 59 of the current Puerto Rico Condominium Law and the Puerto Rico Civil Procedure Rules may apply. Pursuant to these legal provisions, a letter of collection will be sent by registered mail with acknowledgement of receipt to the delinquent owner, and if in a fortnight he does not pay, or disputes the debt, he will be sued. If the apartment is leased, the Council of Owners may apply to the Court for the appropriation of the lease fee on the claimed debt.

Article 41.- The cutting or suspension of profits for non-payment applies to any service received through general common elements, water, electricity, gas, telephone, voice transmission, video, data.

Applies when the unit owner owes two or more maintenance fee terms, special fees, spills, fines with overdue payments of sixty days or more, or any expired insurance premium of any apartment that has a owner.

The outage requires notice fifteen (15) days in advance by any of the means established by the Puerto Rico Condominium Law. Disconnected services are restored with debt payment or compliance with a payment plan.

Before suspending services, the Board of Directors must evaluate with the unit owner, within fifteen (15) days of notification of the cut, a payment plan if the unit owner proves that an event has happened

that impaired his income or ability to pay. The first non-compliance with the payment plan results in the outage without prior notice. The service is restored with payment or compliance with the payment plan.

Reconnection by a unit owner or occupant causes the amount owed including principal and interest to triple, without prejudice to any civil, criminal or criminal actions that may apply.

Services may not be suspended if the unit owner or resident uses any equipment for the support of his or her life. In this case the unit owner is obliged to submit and agree with the Board of Directors on a payment plan. Failure to comply with the payment plan resumes cutting.

Article 42. In the case of a special assessment, services shall be suspended in the process laid down in the previous article.

Article 43. Failure of a unit owner to comply with the terms of The Master Deed, the Regulations or the Law shall entitle the other unit owners and the Council of Owners to seek any compensation in law, and if the Council of Owners is required to sue a unit owner for such non-compliance, he shall be entitled to reimbursement of reasonable expenses of lawyers, experts and costs.

Article 44. The use and enjoyment of each unit shall be subject to the following rules:

- (a) It will be dedicated exclusively for residential purposes, prohibiting commercial, industrial or professional purposes or any type of business.
- (b) There will be no unnecessary noise or disturbance, nor shall acts disturbing the peace or quiet of other unit owners and occupants of housing units be carried out.
- (c) Housing units shall not be used for acts or purposes contrary to law, morality and public order, while maintaining the discipline, morality, decorum and rules of coexistence established by the Law, this Regulation or good customs.
- (d) Works on modification, repair, cleaning, security and improvements to the housing unit shall be carried out without disturbing the use and legitimate enjoyment of the other unit owners.
- (e) Unit owners will not be able to change the external shape of the facades, or decorate or paint the walls, doors or exterior windows of the housing unit with colors, shades or ornaments other than those of the condominium as a whole, unless with the vote of two third (2/3) unit owners with two third (2/3) participation in common elements. For all those condominiums constituted under the horizontal property regime prior to Puerto Rico Condominium Law, Law 129-2020 from August 16, 2020, unanimous consent of unit owners is required.
- (f) The unit owner wishing to lease his/her housing unit shall strictly comply with the following rules:
 - (i) Proper notice must be made to the Board of Directors, through the Administrator, ten (10) days in advance of the date the lease takes effect, indicating the name and personal circumstances of the tenant.
 - (ii) The unit owner will be responsible for the morality, good customs and compliance with this Regulation by the tenant, and will be responsible for their actions, including damages caused by said tenant.

- (iii) The unit owner shall remain fully responsible for contributions for common or maintenance expenses.
- (iv) It shall be expressly stated in the lease that the tenant knows and undertakes to abide by and comply with the Laws governing Horizontal Property, the Master Deed of the CONDO and this Regulation.
- (v) The Board of Directors is authorized to request the termination of the lease and the launch of the tenant, when the tenant or any of the occupants of the leased housing unit violate the rules of coexistence laid down in this Regulation.
- (vi) There will be no unnecessary noise or inconvenience, nor will acts be carried out that disturb the peace and quiet of other homeowners and occupants.
- (vii) Unit owners who enjoy access to the roof will have to allow free access to it to agents, employees or contractors of the Board of Directors, provided that it is necessary to carry out cleaning, maintenance and repair of the general common elements of the condominium. Unit owners who have access to the roof, and enjoy its use, will have to keep it clean and in good condition. If the unit owner does not perform these cleaning tasks, after the Board of Directors having notified him in writing of the need for them to do so, the Board of Directors shall execute them at the cost of the unit owner. The Board shall grant the unit owner, before carrying out the work at his cost, fifteen days to carry them out.
- (viii) It is forbidden to alter the facade or exterior architectural design of the condominium. For these purposes, the applicable provisions of the Puerto Rico Condominium Act in force at the date of this Regulation shall apply, as well as Palma Vista's Architectural and Design Guidelines.
- (ix) It is forbidden to knock down, alter, modify, puncture and weaken load walls, structural slats, columns and structural beams.
- (x) It is forbidden to place heavy loads that compromise the structural strength of the condominium.
- (xi) It is prohibited to use the airspace of the condominium, which includes the airspace of the roof, as well as that of the condominium land. This includes the construction of structures, balconies or any structure that is projected on the aforementioned airspace, which requires attention and approval from the Council of Owners.
- (xii) Only those accessories allowed by the Council of Owners, or provided by the condominium developer, can be installed, understand gate gates, balcony awnings, windows, doors.
- (xiii) Badges, signs, advertisements, plaques, posters, flags, bars, windows, doors and awnings other than those approved by the Council of Owners may not be placed.
- (xiv) Only accordion shutters or window storms, in white color, can be installed.
- (xv) It is forbidden to install air conditioners outside the areas provided for this purpose.
- (xvi) It is prohibited to hinder the corridors, sidewalks, entrances, halls, stairs, exits and common elements of the condominium with teases or objects that prevent the free transit of the owners and occupants of the condominium.
- (xvii) It is forbidden to plant plants and trees that affect common or private areas.

CHAPTER VIII
OF THE COMMON ELEMENTS

Article 45. General common goods or elements shall be deemed to be those established in the Condominium Law of Puerto Rico, Law 129-2020 from August 16, two thousand twenty (2020), and the Master Deed of the CONDO.

Article 46. Unit owners, tenants, occupants and visitors may use the common elements in accordance with their destination and nature, but in all moderation and prudence, keeping them in the best possible way, and in a manner that does not prevent, restrict or impede the legitimate right of other unit owners, occupying tenants and visitors.

Article 47. It is strictly forbidden to:

- (a) Place badges, signs, advertisements, plates, posters, radio or television antennas, satellite dishes, flags, exterior bars, awnings, lamps, on the exterior walls of the CONDO, rooftops, and on the windows, balconies or railings of the Units, without the prior written authorization of the Council of Owners.
- (b) Only white curtains or cream can be installed inside the apartments with an open view to the common areas.
- (c) Bars may be installed on the exterior windows of the Units only if they are used inside the Unit. Only white color accordion shutters or storm windows (equal to the color found in window and door frames) will be allowed. These shutters or storm windows will be collected when opened on both sides of space. They will be installed in the same dimension as the windows and doors you are interested in protecting. The balconies may not be closed at the railing level with storms, crystals or other material.
- (d) Install Air Conditioner Units outside of the provided spaces.
- (e) In the hollows provided for wall conditioner units, only air conditioner units designed for this type of space can be installed without moving them from their position.
- (f) Tend, dry, or shake clothes on windows, balconies, or facade railings.
- (g) Perform household chores outside the private and/or common area.
- (h) Hinder common items such as parking areas and other routes of movement and access with packages, packages, boxes, cans, garbage and other similar objects that hinder free transit or affect the aesthetics of THE CONDO. In general, nothing can be stored or deposited in common areas.
- (i) Carry out any activity or maintain anything that results in rising in the insurance policy of the CONDOS or in the cancellation of said policy.
- (j) Having or raising animals, except that pets may be available that do not inconvenience other unit owners according to the rules adopted by the Board of Directors. In the case of unit owners who have pets, these Holders shall be responsible for immediately collecting and cleaning

biological waste of such animals in the common, limited common areas and any area of the CONDO.

- (k) Park in areas that are not specifically designated as parking areas, and never in the parking area of another condominium, or on the private street of THE CONDO. No vehicle may be parked in such a way as to prevent or prevent the use of/or easy access to any parking space or entrance to, or to exit the CONDO by another vehicle.
- (l) Use parking spaces for use other than parking cars. Please note that the parking space of the Units cannot be closed with bars or doors.

CHAPTER IX- OF THE FINES

Article 48. The Board of Directors has the power to impose fines on the unit owner or resident who violates the rules of coexistence established in the Master Deed, the law or the Regulations, up to one hundred dollars for each violation. The Board of Directors, through its Administrative Agent, will have available a sheet or claim form that will be completed by the unit owner or occupant that observes a violation of the nature described in the previous sentence of this article. The facts that constitute the infringement will be expressed in detail on that sheet or form, joining the available evidence and expressing the name of the owner and apartment number of the person reporting the infringement and from which it commits the infringement.

They remain in force up to a maximum of one hundred dollars (\$100.00) per incident that violates the rules of coexistence, as long as they are included in the Condominium Regulations. A two hundred dollars (\$200.00) fine is imposed on the occupant of a short-term lease.

Fines may be suspended when any dispute over the validity and enforceable nature of the fine is finally resolved.

For these purposes, the Board of Directors and the Administration shall follow the procedure described below when a violation is reported:

In the event of a first infringement, a warning will be provided.

In the case of a second infringement, a fine of up to one hundred dollars (\$100.00) will be imposed, leaving the amount imposed at the discretion of the Board of Directors.

Those unit owners and residents, who are notified of a warning, or a fine, will have fifteen (15) days to attend and raise any objections to the Office of Management. This event will stop payment of the fine until its final settlement.

If the fine is proceeded, it will be included as a separate charge on the holder's monthly statement.

Each incident that constitutes a violation of Master Deed, the law and this Regulation shall incur a separate fine.

Any resident or unit owner who commits second infringements shall be fined for all acts which this Regulation; the Condo and Master Deed prohibits executing unit owners and residents, including the following:

1. Use an apartment for a purpose contrary to Master Deed, this Regulation or any agreement of the Council of Owners.
2. Produce noise, discomfort or acts that disturb the peace of several condominium owners.
3. Keep the apartment in a state of physical deterioration that disturbs other condo owners.
4. Violations committed by guests, family members and employees or contracted persons, without prejudice to direct actions by the unit owner against such persons.
5. Park more than one vehicle in the parking area reserved for unit owners, guests and handicapped unit owners and guests.
6. Park boats, commercial vehicles, Jet Sky jets and cargo trucks in residential parking lots.
7. Park in designated space for another apartment.
8. Park in a loading area or other common element that is not intended for this purpose.
9. Park in any way that hinders the entrance to the condominium, or to any condo owner or contractor.
10. Wash and dry motor vehicles in the parking lot.
11. Carry out routine mechanics work in the parking lot, except those that are necessary to operate a motor vehicle that requires repair.
12. Change oil and engine filter in the parking lot.
13. Drive more than five (5) miles per hour in the parking lot and taxiways of the condominium.
14. Honking on the condominium grounds.
15. Place badges, signs, advertisements, badges, posters, flags or other propaganda objects on the exterior walls of the condominium, or on its hallways, stairs, rooftops, and windows.
16. Lay or dry clothes, carpets, tablecloths on windows, balcony bars, and outside the condominium.
17. Shake carpets and rugs on windows, balcony bars, and on exterior parts of the condominium.
18. Lease apartments for clubs, meetings or playhouses, dances, dance school or music, people of dubious reputation or bad habits, including alcohol and/or drug abuse, as well as any commercial activity.
19. Throw trash out of designated containers and areas to deposit household waste.

20. Leave garbage bags in front of the apartments, or in the hallways of the condominium and other common areas.
21. Use stoves or barbecues inside the apartments, including small barbecues on balconies without adequate ventilation.
22. Use the apartment for acts contrary to the law, morality, public order, discipline, morality, decorum, and rules of coexistence established in this Regulation the Law of Condos and Master Deed.
23. Make repairs and removals outside the schedules set out in this Regulation and rules of coexistence.
24. Alter the facade of the condominium violating the Palma Vista's Architectural and Design Guidelines, as well as Puerto Rico Condominium Law, Law 129-2020 from August 16, 2020.
25. Close the condominium balconies.
26. Relocate exterior balcony doors and windows.
27. Install storms other than those approved by the Council of Owners.
28. Hinder common elements by placing baskets, packages, lumps, belongings, boxes, cans, rubbish, hindering free transit and affecting the aesthetics of the condominium.
29. Carry out religious, political, social, charitable and sporting activities, without have asked the Board of Directors for permission.
30. Vandalize common or private property.
31. Hire staff hired by the condominium during its working hours.
32. Install bars other than those approved by the Council of Owners.
33. Install air conditioner units other than those authorized by the Council of Owners.
34. Place pots, pots, cans, baskets, plants, flower pots on balconies and high areas, which may fall and cause damage to any communal or private property.
35. Install clotheslines, flagpoles, permanent structures or temporary structures on the facade or balconies of the condominium.
36. Cause any damage to communal ownership of the condominium.
37. Operate professional offices without permission of the Autonomous Municipality of Fajardo.
38. Operate portable power plants against applicable regulations and regulations.
39. Raise animals for commercial sale, or that exceed the limit of two pets per apartment home. Such pets must weight twenty (20) pounds or less. Have or raise exotic animals, or farm animals.

Unit owners with more than two pets, weighting twenty (20) pounds or more, before the approval of these bylaws, must not obey this provision until such pets die or are removed to another place. Prospectively, such unit owners will have to obey this bylaws' provision, in other words, not more than two pets weighting twenty (20) pounds or more (Grandfather's Clause).

40. Do not collect biological waste from your pets.
41. Walk pets without collar and chain (Leash).
42. Having pets without vaccination a day, and sick with fleas and ticks.
43. Have loose pets in common areas.
44. Cause pet damage to a unit owner, resident, guest, family member, condominium contractor or contractor, owner's employee, or common condominium areas.
45. Disturb the pet the peace or quiet of other neighbors, residents, and people entitled to be in the condominium.
46. Walk loose the pet through the common areas of the condominium, without having chain or leash tied to your body.
47. Exhibit the pet a reasonable behavior on the condominium grounds, without excessively barking or exceeding sixty-five decibels per day and fifty decibels at night. If not, the Board of Directors will attend to the matter with the owner of the pet, in order to determine the course to follow in the face of such behavior, complying with the laws and regulations applicable to pets.
48. Leave trash, debris, liquids or any discarded objects in common areas, without depositing in the trash cans.
49. Leave trash out of plastic bags, in places other than designated ones.
50. Leave cardboard boxes open by hindering the garbage tank in designated areas.
51. Leave electrical appliances, debris and furniture in designated areas for garbage storage.
52. Leave waste in the hallways of the CONDO.
53. Tend, dry, shake clothes, carpets, towels, window maps, balconies, and facades.
54. Install labels other than Sold or Rented. The latter should be two feet by two feet (2 x 2) banners and home signs are not allowed. These labels can only be placed on the balcony of the apartment.
55. Park in areas that are not designated for motor vehicle parking, or that prevent a owner or resident from accessing your parking lot.
56. Use parking space for use other than parking, or closing it with bars or doors.
57. Park vehicles that exceed the dimensions of the parking space.

58. Park on yellow lines.
59. Wash vehicles in the parking lot.
60. Enter the CONDO without beeper, pushing the entrance gate.
61. Park in spaces for people with disabilities, without being, unless it is a reasonable accommodation.
62. Have machinery, workshops or engines in the apartments, which produce noise, discomfort, harmful emanations that disturb peace and health.
63. Have materials, flammable chemicals, explosives, anti-religious materials that may violate health and property.
64. Perform chemical acts or experiments that endanger life or property.
65. Spill water or any other liquid to lower stories of the buildings.
66. Feed stray animals, such as dogs, iguanas, pigeons as well as other animals classified as such.

CHAPTER X- RULES OF CONDUCT AND HEALTHY COEXISTENCE

Article 49. All recreational facilities of the CONDO are for the exclusive use and enjoyment of its unit owners, residents and guests. No person or entity outside the condominium can use them. The recreational areas of that condo are the pool, and gazebo of the condominium.

Article 50. None of the recreational areas of the CONDO may be leased or loaned or any person or entity that is not the owner or resident of such condominium. Every owner and resident shall ensure and be liable for the conduct of their guests, in order to comply with the Regulations of the CONDO.

Article 51. In case of loss of any good, theft, accident or damage to the leased communal property, the owner and his guest shall be responsible, in which case the Council of Owners and the Board of Directors of the CONDO are relieved of responsibility.

Article 52. Only family social activities of unit owners and residents of the recreational areas of the CONDO may be carried out. For-profit and political activities are prohibited. The schedule for such activities will be From Monday to Sunday, from eight in the morning (8am) to tenth of the night (10pm), except for those of the Board of Directors for the benefit of the Council of Owners.

Article 53. The sale and consumption of alcoholic beverages in the recreational areas of EL CONDOMINIO is prohibited, unless it is an activity of the Board of Directors, for unit owners and residents.

Article 54. When a unit owner or resident is not in the CONDO, his/her guest may not make use of recreational facilities or enter the condominium.

Article 55. The lights of the recreational areas shall be turned off at ten o'clock at night (10pm) unless it is an activity authorized by the Board of Directors of the condominium.

Article 56. In any activity in the recreational areas of the condominium, adequate conduct shall be maintained, and no noise or disturbance will occur to the other neighbors.

Article 57. All other recreational facilities in the condominium shall be used from eight in the morning (8am) to tenth (10pm), except those of the Board of Directors for the benefit of the Board of Directors.

Article 58. Any guest must be accompanied by the unit owner or resident who invited him, while making use of the condominium's recreational facilities.

Article 59. Recreational facilities may not be used while it is raining.

Article 60. The ignition of the lights of all recreational facilities shall be the same, and shall be supervised by the security officers of the condominium.

CHAPTER XI- RULES OF THE POOL

Article 61. The swimming pool is for the use of all unit owners, residents and guests.

Article 62. Where a unit owner or resident wishes to carry out an activity using the gazebo and pool area, he shall reserve his/her space ten (10) days before the activity, with the CONDO Administrative Agent, and pay a seventy five dollar bond, \$75.00.

Article 63. After the activity of a unit owners or resident, and accrediting the Administrative Agent that there was no damage to communal property, the check of the bond provided will be refunded.

Article 64. The schedules of activities in the pool area shall be ten in the morning, 10:00 am, nine at night, 9:00 pm, Monday to Sunday.

Article 65. The maximum capacity of persons, in the swimming pool, shall be twenty five (25) persons.

Article 66. All persons must have adequate clothing in the pool area.

Article 67. The following days will not be available for activities in the pool area for unit owners and residents: on the eve of holidays and holidays, January 1, January 5 and 6, Thursday and Good Friday, Resurrection Sunday, Mothers' and Fathers' Day, July 4, July 25, October 31, Thanksgiving, December 24 and 25, December 31. The Board of Directors may hold activities in the swimming pool, for the benefit of the Council of Owners during these observed dates.

Article 68. No activity may be carried out in the pool area if the unit owner or resident does not hire a Certified Lifeguard.

Article 69. Every unit owner or resident is responsible for the actions of his/her guests.

Article 70. Pets are not allowed in the pool area.

Article 71. Proper conduct and tone of voice shall be maintained in the pool area.

Article 72. Towels and shirts shall not be laid on the gates and gates of the pool.

Article 73. It is forbidden to run or jump around the pool.

Article 74. The Board and the Administrative Agent may terminate any pool activity that is at the same time and security of condo unit owners and residents.

Article 75. The entrance to the pool will be closed at the end of the activity. Condo security officers will be responsible for such action.

Article 76. Glasses and glass bottles are not allowed in the pool area.

Article 77. You cannot make perforations and place nails in the columns, walls and ceilings of the Gazebo and the pool area.

Article 78. Before each activity at the pool, the unit owner or resident must fill out a form, which shall be available at the Administration Office.

Article 79.- Every unit owner or resident must obey the rules arising from the labels located in the pool area, including its guests.

Article 80.- If the activity is available with some kind of music, it shall be in a reasonable and appropriate tone.

Article 81. Infants and young children up to twelve (12) years old are prohibited from being on the premises and in the pool water without the assistance of their parents.

Article 82. Infants who are with their parents in the pool area must wear waterproof diapers, and cannot make their biological needs in the pool area, or in the water.

Article 83. Unit owners and residents must use appropriate sunscreen, as do their guests.

Article 84. Rafts, rowing and boats are not allowed in the pool.

Article 85. Food or beverages are not allowed in the pool.

Article 86. Garbage must be deposited in suitable trash containers.

Article 87. Any unit owner who has arrears in the maintenance fee may not use the Gazebo, the pool and other recreational areas until he pays the full amount due.

Article 88. Every unit owner and resident has to deliver the facilities used under the same conditions as they were before the activity carried out.

Article 89. Barbecues can only be used in open areas, always being attended by at least one adult.

CHAPTER XII- RULES FOR MOVES

Article 90. Any move shall be made with due respect to other unit owners and residents, and to the Board of Directors, without causing damage to common and private areas.

Article 91. Any damage caused to common areas caused by removals shall be paid by the unit owner or resident responsible for it.

Article 92. The removals will take place from Monday to Sunday from nine in the morning (9am) to six in the afternoon (6pm), after coordination with the administrative support staff the CONDO, paying a deposit of one hundred dollars, \$100.00, to be liable for damage caused to the communal areas, if any. Verified that there is no damage to the common areas, by the administrative support staff, after the move, the deposit of the deposit will be refunded. In the event of damage, administrative support staff will seek three quotes to ensure a fair repair price, which will be decided by the Board of Directors of the CONDO.

CHAPTER XIII-GENERAL PROVISIONS

Article 93. Each unit owner and resident shall observe due diligence in the use of his apartment and the common areas of the CONDO and in his relations with the other unit owners, responding to them for violations committed to them, their relatives, visitors, tenants, employees or occupants for any title.

Article 94. Every unit owner and resident shall fully comply with the CONDO Regulations, and those guidelines adopted by the Board of Directors, agreements of the Council of Owners and the current Condominium Law of Puerto Rico.

Article 95. All unit owners of a property constituted in horizontal property or the sole owner, they may waive this regime and request from the registrar the reunification or recasting of the subsidiary estates on the parent estate, provided that they are free of levies, or, if not, that the persons in whose favor they are registered agree to replace the guarantee they have with the corresponding participation of those holders in the total property, within the community regime of goods in the Civil Code of Puerto Rico.

Article 96. If any conflict arises between this Regulation and the current Condominium Law of Puerto Rico, the current Puerto Rico Condominium Law shall prevail.

Article 97. The process of amending this Regulation shall be in accordance with Article 14 of the Puerto Rico Condominium Law, requiring the vote of two-thirds of unit owners with equal participation in the common elements of the property. The amendments will be announced for discuss in assembly, notified to unit owners absent during the assembly, and registered in the Property Registry.

Article 98. The amendment to these bylaws shall bind all unit owners since the affirmative vote of two third parties of unit owners has been obtained, after all unit owners absent to the assembly of those amendments have been notified, without opposition from more than a third of unit owners. With regard to third parties, the amendment to the Regulations shall take effect once the Deed of Amendments to the Regulations has been submitted to the Property Registry.

Article 99. The fact that any provision, clause, paragraph, sentence or phrase of these bylaws may be declared void or invalid, it shall not affect the validity and application of all other provisions, clauses, paragraphs, or sentences, which shall remain unchanged and with all their legal force and effect on the horizontal regime and all its unit owners.

CHAPTER XIV-EMERGENCY GENERATORS

Article 100. A generator for common or communal areas, and private areas, making use of the condominium's electrical infrastructure, is considered as a necessary work. The installation and operation of such equipment must comply with all applicable laws and regulations, including those related with mechanical, electrical and environmental requisites.

CHAPTER XV- AMENDMENTS TO THE RULES OF PROCEDURE

Article 101. This regulation shall be amended at all times in accordance with article 14 of Law Number 129-2020 of August 16, 2020, known as the Puerto Rico Condominium Law.

CHAPTER XVI- DISSOLUTION OF THE REGIME AND CHANGE OF USE

Article 102. It is necessary to obtain the unanimous vote of the unit owners to dissolve the horizontal regime, as well as to change the use of an apartment to residential or non-residential, and vice versa.

CHAPTER XVII -WORKS NECESSARY FOR THE CONSERVATION AND SECURITY OF THE PROPERTY

Article 103. -The works necessary for the conservation and security of the property are approved by a simple majority of owners, provided that they do not adversely affect the property, in which case it requires the vote of 2/3 parts of holders with equal participation in the common elements of the condominium. Such work may never affect the solidity of the building.

CHAPTER XVIII - SHORT-TERM LEASE

Article 104. -The Board of Directors and the Administration of the CONDO recognizes the right of every unit owner of an apartment to lease it in the short term, leases that are regulated and under the jurisdiction of the Puerto Rico Tourism Company under Law No. 272 of September 9, 2003, known as the El Canon Room Occupancy Tax Act of the Associated Free State of Puerto Rico, being considered as hospitality, and are governed by the following administrative guidelines of the CONDO:

1. Any unit owner wishing to lease their apartment in the short term, *Short Term Lease*, will have to request written permission from the Board of Directors to lease their apartment, attaching to their application, Hotel Permit, Commercial Public Responsibility Insurance for a minimum of One Million Dollars with no cap limit on their deck, subscribed with a recognized insurer in Puerto Rico with an endorsement in favor of the Council of Owners of Palma Vista (the CONDO) ,its Administrative Agent and its Directors. This commercial insurance will be referred to for acts committed by tenants and visitors of the unit owner, as part of the related activities between such persons and the short-term lease mentioned.
2. Deliver the Duly Completed Tenant Registry.
3. Certify in writing that the unit owner instructed the tenant to park only and exclusively in the parking spaces reserved for the rented apartment or villa, without being allowed to park in parking spaces reserved for visitors or other unit owners.
4. The Board of Directors shall, in accordance with the provisions of the current Regulations, impose fines on the unit owner and the tenant for each incident caused by the tenant who violates the Master Deed, the Regulations, and the Puerto Rico Condominium Law.
5. The unit owner must register the first name, surname, general data and address of the tenant with the Board of Directors, through the Administration.
6. Employees of the unit owner who leases their apartment or villa by short-term lease will be insured by the State Insurance Fund, and those who are contractors or handyman will be insured as well. Evidence of this policy with the State Insurance Fund has to be exhibited in the rented villa, and given each year to the CONDO Administration, when it is renewed.
7. All short-term tenants will comply with the provisions of the CONDO Regulations, which join this Protocol in case of short term lease.
8. All tenant guests will have to park outside the condominium.
9. All persons with disabilities must be parked in the parking lots for people with disabilities, provided that they have their license to prove it.
10. All documentation required by the Department of Tourism will be renewed annually, and will have to be delivered to the Agent Administrator of the CONDO. The certification of the Department of Tourism has to be exhibited in the apartment or rented villa, and delivered each year to the Administration of the CONDO when it is renewed. Among the mandatory requirements to be able to lease in the short term is the provision of a bond by the owner of the villa for the amount and under the terms estimated by the Puerto Rico Tourism Company.

11. This rules and requistes shall be considered part of the Regulations of the CONDO.

CHAPTER XIX -CONTRIBUTIONS FROM THE COUNCIL OF OWNERS

Article 105. The Council of Owners is exempt from contributions and taxes, subject to the limitations of Law 1-2011, Section 1101.01 of the Internal Revenue Code for a New Puerto *Rico*.

CHAPTER XX -CONDOMINIUM INSURANCE

Article 106. The Condominium insurance is approved by a majority of unit owners.

Only general common areas, procommunal, and common limited and other risks unrelated to private property can be insured.

The Council of Owners may insure original private elements when required by federal and/or state regulations.

The unit owner can insure the private on his own, but does not exempt him from contributing to communal insurance.

Any unit owner may request examination from the Board of Directors of the insurance documents of the communal areas.

The insurance broker can be replaced as long as the cover and conditions the new insurance is the same, or of greater scope or benefit and at the same or lower cost after approval by the Council of Owners.

The Board of Directors must ask the insurance broker for a minimum of three contributions for annual renewal and keep them for three years, including those that refused or did not quote, subject to review by unit owners who want to.

The Council of Owners may approve by a majority to hire a professional firm that supports damages or losses incurred in common and private areas, as well as how to cover those expenses.

Any total or partial offer from the insurer requires the preparation of a fund distribution plan to rebuild in detail, informing the amount intended for common and private areas with their corresponding deduction.

This distribution plan must be notified fifteen (15) days before an extraordinary assembly. The Council of Owners decides whether to accept or reject the offer, including the priorities of the

works to be carried out. The funds obtained are deposited into a special separate account from which withdrawals are made with a non-sworn Certification from the Treasurer and the Secretary. It accredits the agreement of the Council of Owners, and states that it has not been challenged in any judicial or administrative forum, if so.

If there is the need to rebuild the entire property or more than three quarters (3/4) parts it is not mandatory to do so. In such a case, and unless otherwise agreed by two third parties (2/3) of unit owners, with equal participation in the common elements, compensation is given to the person who corresponds, and as for the rest the Civil Code of Puerto Rico applies.

The reconstruction of the condominium is done according to the hypothesis for this case in the Master Deed, if any hypotheses are contemplated, and in its default by agreement of the Council of Owners.

If the property was not insured, or there are not sufficient funds to cover what needs to be rebuilt, the new cost of building can be approved by all unit owners, with a majority vote of those directly affecting the damage, in their percentage of participation in their apartment, and if any or more of those who make up the minority refuse to do so, the majority may do so at the expense of all as soon as the works benefit it by taking the appropriate agreement that will be fixed by the individuals in the case, and even the price of the works with the intervention of the Council of Owners. The above can be changed by the Council of Owners by unanimous vote after the accident.

CHAPTER XXI- DISASTER AND EMERGENCY PLAN

Article 107. The disaster and emergency plan is approved in assembly of the Council of Owners by majority.

It is updated annually.

It is approved under the 2009 International Fire Code.

The plan should establish that it is considered emergency and the term of emergency in accordance with the Emergency Management Negotiator and Disaster Management. Such review should be conducted in consultation with state, municipal and federal government entities relevant to the protection of life and property.

Unit owners must be notified as effectively and as possible in sufficient time for them to study and understand.

The plan must include measures that will be taken before, during, and after a disaster.

In January of each year, the Police, Municipal Emergency Management, Firefighters and DACO are notified of the names of the Directors of the Board and their telephone number, as well as the Administrative Agent.

A water and electricity rationing plan must be approved for deployment during the disaster or when rationing is decreed, so that minimal equitable use can be provided.

The Council of Owners is empowered to adopt alternate plans when onerous by the particular infrastructure of the condominium, after DACO's approval.

CHAPTER XXII-AREA DESIGNATED FOR PETS

Article 108. A pet area is designated located in the common areas of the condominium. This area is designated for pets to deposit their biological waste, which must be collected immediately by their owners. Pets must be accompanied by their owners and once they deposit their biological waste and collected they must leave the area.

CHAPTER XXIII-PALMA VISTA'S ARCHITECTURAL AND DESIGN GUIDELINES

Article 109. Every modification to any unit owner's apartment or villa must comply with Palma Vista's Condominium Architectural and Design Guideline, as well as with article 39 5) of Puerto Rico Condominium Law, Law 129-2020 from August 16, 2020. Such Architectural and Design Guideline is hereby attached as part of these bylaws. The enforcement of such Architectural and Design Guideline obeys to the legal authorization arising from these bylaws.

CHAPTER XXIV -SPECIFIC PROVISIONS OF LAW 129-2020 AUGUST 16, 2020- PUERTO RICO CONDOMINIUM LAW

Article 110.

a) Destination and use of each area included in the property

It can only be varied with the two-thirds (2/3) vote of unit owners with equal per cent share of the common areas. Modification in Master Deed to vary the use of an apartment from residential to non-residential, and vice versa, requires unanimous consent from the unit owners.

b) Mortgage of common elements

Requires two-thirds (2/3) of unit owners with equal participation in common elements.

c) Closure or roofing of patios, terraces or open areas

It is carried out according to plan, or by vote of two thirds (2/3) of unit owners with equal participation in the common areas. The affected unit owner must always consent. The construction of new floors on the roof and on or below the ground requires unanimous consent from the unit owners.

d) Work that adversely affects the common element

Requires two-thirds (2/3) voting of unit owners with equal participation in the common areas. The solidity and structure of the building cannot be compromised by any class work.

e) Alienation of pro-communal elements

It can be approved by a majority of the Council of Owners. It cannot be free, it is possible to cover debts or expenses for the maintenance of common areas.

f) Segregation of a share of common land transmitted by the Council of Owners

Pursuant to Law 129-2020, Puerto Rico Condominium Law, it is required two thirds (2/3) of unit owners with equal participation in the common areas. Prior to Law 129-2020, Puerto Rico Condominium Law, requires unanimity of unit owners.

g) Retraction of commoners

When a property belonging to several commoners is to be sold, the Retraction of Commoners is applied, which consists of the surrogacy of the affected commoner under the same conditions of sale when sold to a third party.

h) Rules governing the use of apartments

The Board of Directors is allowed to enter an apartment when the owner cannot be located and urgent repairs must be made that affect other owners and / or any property, including common areas. A minute of such entrance and inspection must be prepared in compliance with article 39 4) of Puerto Rico Condominium Law.

It is established that the expense incurred by the Board, from an apartment that was not attended by its owner, entitles the former to pass that expense to the holder at the next maintenance fee.

Alteration to the facade can be approved, in accordance with the validity of Law 129-2020, Puerto Rico Condominium Law, with the vote of two thirds (2/3) of unit owners with equal participation in the common areas. Prior to Law 129-2020, Puerto Rico Condominium Law, unanimity is required.

Storm windows and shutters have to comply with the Building Codes.

Replacement of non-repairable or replaceable original equipment requires majority voting of unit owners. If imposed on all unit owners, it is treated in accordance with the provisions of the Improvement.

Gates in common areas are approved by most unit owners, unless security is not affected, move to common areas, or hinder access to other common areas.

The acquirer of an apartment is credited with knowledge of the manifest changes of the property for the purposes of the third registration.

i) Enabling parking lots

They can be enabled with the vote of two-thirds (2/3) of unit owners with equal participation in the common elements, provided that green areas are not affected, their permits are obtained, and article 49 of Law 129-2020, Puerto Rico Condominium Law is complied with. They can be built as common or annexed elements, subject to section 17b of Law 129-2020, Puerto Rico Condominium Law.

The owner of an individual parking lot that is not subject to ownership of the apartment, which may sell or lease the apartment, must give adequate notice and priority to the owners of the condominium. You must give notice to sell or lease your parking lot to the Board of Directors within ten days of another 30-day notice during which you must keep the sale or lease of such parking in the condominium by announcement. The Council of Owners may authorize the Board of Directors to purchase or lease these parking lots. Any transaction contrary to this article will be void.

j) Works in common areas against the Fire Prevention Code

Such works cannot be approved.

k) Works that alter the facade

Such works require approval of two-thirds (2/3) of unit owners with equal participation in common areas in accordance with the validity of Law 129-2020, Puerto Rico Condominium Law. Unanimity is required prior to it. A special fee may be imposed under section 49 of Law 129-2020, Puerto Rico Condominium Law.

l) New constructions or additional works without the consent of the Council of Owners

New floors, basements, excavations, change to the architectural ensemble, facade or structural solidity require two thirds (2/3) of votes of unit owners with equal participation in the common elements, provided that they have permits from the relevant agencies. Prior to Law 129-2020, Puerto Rico's Condominium Law, requires unanimity.

m) Apartment division; consent of unit owners

As a general rule, apartments and their annexes can be segregated or grouped, depending on the restrictions that matrix writing, condominium regulations, or OGPE may have. However, no segregation or grouping may vary the fate or use provided for in Master Deed. In this case, the unit owners concerned and the majority of the Council of Owners must consent, with the Board of Directors setting percentages or participation quotas.

n) Budget

The annual budget may be designed and approved with existing maintenance fee debt and spill. Such budget has to be notified fifteen (15) days in advance of the assembly for approval.

o) **Booking account**

When the reserve account balance drops below two percent (2%) of the rebuilding value the Board of Directors have to restore it with the monthly contributions.

p) **Improvements in limited common areas**

Unit owners can make improvements in limited common areas and then obtain the consent of all beneficiaries, provided that they do not affect the safety and solidity of the building. Altering the facade requires the two-thirds (2/3) consent of unit owners with equal participation in the common areas.

q) **Works to address state of emergency**

The Director, President or Treasurer may withdraw from the reserve fund, for operational expenses, and to attend a state of emergency, the money necessary for them. The state of emergency is decreed by state or federal authorities. For this procedure it is convened twenty-four (24) hours in advance, expeditiously. The Call is left below the door, by personal delivery or email.

r) **Improvements**

Such works may be approved but not without the consent of the owner of the apartment over which their enjoyment has been impaired. Opposition to this type of work has to be grounded and not based on mere whim. Nor can works that in the expert's opinion undermine the safety or solidity of the building can be approved.

s) **Special fee for occupant or owner visitor**

By majority vote of the Council of Owners, a special fee may be imposed on the occupant or visitor of the unit owner who makes such intense use of a common element that what is reasonably to be incurred in the normal and current use of the same. Such use cannot impede or impede the legitimate right of the unit owner.

A special fee may also be imposed on the unit owner of an apartment which, by the nature of legitimate activity, and in accordance with the fate of the Master Deed, causes greater common expenses than would have been generated without such activity.

t) **Special fee to holder who leases in the short term**

A special fee may be imposed on the unit owner who leases in the short term. That fee cannot be greater than one month of maintenance. Payment of this fee is required as part of the costs attributable to such an apartment.

u) **Exception for expenditure works or projects requiring two-thirds (2/3) approval of holders with equal participation in common elements**

After the approval of expenditure works or projects requiring approval of two thirds (2/3) of unit owners with equal participation in common elements, as regards details and incidental measures for the implementation and final implementation of such work or project, it is consulted and approved by majority vote of the Council of Owners with regard to these individuals.

v) **Agreements of the Council of Owners**

They are reflected in a Book of Acts indicating place, date, time of assembly, proposed matters, number of unit owners present, their names, how the assembly was convened, text of the adopted resolution, votes for and against, explanation of votes or declaration of unit owner to be recorded. The minutes are signed at the end of the text by the President and the Secretary, or by the Director or persons exercising that function in assembly and have to submit in thirty (30) days to the Council of Owners for correction. If there is no President or Secretary, they are signed by at least two Board Directors. If there's only one director, he signs.

The Officialized Act is prima facie evidence of what has happened in the assembly, and of the agreement of the Council of Owners.

w) **Financial statements for the previous year or those that accumulate**

A statement of financial position comprising unpaid debts incurred, and accumulated balance sheet or deficit, in addition to the information already commonly known therein.

x) **Registration of Unit Owners**

It can be carried electronically or by any other means.

y) **Trustee**

It is named by DACO if the CONDO is residential and by the Court if it is non-residential. Applies when a Board of Directors cannot be elected and a unit owner so expresses it to DACO.

Trustee's fees are set depending on the condominium and its complexity in its pending management.

The forum sets its fees that are incorporated into the budget.

His appointment is six months.

It may be dismissed by the forum at the request of any holder or by the *concept of Just Cause with* the same definition of this term in the case of the Administrator Agent.

The Trustee has to make quarterly reports to DACO or the Court, as the case may be.

The Trustee may not be an Administrative Agent unless authorized by the relevant forum.

z) **Condominium's service providers**

They have to comply with state and federal labor laws.

aa) Exceptions to quota credit preference

Loans in favor of the Government and the Municipality are paid before the fee and maintenance for the amount of the last five annuities and the unpaid, overdue and unsatisfied current of the contributions that gravitate to the apartment; the 2-year insurance premium of the apartment or the property and the mutual insurance for the last two dividends that had been distributed; and the mortgage loans registered in the Land Registry.

bb) Challenges of actions and omissions by the Board of Directors

Challenges of shares and omissions of the Board of Directors are based in DACO when the CONDO is residential, and before the Court of First Instance when the CONDO is strictly commercial.

The actions of the Acting Administrator, the Administrative Agent and the agreements of the Council of Owners may also be challenged in the same way. The previous procedure of the Conciliation Committee must no longer be exhausted, as it was eliminated.

These challenges are based thirty (30) days from the date on which it was taken, if it was made in the presence of the unit owner, or since the agreement was notified, if the unit owner was not present when it was taken.

The challenge of agreements, actions or omissions of the Board of Directors, the Administrative Agent, or the Council of Owners, which constitute violations of the provisions of *the Puerto Rico Condominium Law (Law 129-2020)*, the Master Deed or the CONDO's Regulations shall be prescribed at two (2) years. It is challenged in the same way expressed above, depending on whether the agreement, action or omission arises from an event in the presence of the unit owner or by subsequent notification to the said owner.

Unit owners have to keep up to date on the payment of the fee to challenge as stated above, unless the challenge has to do with the fee itself.

The unit owner must prove that he was present at the assembly, or duly represented by voting against the agreement he challenges, or what he applies with respect to his claim. Absence has to be proved to have been duly justified.

The reckless litigator is required by the forum in question to pay costs and attorneys' fees, in which case the unit owner who prevailed in his claim does not have to pay costs or attorneys' fees, nor the fine that had been imposed.