

THE ASSOCIATION OF HOMEOWNERS DEL FRACCIONAMIENTO RESIDENCIAL "COSTA DEL MAR" A.C, SUMMONS FOR A SPECIAL GENERAL ASSEMBLY THAT WILL TAKE PLACE ON THE DATE OF FRIDAY, APRIL 29TH, 2016 AT 3:00 P.M. AT FIRST CALL. THIS WAS PETITIONED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF THE ASOCIACION DE PROPIETARIOS DEL FRACCIONAMIENTO RESIDENCIAL TURISTICO "COSTA DEL MAR" A.C; AND IN THE CASE THAT THERE IS NO EXISTING LEGAL QUORUM THE SPECIAL GENERAL ASSEMBLY WILL TAKE PLACE ON THE DATE OF SATURDAY, APRIL 30TH, 2016 AT 9:00 A.M. AT THE SAME PLACE. AT LEAST 25% OF THE MEMBERS MUST ATTEND WITH THE STATUTES OF THE ASSOCIATION AND THE FOLLOWING POINTS TO TREAT.

AGENDA.

1. WELCOME
2. DESIGNATION OF PRESIDENT OF THE ASSEMBLY
3. DESIGNATION OF SECRETARY OF THE ASSEMBLY
4. DESIGNATION OF TWO EXAMINEERS
5. LIST OF ASSISTENTS AND DECLARATION OF LEGAL QUORUM
6. DESIGNATION OF NEW PRESIDENT, VICEPRESIDENT AND SECRETARY OF THE BOARD OF DIRECTORS OF THE ASSOCIATION
7. GRANTING OR RATIFICATION OF POWERS
8. PROPOSITION TO MODIFY THE REGULATIONS FOR RENTERS
9. GENERAL BUSINESS
10. ADJOURN OF THE ASSEMBLY

It has been indicated that on April 29th, 2016 at 3:00pm the special general assembly will take place on first call, if there wasn't legal quorum for the relieving of the same, the special assembly meeting will take place on second call and this date will be April 30th, 2016 at 9:00am.

IN THE RELIEVING OF THE FIRST POINT ORDER OF THE DAY, Mr. Kenneth Lee Unrein welcomed all of the assistants and thanked them for taking the time to attend the special general assembly of the Fraccionamiento Residencial Turístico "Costa del Mar"

IN THE RELIEVING OF THE SECOND POINT ORDER OF THE DAY, Mr. Kenneth Lee Unrein was nominated by the members of the association that were present that day, to be President of the meeting and to lead it. Ms. Pamela Mathews seconded this nomination; by unanimity of votes with a show of hands Mr. Kenneth Lee Unrein was designated to be President of the assembly meeting.

IN THE RELIEVING OF THE THIRD POINT ORDER OF THE DAY, Rodolfo Velazquez was nominated by Mr. Kenneth Lee Unrein to be Secretary of the assembly. Ms. Pamela Mathews seconded this nomination. By unanimity of votes with a show of hands, Rodolfo Velazquez was designated as the Secretary of the assembly meeting..

IN THE RELIEVING OF THE FOURTH POINT ORDER OF THE DAY, Pamela Mathews and Veronica Guadalupe Sandoval Grajeda were nominated to be examiners of the meeting. Mr. Kenneth Lee Unrein seconded this nomination. By unanimity of votes by a show of hands, Pamela Mathews and Veronica Guadalupe Sandoval Grajeda, were designated to be the examiners of the assembly meeting.

IN THE RELIEVING OF THE FIFTH POINT ORDER OF THE DAY, the list of assistants consisted of the following people: Pam Matthews, Robert Strong, Eric Holland, Gumaro Valenzuela, Ramiro Guzman, Ken Unrein – Betty Unrein, Gary Resnikoff, Pam Grissom, Hector Martinez, Soraya Dabdoub, Manuel Carter, Robert Smith, Ricardo Romo, Efrain Arias, Enrique Romero Malpica, John Lowe, Francisco Navarro – Sofia Gil, Victor Bravo, Doreen Lennon, Charles Woehr, Dora María Méndez, Wade Earl, Victor García, Diane Cimmata, Pam Grissom, attached to the present translation for all the legal effects. The tellers reported on second call a legal quórum of 26.4% of assistants in person and through proxy. The president of the assembly, Kenneth Lee Unrein announced that the legal requisites were being collected for the second call.

IN THE RELIEVING OF THE SIXTH POINT ORDER OF THE DAY, regarding the designation of the new President, Vice President and Secretary of the Board of Directors of the Association, Mr. Kenneth Lee

Unrein, told the residents that were present in the assembly meeting that the current members of the board of directors that were chosen on October 31st, 2015 sold their properties in the Fraccionamiento Costa del Mar and are no longer members of the community and can no longer take part in its matters. Because of this, it is imperative that new members of the board of directors are chosen so the old ones can be replaced. It was determined that the voting process would take place in form of a ballot that contained the names and roles of the new members of the board of directors, as detailed below:

President - - - - - Hector Martinez Gardener

Vice President - - - - - Victor Manuel Bravo Padres

Secretary - - - - - José Ricardo Romo Martinez

Before the voting process took place, Mr. Charles Woehr, owner of lot 104 objected the voting due to the fact that his name didn't appear on the ballot, when he had asked to be nominated to be part of the board of directors for the role of President and wanted to know why he hadn't appeared on the ballot.

This was followed by a discussion, and the assembly determined that Mr. Charles Woehr was not eligible to be a member of the board of directors due to the fact that he currently owes \$27,047.23 (TWENTY-SEVEN THOUSAND FORTY-SEVEN PESOS 00/23 M.N.) for unpaid parking tickets. Agreement number 121001, was approved in the ordinary General Assembly Meeting on October 2012 stating that any person nominated for a seat in the board of directors must be current in their account balance with the association.

After this brief discussion, the ballot was conducted and the new board of directors was chosen.

AGREEMENT

By a majority of votes for the new Board of directors for the Civil Association known as "Asociación de Propietarios del Fraccionamiento Residencial Turístico Costa del Mar A.C.", was integrated in the following manner: President Hector Manuel Gardener, Vice President Victor Manuel Bravo Padres, Secretary Jose Ricardo Romo Martinez and Treasurer Kenneth Lee Unrein whose designation was voted and approved on the Ordinary General Assembly on October 2015. The chosen members accepted their responsibilities and perform their duties as best possible.

IN THE RELIEVING OF THE SEVENTH POINT ORDER OF THE DAY, in regards to the granting or ratification of powers to the board of directors, Mr. Kenneth Lee Unrein suggested to grant or ratify powers that are seen on Article 13 of the constitutive basis of the Asociacion de Proprietarios del FraccionamientoResidencialTuristico Costa del Mar, which are crucial for the functionality of the board of directors. Mr. Victor Bravo seconded this request. This was voted for by a show of hands and by unanimity of votes the granting or ratifying of powers was approved.

AGREEMENT

The granting or ratifying of powers for the new board of directors of the Civil Association known as Asociación de Propietarios del FraccionamientoResidencialTurístico Costa del Mar A.C.”

IN THE RELIEVING OF THE EIGHT POINT ORDER OF THE DAY, regarding to modify the regulations of the renters, after a lot of discussion about the proposed ruling, Diane Cimmata, made a motion to postponed this proposal, and that the new Board of Directors were the ones to work in such regulations to be presented in the next Ordinary Assembly Meeting that will take place on October 2016, for its appropriate voting. Ramiro Guzman seconded this motion and by raise of hands for majority of votes it was approved to postpone the approval of new regulations for renters.

AGREEMENT

It is agreed that the new Board of Directors works on the new regulations for the renters and present they proposal in the General Ordinary Assembly Meeting that will take place on October 2016.

IN THE RELIEVING OF THE NINTH POINT ORDER OF THE DAY, regarding to General Business:

1. ATTORNEYS REPORT

Attorney José Javier Peralta Bustamante, the owner of the Law Firm “Peralta & Asociados”, was invited to participate in the Special Assembly Meeting, and the residents that were on the meeting had questions regarding the actual status of the lawsuit file by Mr. Francisco Javier Velez Villa, in which the plaintiff request the accountability of the association, the attorney stated that when the lawsuit was filed, his law firm didn’t work for the association, what he knows the case, he stated that the lawsuit could have been managed totally different just with the simple fact that when the lawsuit was answered by the association they would accept it to the plaintiff claim, in other words telling the Judge that all the

information the Francisco Velez needed was located in the office of Costa del Mar or in the office of the accountant, as it is now said. The association has never had anything to hide regarding the use of the HOA dues whether ordinary and extraordinary, because this are only for the good performance of the development in its common areas so everyone can benefit from that, also every year is presented an annual budget plan with expenses and incomes that is voted and approved. The attorney stated that the demands before the courts are ready to proceed against the delinquent residents that are not current in the payment of their dues.

2.

Mrs. Doreen Lennon, request to the Board of Directors to review the current status of the automatic locks for the pool gates, also she requested that the status of the sports complex were review by them.

AGREEMENT

By Mrs. Doreen Lennon request, the Board of Directors will review the costs and possibilities for the automatic lock on the pool gate and also they will review the sports complex.

3.

Mr. Kenneth Lee Unrein proposed to designate as Special Delegate of the assembly to Lic. José David Peralta Moreno, to appear before Public Notary of his choice to notarized the record of the Special Assembly Meeting. Hector Martinez seconded this proposal. It was voted by a raise of hands and by unanimity of votes. Lic. José David Peralta Moreno was designated as Special Delegate of the Assembly.

AGREEMENT

Lic. José David Peralta Moreno, it is designated as Special Delegate of the Assembly to appear before Public Notary to notarized the record of the assembly meeting.

IN THE RELIEVING OF THE TENTH POINT ORDER OF THE DAY, Mrs. Diane Cimmata, propose to adjourn the Assembly Meeting. Ramiro Guzman seconded this proposal. By unanimity of votes by a raise of hands, it was approved to adjourn the meeting at 12:15pm.

Kenneth Lee Unrein.

Assembly Meeting President

Rodolfo Velázquez Ahumada.

Assembly Meeting Secretary

Pamela Matthews.
Examiner

Verónica Guadalupe Sandoval Grajeda.
Examiner