

ASOCIACIÓN DE RESIDENTES DE PUERTA DEL MAR, A.C.

Rules and Regulations

REV. 23102021

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ASOCIACIÓN DE RESIDENTES DE PUERTA DEL MAR, A.C.

Rules and Regulations

The original text of the document appears in the Appendix marked with the letter "C" of Public Deed No. 62,712 Vol. 2,465 dated August 15, 2006, notarized before Notary Public No. 08 of the city of Tijuana, Baja California, through which "Asociación de Residentes de Puerta del Mar, A.C." was incorporated, document that is registered in the Public Registry of Property and Commerce of the city of Playas de Rosarito under file number 6017908 Civil Section.

CURRENT TEXT Last amendment 10-23-2021

SECTION I GENERAL PROVISIONS

ARTICLE 1.- "*RESIDENCIAL PUERTA DEL MAR*" DEVELOPMENT (hereinafter the DEVELOPMENT) is an urban development located at kilometer 55 of the Tijuana-Ensenada Highway in the municipality of Playas de Rosarito, Baja California, Mexico, with a total surface of 18-10-51.05 Has., created with the purpose to cater to the specific needs, priorities, goals and objectives of a group as well as to pay attention to general problems faced by society as a whole; "*RESIDENCIAL PUERTA DEL MAR*" DEVELOPMENT has as its objective the creation of a safe and healthy way of living improving the quality of life of its residents, favoring social interrelations through the appropriate settings that promote proper personal contact.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 2.- These Rules and Regulations are legally substantiated in ARTICLES 65 and 71 of the Urban Development Law of the State of Baja California ("*Ley de Desarrollo Urbano del Estado de Baja California*") which has as its purpose the establishment of rules for the use of properties regarding their primary use, size of property, type of construction, urban infrastructure, and socioeconomic index of its inhabitants.

Additionally, they are substantiated in subparagraph b) of Article TEN in correlation with article FORTY-FIVE of the Bylaws of "Asociación de Residentes de Puerta del Mar, A.C." which are evidenced in Public Deed No. 62,712 Vol. 2,465 dated August fifteen, two thousand and six passed before the faith of Ricardo del Monte Núñez, Esq. Notary Public No. 08 for the city of Tijuana, Baja California, duly registered in the Public Registry of Property and Commerce of the city of Playas de Rosarito under file number 6017908 Civil Section, for which they are of obligatory observance and of common interest to all members of the aforementioned association for the mere fact of belonging to it and/or being an owner or by any other title possessing any property within the DEVELOPMENT.

Paragraph was added by General Members Meeting JUL-15-17

ARTICLE 3.- Definitions regarding these RULES AND REGULATIONS:

- I. ASSOCIATION. Refers to "Asociación de Residentes de Puerta del Mar, A.C." whose purpose is, among others, the organization of residents, rights holders, homeowners, trustees, tenants, lessees, and owners, or other persons who own any legal title to property rights to the land located within the Residential Development, (hereinafter referred to as Residents and/or owners) located at Kilometer 55 of the Tijuana-Ensenada Highway of the municipality from Playas de Rosarito, Baja California, Mexico.
- II. DEVELOPER. Refers to Insignia Places, S.A. de C.V. formerly PDI Inmobiliaria, S.A. de C.V., commercially known as "Grupo Lagza".
- III. DEVELOPMENT. Refers to "RESIDENCIAL PUERTA DEL MAR" DEVELOPMENT.
- IV. NON-SALEABLE AREAS. Those fractions of land property destined in general for urban equipment of the DEVELOPMENT, property of agencies and/or donations, which are administrated for common use of the community. To establish maintenance fees and pursuant to all provisions in these RULES AND REGULATIONS, all non-saleable areas are to be included in the calculation of said fees. Non-Saleable areas are: lot 2 block 18; lots 23, 24, 25 and 26 block 15; lot 28 block 14 as evidenced on the Puerta Del Mar Lot Plan and land use permit. No owner can build any structure either permanent or temporary or alter any of these areas without the written approval of the Homeowners Association.
- V. RULES AND REGULATIONS. Refers to these RULES AND REGULATIONS that govern in "RESIDENCIAL PUERTA DEL MAR" DEVELOPMENT.
- VI. OWNER(S). Any person or entity that has acquired under any title, the property or possession of one or more land lots, and/or houses within the DEVELOPMENT, as well as those who acquire by any legal means the rights to use and enjoy the same.
- VII. SALEABLE AREAS. Portions of any land property not destined for common use, urban equipment, green areas, donations, public roads and reserved zones, and in general those specified as such by the plans approved by the municipal authorities.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 4.- These RULES AND REGULATIONS have as their objective the conservation and regulation of the integrity of the property, its use and possession of the resulting land lots and/or houses to preserve the urban image, as well as to govern the uses of the spaces in common areas and open spaces, with the goal of generating property betterment and quality of life for the community.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 5.- These RULES AND REGULATIONS are to be applied to all property that integrates the DEVELOPMENT, the compliance and enforcement of which is to be the responsibility of the owners, buyers and/or clients, lessees, or any other person with legal possession of one or more properties.

Any person who acquires a property title or owns by any other legal means one or more lots and/or houses within the DEVELOPMENT, is obliged to belong, and remain a member of the ASSOCIATION, to strictly comply with its BYLAWS, RULES AND REGULATIONS, rules of conduct, design rules and any other applicable laws.

They also agree to oblige their assignees, beneficiaries, successors and heirs, where appropriate, to pay maintenance fees, fines, damages caused and any other concept derived from the Association's Bylaws, resolutions taken in General Member Meetings, this document called Rules and Regulations for "Residencial Puerta del Mar" Development and any other document issued by the ASSOCIATION, likewise, to pay for all expenses and attorney's fees derived from any legal action brought against for lack of compliance of the same.

The subjects obligated to comply with these RULES AND REGULATIONS as well as any other regulatory provision applicable within the DEVELOPMENT, will be subject to the fines and sanctions imposed by the ASSOCIATION when they sit in any factual or legal hypotheses that are described in these regulations, including but not limited to those referred to in article 27, following the procedure described in ANNEX D, which forms an integral part of this instrument.

These RULES AND REGULATIONS may be added, modified, amended or, as the case may be, abrogated, in whole or in part, by the Board of Directors of "Asociación de Residentes de Puerta del Mar, A.C." when they deem it convenient, to meet the purposes of the ASSOCIATION, its regulations and other documents applicable to the Development and the aforementioned Association.

To comply with the foregoing, the members of the Board of Directors must notify the Members in the corresponding Meeting, the resolutions adopted in the Board meeting regarding the additions, amendments, or reforms, referred to in the previous paragraph, same procedure that for

enforcement will consist in:

- I. If applicable, the proposal or proposals derived from the resolutions adopted by the Board of Directors will be presented to the Members in the General Members Meeting held in the month of January of each year;
- II. The Members will be granted a period of 30 (thirty) calendar days from the date on which the General Members Meeting referred to in subparagraph a) above is held, to submit their observations or proposals in writing to the Board of Directors, in the understanding that any proposal that does not meet the previously specified requirements will be considered as not received;
- III. The Board of Directors will inform in the General Members Meeting that will take place in the month of July of each year the final project of additions, amendments or reforms for their knowledge and mandatory implementation.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 6.- These RULES AND REGULATIONS are entered into in accordance with the trust in which Banco Bilbao Vizcaya-México, S.A. Multiple Banking Institution nowadays BBVA Bancomer, S.A. Banco Múltiple Institution, Grupo Financiero BBVA Bancomer is the trustee and the DEVELOPER is second trustee of the property committed to said trust, which has an area of 18-10-51.05 hectares, which is evidenced in Public Deed dated January six of the year two thousand, number forty thousand nine hundred and sixty-five, volume one thousand one hundred and fifty-nine, passed before the faith of Mr. Ricardo del Monte Núñez, Notary Public Number Eight of the city of Tijuana, Baja California, and registered on February 3 of the same year, with the number 6000527 before the Public Registry of Property and Commerce of that city.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 7.- THE DEVELOPER states that it has the capacity of second trustee and that the objectives of said trust are for the second trustee, either by itself or by third parties, to project and build a residential development on the property located at Km. 55+000 of the Tijuana-Ensenada highway, in the municipality of Playas de Rosarito, whose surface is 181,051.05 M2, registered in the Public Registry of Property and Commerce of Playas de Rosarito, under number 6'000,064 of the civil section, dated December 10, 1999.

SECTION II

COMPONENTS AND FEATURES OF PDM

ARTICLE 8.- The DEVELOPER is obligated to carry out and construct the following development work:

- I. Firefighting system.
- II. Drainage system independent from black water system, with installations to capture and direct water flow.
- III. Electricity grid (underground)
- IV. Guarantee the distribution and supply of potable water, connected to the supply source approved by the State's Public Service Commission ("Comisión Estatal de Servicios Públicos").
- V. Guarantee of technical and legal solution of sanitary drainage through the proper treatment of black waters, dumping the residual waters in a place approved by the National Water Commission ("Comisión Nacional del Agua") and fulfilling the conditions specified by the appropriate authorities to ensure the preservation of the environment.
- VI. Landscaping and installations for its maintenance.
- VII. Land marking of lots, blocks and/or control points for land surveys.
- VIII. Metallic plates of signs and street names on concrete bases.
- IX. Opening and conformation of roads including the improvement of material for its good state of conservation and asphalt pavement
- X. Opening of access to DEVELOPMENT.
- XI. Public lighting.
- XII. Sidewalk and curb protections.
- XIII. Superficial and underground rainwater drainage, with the necessary installations to capture and properly direct runoffs to points authorized by the corresponding authorities, as well as protection work to hold solids and preventive work to prevent erosion of land inside and out of PDM.

ARTICLE 9.- The DEVELOPER is not obligated to carry out or construct developing construction work not mentioned as mandatory in the agreement of authorization granted by the municipal authorities.

ARTICLE 10.- All property lots within the DEVELOPMENT have been classified in accordance with the approved land use in the following manner:

- I. DONATION TO THE MUNICIPAL GOVERNMENT. The use given to said properties will be determined by the municipal authorities.
- II. ECOLOGICAL PRESERVATION AREAS. Areas that must be preserved in their natural state.
- III. GREEN AREAS. Land lots feasible to hold green or recreation areas.
- IV. PUBLIC ROADS. Sections of land destined to the free and public circulation of people or vehicles, or any other transport means, as well as to hold public services installations.

V. SINGLE HOUSING STRUCTURE. Those assigned to hold exclusively one house per lot.

The private areas will be for the exclusive use and benefit of the owner or legal holder of the corresponding lot, the use or destination of the land for each lot will be exclusively for the purpose and use that has been approved in the project by the corresponding authority. Any violation of what is approved for land use in the property constitutes a cause for rescission of the corresponding agreement by means of which the property of the land was acquired or entrusted, notwithstanding the right that the ASSOCIATION always has to notify the corresponding authorities and take the necessary measures for due compliance with the provisions of said authorized land use.

The ASSOCIATION will have the right at any time, without any liability to the OWNER and/or holder, to enforce all the provisions mentioned in these RULES AND REGULATIONS and any other secondary document, as well as apply administrative sanctions, fines, and/or procedures for breach of them, following the rules described in ANNEX D, which forms an integral part of this document.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 11.- Public Roads and access ways are not subject to possession and are untransferable and only by decree issued by the State Congress can they be taken out of Public Domain, specific cases in which said limitations would cease.

SECTION III

URBAN IMAGE AND REGULATIONS

ARTICLE 12.- Natural Settings are composed of:

- I. Bodies of Water
- II. Climate
- III. Runoffs
- IV. Topography
- V. Trees and vegetation

SECTION IV CONSTRUCTION PERMITS AND LICENSES

ARTICLE 13.- Prior to the commencement of any construction on private areas of the DEVELOPMENT, the OWNERS must first submit to the ASSOCIATION for its study, the plans and projects for the house to be built, so that it may be determined if it complies with the provisions

of these RULES AND REGULATIONS and other newsletters or documents related to the construction regulations within the DEVELOPMENT prepared by the Board of Directors of the ASSOCIATION.

Once the project has been authorized by the ASSOCIATION by means of the Architectural Committee, the OWNERS must comply with the authorization process of the municipal authority, this so the project complies with the technical provisions of construction required under the Edification and Housing Law (Ley de Edificación y Vivienda), as well as with the provisions of these RULES AND REGULATIONS, newsletters, and applicable documents pertaining construction regulations within the DEVELOPMENT.

In the event that the OWNERS refrain from obtaining prior authorization from the ASSOCIATION to carry out the construction in question within the DEVELOPMENT, the Board of Directors for that sole reason shall have the right to impose a fine on the OWNER in the terms of Annex D of these RULES AND REGULATIONS, which forms an integral part thereof, as well as to act in terms of article 27 of these RULES AND REGULATIONS. Said fine will form part of the file that the Architectural Committee keeps for this purpose and will be available to the OWNERS for their analysis, review, and payment at the DEVELOPMENT Administration office, as well as on its website.

To ensure due compliance to these RULES AND REGULATIONS and other construction provisions, the OWNERS at the time of delivery of the project plans to the ASSOCIATION for its review and approval, if applicable, must cover a guarantee deposit that at all times will be fully reimbursable once and provided that the project has been duly completed and complies with the construction provisions implemented within the DEVELOPMENT, with the approval of the municipal authorities and the Architectural Committee, and that the areas where said project was carried out have been cleaned and cleared of all and any indication of construction.

Regarding the construction of homes by the DEVELOPER, said activity shall comply with the provisions of the Laws, RULES AND REGULATIONS and other related provisions in force in the State of Baja California and the Municipality of Playas de Rosarito, considering the developer is a member of the ASSOCIATION.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 14. CONSTRUCTION LICENSE: To execute any construction or edification, it is necessary to obtain a Construction License issued by the proper municipal authority. The holder, owner, or legal representative of the OWNER of the property must present before said authority the application for Construction License following the guidelines set forth in article 13 of this document.

ARTICLE 15. REQUIRED DOCUMENTS: The municipal authority will provide the appropriate forms to obtain the Construction License, which must be filled out and signed by the owner or its legal representative, by responsible or co-responsible directors, attaching, among others, the following documents:

- I. Document that supports legal title of the property.
- II. Official and current survey and document containing the physical delivery of the property by the DEVELOPER.
- III. Alignment and official number issued by the corresponding municipal authority.
- IV. Document that supports that the OWNER is up to date regarding the fiscal obligations of the property.
- V. Approval document and authorized plans by the DEVELOPER and/or the ASSOCIATION.

ARTICLE 16. RESPONSIBLE PARTIES: The parties to be held responsible for the compliance of the obligations established in the Law of Edification and Housing (Ley de Edificación y Vivienda) are as follows:

- I. DESIGNER: The Civil Engineer or Architect duly assigned to the corresponding municipal authority that is responsible for complying with laws and rules and regulations applicable to the edifications to which he/she has his/her responsibility.
- II. RESPONSIBLE OWNER: Individual or entity that proves property of the lot object of said construction.
- III. RESPONSIBLE DIRECTOR OF THE PROJECT: The Civil Engineer or Architect duly assigned to the corresponding municipal authority that is responsible for complying with laws and rules and regulations applicable to the projects to which he/she has his/her responsibility.

The Architectural Committee and the Board of Directors of PDM do not have the responsibility of guaranteeing compliance with the Construction and Housing Law; However, if they are informed of a violation, they will notify the responsible parties so they can resolve the issue.

SECTION V RULES OF DESIGN AND CONSTRUCTION GENERAL PROVISIONS ARCHITECTURAL COMMITTEE/APPROVAL OF PLANS

ARTICLE 17.- POWERS OF THE COMMITTEE: The ARCHITECTURAL COMMITTEE of the Board of Directors of "Asociación de Residentes de Puerta del Mar, A.C." is hereby formed with the rights and powers set forth in these RULES AND REGULATIONS as well as in the By-Laws

of the ASSOCIATION. Said ARCHITECTURAL COMMITTEE shall be formed as established by the By-Laws of the ASSOCIATION. In the event of the failure or inability of any member of the ARCHITECTURAL COMMITTEE to act, the remaining members shall designate a successor who shall serve for the remainder of the term of the replaced member. All members appointed or elected for the ARCHITECTURAL COMMITTEE must belong to the ASSOCIATION. No member of the ARCHITECTURAL COMMITTEE shall be liable to any person for its decisions or failure to act in making decisions as a member of the ARCHITECTURAL COMMITTEE.

ARTICLE 18. MEETINGS OF THE ARCHITECTURAL COMMITTEE: The Architectural Committee shall meet, from time to time, as necessary to perform its duties under these RULES AND REGULATIONS. The ARCHITECTURAL COMMITTEE may, by a majority vote of the members thereof, delegate any of its rights and responsibilities hereunder to one or more duly licensed architects, who shall have full authority to act on behalf of the ARCHITECTURAL COMMITTEE on all matters so delegated.

ARTICLE 19.-ARCHITECTURAL APPROVAL -REVIEW OF PLANS AND SPECIFICATIONS. The ARCHITECTURAL COMMITTEE shall have the right and duty to issue reasonable standards to examine any request made pursuant to this article, to ensure that the proposed plans are in conformance with and are harmonious to the exterior design and existing materials of the buildings in the DEVELOPMENT. The ARCHITECTURAL COMMITTEE shall consider and act upon any and all plans and specifications submitted for its approval under these RULES AND REGULATIONS, and perform such other duties as, from time to time, shall be assigned to it by the ASSOCIATION, including the inspection of construction and progress to ensure its conformance with the plans approved by the Architectural Committee. No construction, alteration, grading, addition, excavation, modification, decoration, redecoration, reconstruction or improvement shall be commenced or maintained by any OWNER until the plans and specifications therefore showing the nature, kind, shape, height, width, color, materials and location of the same have been submitted to the Architectural Committee and approved in writing by the ARCHITECTURAL COMMITTEE by means of the Puerta Del Mar New Construction Plan Approval Application which attached to this document as ANNEX A

The Architectural Committee shall approve the plans and specifications submitted for its approval only if it deems that:

I. The construction, alterations or additions contemplated thereby, and the locations indicated will not be detrimental to the appearance of the surrounding area of the DEVELOPMENT as a whole.

- II. The appearance of any structure affected thereby will be in harmony with surrounding structures.
- III. The construction thereof will not detract from the beauty, wholesomeness, and attractiveness of the DEVELOPMENT, or in detriment thereof of other OWNERS.
- IV. The upkeep and maintenance thereof will not become a burden on the ASSOCIATION. The ARCHITECTURAL COMMITTEE may condition its approval of proposals or plans and specifications for any Improvement:
 - a. On such changes therein as it deems appropriate.
 - b. Upon the agreement by the person submitting the same to grant appropriate easements to the ASSOCIATION for the maintenance of the Improvement, or
 - c. Upon the agreement of the person submitting the same to reimburse the Association for the cost of such maintenance, or all the above, and may require submission of additional plans and specifications or other information prior to approving or disapproving the submission.

The ARCHITECTURAL COMMITTEE may also issue rules or guidelines setting forth procedures for submission of plans for approval and may require a payment of a fee to the Association to accompany each submission of plans and specifications, or additional factors which it will take into consideration in reviewing submissions.

The ARCHITECTURAL COMMITTEE may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings, landscape plans and description or samples of exterior material and colors.

To ensure the impartiality and independence of the actions of the ARCHITECTURAL COMMITTEE and that the projects submitted to it comply with the construction regulations in force at the time of delivery, the project plans in question will be analyzed by an expert in the field of Architecture which will be appointed by the aforementioned Architectural Committee at its discretion.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 20.- DECISIONS OF THE ARCHITECTURAL COMMITTEE. Until receipt by the Architectural Committee of any required plans and specifications, and such other information as may be required, the Architectural Committee may postpone review of any plans submitted for approval. Decisions of the Architectural Committee and the reasons of them should be transmitted by the ARCHITECTURAL COMMITTEE to the applicant, at the address set forth in the Puerta

Del Mar New Construction Plan Approval Application, within forty-five (45) days after receipt by the Architectural Committee of all plans, specifications and materials required. Any request submitted in accordance with the aforementioned provisions will be considered for approval unless it does not meet the requirements indicated above, for which case said requirement to rectify will also be notified in writing to the OWNER including, where appropriate, the request to present additional information or types of material to be used in construction. The Architectural Committee shall notify the applicant of all this within a period of forty-five days after the Architectural Committee has received all the required material.

ARTICLE 21.- INSPECTION OF CONSTRUCTION: Upon consent of the OWNER, which consent shall not be unreasonably withheld, any member or authorized representative of the Architectural Committee may, at any reasonable hour and upon reasonable notice, enter and inspect any property which has been the subject matter of an approval of a submission for a construction. Such entry shall be made with as little inconvenience to the OWNER as reasonably possible, and any damage caused thereby shall be repaired by the ASSOCIATION. If the ARCHITECTURAL COMMITTEE finds that such construction was not done in substantial compliance with the approved plans and specifications, it shall notify the OWNER in writing of such noncompliance, specifying the particulars of noncompliance and shall require the OWNER to remedy the same within thirty (30) days from the date of notification of such noncompliance. If after the term of the notification of the breach, the same persists, the ASSOCIATION may make additional charges to the OWNER for the expenses generated to remedy said breach.

ARTICLE 22.- NO WAIVER OF FUTURE APPROVALS: The prior approval of the Architectural Committee to any submissions for any construction done, or proposed to be done, or in connection with any other matter requiring the approval or consent of the Architectural Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent of any similar proposals, plans and specifications, drawings or other matters subsequently or additionally submitted for approval.

ARTICLE 23.- VARIANCES. Where circumstances such as topography, location of buildings, location of landscaping or other matters require, the Architectural Committee, by the vote or written assent of a majority of the members thereof, may allow reasonable variances as to any of the Covenants contained in this RULES AND REGULATIONS or provisions under the RULES AND REGULATIONS issued by the Architectural Committee, on such terms and conditions as it shall require. The granting of such a variance shall not operate to waive any of the terms and provisions of these RULES AND REGULATIONS for any purpose, except as to the particular Lot and particular provision hereof covered by the variance, nor shall it affect in any way the OWNER's obligation to comply with all governmental laws and RULES AND REGULATIONS affecting the OWNER's use of his Lot, including, but not limited to, zoning ordinances, Lot setback

lines or requirements imposed by the City or other governmental authority. The architectural committee cannot allow variation in height where it will adversely affect the view from any lot within PDM.

ARTICLE 24.- ARCHITECTURAL DECISION APPEAL. In the event plans and specifications submitted to the Architectural Committee are disapproved, the party making such submission may appeal in writing to the ASSOCIATION. The written request must be received by the ASSOCIATION not more than forty-five (45) days following the final decision of the Architectural Committee. The ASSOCIATION shall submit such request to the Architectural Committee for review, and the written recommendations of the Architectural Committee will be submitted to the ASSOCIATION. Within forty-five (45) days following receipt of the request for appeal, the ASSOCIATION shall render its written decision. The failure by the ASSOCIATION to render a decision within said forty-five (45) day period shall be deemed a decision in favor of the party making such submission.

ARTICLE 25.- To carry out any type of edification previously authorized by the corresponding Municipal Authority, the following construction and design characteristics must be considered:

I. DESIGN

In general, the design of the construction must comply with the provisions of the Rules of Municipal Edification (Reglas de Edificación Municipal). This is, it must have the corresponding permit issued by the Direction of Public Works, Planning and Urban Control (Dirección de Obras Públicas, Planeación y Control Urbano).

All OWNERS must comply with the following:

- 1. PLAN SUBMITTAL REQUIREMENTS. Prior to the commencement of construction (1) one set of plans shall be submitted to the ARCHITECTURAL COMMITTEE for review and approval. The complete submittal requirements are as follows:
 - a) A completed Puerta Del Mar New Construction Plan Approval Application shall be included with each submittal to the ARCHITECTURAL COMMITTEE, along with the receipt of payment for a review fee charged by the expert in construction same that at all times will be fixed by the ARCHITECTURAL COMMITTEE and informed to the OWNERS through newsletters and the Association's web page, this fee will be calculated in accordance to the market value of the professional

services that are in force at time of filing.

- b) Two full size drawings of the site plan for review (minimum 24" x 36" or 594 x 841mm) with drawing scales indicated. One set of the drawings will be retained by the ASSOCIATION.
- c) Building location with dimensions to at least two (2) property lines.
- d) Setbacks and easements.
- e) Grading and drainage plan.
- f) Plans of facades presenting heights, materials, finishes, etc.
- g) Exterior details, including chimneys, exterior stairs, decks, railings, deck columns, etc.
- h) At least one cross section of the structure that indicates the inclination and height of the roof.
- i) Electrical plans indicating location of all exterior lighting.
- j) Exterior color choice for the house, trim material, walls, wrought iron fences and any other structures.

The ARCHITECTURAL COMMITTEE may at any time request additional information to that stated above to visualize the proposed project.

In the event that any construction change is made that results in a violation of the DEVELOPMENT's construction guidelines, the ARCHITECTURAL COMMITTEE shall have the power to issue a fine to the owner of the lot for failure to notify such variation. The amount, collection procedure and general details of the fine will be specified in the construction guidelines prepared by the ARCHITECTURAL COMMITTEE itself. Next, the necessary corrective action will be determined so that the project is viable and follows the Construction Rules and Regulations of the DEVELOPMENT. If the owner wishes to maintain the construction as such, they will be required to make the variance and follow that process. Payment of the fine does not guarantee acceptance of the variation.

2. RESUBMITTAL OF PLANS. In case of any rejection of the plans presented for approved by the ARCHITECTURAL COMMITTEE, these may be presented again with the corrections made and must comply with the same original procedure for approval. 3. NOTICE OF COMPLETION OF NEW CONSTRUCTION AND WORK INSPECTION FORM. At the end of any construction, prior to any application for the Occupancy Permit to the Municipality of Rosarito, the Notice of Completion of New Construction and Work Inspection Form will be delivered in writing to the ARCHITECTURAL COMMITTEE, said form is included in this document as ANNEX B. The ARCHITECTURAL COMMITTEE will inspect the work within a maximum term of thirty (30) days from the date of receipt of the Notice of Completion of New Construction and Work Inspection Form, to ensure that it was built in compliance with approved architectural plans, colors, and materials. If any non-compliance is found against the approved plans, colors and materials, the ARCHITECTURAL COMMITTEE will send a Notice of Non-Compliance to the builder within thirty (30) days after receipt of the New Construction Notice of Compliance Form. The builder shall amend said breach within a period of forty-five (45) days from receipt of the Notice of Breach or the ASSOCIATION will correct the breach at the builder's expense.

The ARCHITECTURAL COMMITTEE reserves the right to investigate and request any necessary changes to adapt the construction according to how it was approved in the plans.

- 4. IMPROVEMENTS OR ADDITIONAL CONSTRUCTION AND/OR EXTERIOR CHANGES. Construction or additional improvements and/or changes that are to be made after construction approval by the ARCHITECTURAL COMMITTEE, may be submitted to the ARCHITECTURAL COMMITTEE or its delegate for approval before starting said changes and/or additions. To make any improvements, the owners will submit an Architectural Modification Request to Puerta del Mar, which is attached to this document as ANNEX C and a list of signatures of the neighbor owners, in which the owners will be informed of their proposed modifications.
- 5. DEADLINE FOR APPROVAL. Final approval of plans is valid for six (6) months. Construction must begin within this period. If not, plans must be resubmitted and reviewed again.
- 6. WORK IN PROGRESS. The ARCHITECTURAL COMMITTEE and/or its delegates may inspect all constructions in progress and give notice of non-compliance. Absence of such inspection and notification during the construction period does not constitute either approval or compliance of the construction in progress by the DEVELOPMENT's ARCHITECTURAL COMMITTEE, and/or its delegates.

- 7. NON-LIABILITY OF THE ARCHITECTURAL REVIEW COMMITTEE AND/OR IT'S DELEGATES. The Architectural Committee and/or its delegates shall not be liable for damages to anyone submitting plans to them for approval or to any OWNER by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval, disapproval or failure to approve any plans or specifications. Every OWNER or other person who submits plans to the Architectural Committee and/or its delegates for approval agrees by submittal of such plans and specifications that he/she will not bring action or suit against the Puerta DEVELOPMENT Architectural Committee, the ASSOCIATION and/or its delegates to recover damages.
- 8. OTHER CONDITIONS. The approval of plans by the ARCHITECTURAL COMMITTEE and/or its representatives does not imply compliance with the requirements and standards for any local construction, such as: zoning, security, health, fire systems, etc.; and it will be the responsibility of the OWNERS or their representative, who submits the plans for authorization, to guarantee compliance. The submission will not exempt the OWNER or its representatives from compliance with the requirements and standards for limits, height restrictions and/or any other requirement unless a modification is specifically requested at the time of submitting the plan approval. Provided that even though the modifications have been duly approved by the ARCHITECTURAL COMMITTEE or its representatives, this will not be a reason for non-compliance with the requirements to obtain the construction license by the Municipality of Playas de Rosarito or any other government authority, nor of obtaining all the permits required by the Municipality of Playas de Rosarito or any other government entity, nor is the obligation to approve plans by the ARCHITECTURAL COMMITTEE and/or its representatives eliminated. The ARCHITECTURAL COMMITTEE and/or its representatives will not approve a project knowing that it violates the Laws and Regulations for Construction or Land Use of the Municipality of Playas de Rosarito, or any other government entity and is not responsible for any other criteria for acceptance of plans that are not established in these RULES AND REGULATIONS.
 - a) All construction must further conform to the Puerta Del Mar Rules and Regulations, the Puerta Del Mar By-Laws and the Construction Law for the City of Playas de Rosarito Baja California (Ley de Edificaciones para el Municipio de Playas de Rosarito, Baja California) and its regulations.
 - b) All construction must have appropriate permits, and all construction must be conducted by a licensed contractor with proper permits and insurance coverage for the work constructed and personnel.
 - c) All contractors must register with the security company and the HOA Management office.

- d) During construction, a visible sign must be posted indicating the lot and block number of the property.
- e) Owners are required to install portable toilets in the work area for their employees. The builders, workers, domestics, and in general any person involved in the development of the project may not use the restrooms of the clubhouse and common areas of the DEVELOPMENT since they are for the exclusive use of the OWNERS and employees of the ASSOCIATION.
- f) OWNERS must control dust levels during excavation and grading activities. It is highly recommended that each piece of land where construction is taking place has its own container or garbage deposit to contain the debris that is generated. If there is no receptacle for the debris, it must be removed weekly.
- g) Construction materials that will be used for the construction in a lot, may be stored only within the limits of the same. They will not be stored on the street or on any other property unless a written permission from the owner of the lot is obtained and said permit is informed to the DEVELOPMENT through its administration office.
- 9. ACTIONS FOR NON-COMPLIANCE. At any time during construction, should the ARCHITECTURAL COMMITTEE find that the OWNER does not comply with any of the Puerta Del Mar RULES AND REGULATIONS, the Puerta Del Mar By-Laws, the Construction Law for the City of Playas de Rosarito Baja California (Ley de Edificaciones para el Municipio de Playas de Rosarito, Baja California) and its regulations or, if during the course of the same, the designs that the OWNER submitted for approval by the ARCHITECTURAL COMMITTEE are changed or do not comply with its approval, OWNER will be notified in writing of these violations. The OWNER will be notified of the time limit he/she has to remedy said violations and will also be informed of what must be done to comply with the approved plans.

Should the OWNER continue to not comply or remedy these violations, the OWNER will be asked to cease all further construction until said violations are resolved. In addition, the ASSOCIATION will notify the City of Rosarito to issue a "Stop Construction Notice" until these violations have been corrected and may, if it deems it appropriate, issue a fine whose amount will be determined by the aforementioned ARCHITECTURAL COMMITTEE under the terms of ANNEX D of these RULES AND REGULATIONS, which forms an integral part hereof.

At the same time, the ASSOCIATION will notify the authorities of the Municipality of Playas Rosarito to proceed with the placement of "Notice of Closure" until said violations are corrected. Likewise, the security guards of Puerta del Mar will be notified that they must not allow the entry of any worker, supplier or subcontractor working on any construction project that is infringing the Rules and Regulations and said personnel will be asked to leave the development. until the violations have been corrected.

The foregoing does not exclude the payment of additional taxes, fines and penalties that may be imposed as indicated in the Puerta del Mar Fines Policies, which is attached to this document as ANNEX D and in any case the payment of the same does not guarantee that the construction or modifications have been accepted, so that at all times the OWNER continues to be obliged to maintain the project within the construction guidelines established by these RULES AND REGULATIONS, those of the ARCHITECTURAL COMMITTEE, agreements made by the General Assembly of Members and others documents and regulations that the ASSOCIATION deems convenient.

- 10. REVIEW OF WAIVER. The ARCHITECTURAL COMMITTEE and/or its delegates reserve the right to waive or vary any of the procedures or standards set forth at its discretion for good cause shown.
- 11. DESIGN GUIDELINES DISCLAIMER. Although a reasonable effort has been made to ensure the accuracy of the contents of these Design Guidelines, The ASSOCIATION cannot be responsible for any errors, omissions or inaccuracies contained herein. The ASSOCIATION can assume no responsibility or liability whatsoever associated with the use of the Guidelines contained herein and no representation is made as to the accuracy or completeness of the Guidelines contained herein. The Guidelines are subject to amendment and supplementation and any such amendments or supplements are not included herein. To ensure that a complete and accurate copy of the Design Guidelines is being consulted, refer to the then current Guidelines and any amendments and supplements held by ASSOCIATION.
- 12. EXEMPTION TO VIOLATIONS COMMITED BY THE PREVIOUS OWNER: The owners who have acquired a property within the Puerta del Mar Residential Development that has one or more design and/or constructions violations of the Rules and Regulations committed by the previous owners, will not be considered in breach of these before the Association.

The exemption referred to in the preceding paragraph will not be precedent to be considered for future design and construction.

Paragraph was added by General Members Meeting NOV-21-20

II. OF THE CONSTRUCTION

- 1. CLEANING DURING THE CONSTRUCTION PERIOD. The OWNER is obligated during and after the construction process to maintain his/her property lot and those of his/her immediate neighbors, free from any construction material, trash, and other debris.
- 2. CONSTRUCTION TIMES. Once the construction of a house is being started by the OWNER, he/she will have a term of no more than 18 months to complete the construction. The above referred to do not have incomplete constructions that could affect the image of the DEVELOPMENT. In case that this occurs, the ASOCIATION will review the specific case to determine the corresponding measures.
- 3. LAND STUDIES. It is the responsibility of the OWNER, before any construction begins, to conduct a study of ground mechanics of his/her property to determine the type of construction and foundation required, as well as other relevant and important information.
- 4. MAINTENANCE OF SEWAGE. When installing the drainage system, it is very important to verify that the water flows away from the building foundation and that the flow design prevents ponding and prevent water from running under or near or against the building foundation, roads, sidewalks, and streets. At no time may the drainage of any adjacent lot be altered. Roofs, balconies and in general all construction must have proper drainage to prevent leaks that reach public areas or neighboring lots. For locations near or adjacent to the Federal Zone, the water that flows from them will not be channeled to said area. The flow of any drainage will be directed toward the street, or into the drainage system. The OWNER of each construction is responsible for any erosion control in which it is necessary to protect adjacent sites or common areas, due to damage to the drainage system or erosions related to its drainage. All black and gray water must drain into the Puerta del Mar drainage system.
- 5. HOUSES AND/OR CONDOMINIUMS BUILT BY THE DEVELOPER. Everything related to Condominiums, will be regulated by the Law on Real Estate Condominium Property Regime of the State of Baja California (L.S.R.P.C.I.B.C.) and other laws, regulations, and provisions in force. Regarding houses, this will be regulated by the Building and Housing Law, by this RULES AND REGULATIONS document and by other applicable laws in force.
- 6. PARKING: Every lot must have 2 automobile parking spaces as a minimum. Regarding condominiums, this must be pursuant to the provisions in the Law on Real Estate

Condominium Property Regime of the State of Baja California (L.S.R.P.C.I.B.C.), these RULES AND REGULATIONS and other laws, regulations, and provisions in effect.

- 7. PROVISIONAL INSTALLATIONS. During the period of construction, the OWNERS must install portable restrooms for workers use, which must remain for the whole duration of construction, provisional installations such as restrooms, storage shacks, etc. must be strategically placed so that they do not visually or otherwise contaminate and must be immediately removed upon completion of the construction.
- 8. PUBLIC SERVICE INSTALLATIONS. In each lot, the OWNERS must build a special module for service connections, such as gas, water, electricity, etc., which must remain hidden and comply with required specifications by authorities or companies rendering said services.
- REGARDING THE WATER TANK. The OWNER is responsible for constructing a water tank that permits him/her to hold as a minimum enough water to consume in a week, this tank is to be kept clean, covered by a flagstone of hydraulic concrete, and its lid sealed as hermitically as possible.
- 10. LOCATION. Each construction site has its own specific qualities and characteristics. It is important that the owner reviews carefully the construction site, observe its special assets and decide how each of these can best be used to increase the aesthetic value of the property and the community.
 - a) The exterior level will be adapted to the infrastructure of the drainage system and to that of the neighboring buildings.
 - b) The constructions will be located to complement existing or planned constructions on neighboring lots. It is especially important that no drainage network erode the soil on adjacent properties. Cooperation between Owners and Neighbors with respect to location levels should be encouraged.
 - c) All existing slopes and proposals for construction must be shown in the plans submitted to the ARCHITECTURAL COMMITTEE for study and approval in the architectural project.
 - d) No slope will extend beyond the limits of the property.

Article was amended by General Members Meeting JUL-15-17

ARTICLE 26.- The restrictions that will be considered to prepare the construction plans are those that appear in the document of the Construction Guide and Plan Approval

Process, which is included in these RULES AND REGULATIONS document as ANNEX E.

I. ANTENNAS. No exterior radio or television antennas may be installed. This prohibition includes exterior microwave or cable television satellite dish antennas. However, the Architectural Committee or its delegate may approve satellite dishes that are less than twenty inches (20") in diameter.

Requests to the ARCHITECTURAL COMMITTEE or its delegate for approval of installation of such instruments must meet the following requirements:

- a) Each dish or antenna must be located in the least conspicuous area possible to minimize visual clutter.
- b) A written request with specifications and a photograph of the structure indicating the location where the instrument is to be placed must be submitted for approval prior to any installation.
- II. DECORATED DOORS. Decorated doors that are used for entrance gates, courtyards or garage doors will not be required to be painted white or match the house color. These doors will enhance and compliment the Mediterranean, Southwestern or Spanish house style. Samples are included in the document called "Artistic Doors" and which is attached to this document as ANNEX F.
- III. COLOR. Color to be used in frontages will be the ones contained at the Construction Guidelines and Plan Approval Process and at the Approved House Colors document which will need to get the approval from the ARCHITECTURAL COMMITTEE same that is attached to this document as ANNEX G as it forms integral part of it.
- IV. EXTERIOR LIGHTING. Exterior lighting must be subdued. The lighting should minimize light spill onto adjacent properties and may be permitted by the architectural plans or in subsequent submittals for such purposes as illuminating entrances, decks, driveways, etc. In all cases, exterior lights should be of a design compatible with the structure.
- V. EXTERIOR MATERIALS. Exterior finishes shall be restricted to stone, finished concrete or stucco. The DEVELOPMENT's ARCHITECTURAL COMMITTEE encourages the use of masonry on the structure as a unifying element on all four elevations of every structure. Wood or hardboard siding is not allowed. Clay and concrete tiles are allowed. Standardized asphalt shingles are not allowed. Window frames will be painted wood, natural wood, anodized painted aluminum or vinyl cladding.

VI. EXTERIOR MECHANICAL EQUIPMENT. All exterior mechanical equipment, such as air conditioners and heating equipment, will be either incorporated into the overall form of the structure, be enclosed by a structure matching exterior house material or be landscaped to reduce impact. Installation of any exterior mechanical equipment requires approval from the ARCHITECTURAL COMMITTEE or its delegate.

Under no circumstances may these devices be installed on the roof or placed in a window of the building so that they are visible from the outside of the house. Roof-mounted mechanical equipment must be shielded in such a way that they do not interfere with views and views of neighboring properties, including from balconies and roof terraces.

- VII. EXTERIOR STORAGE AREAS. Outbuildings, storage sheds, and structures of a temporary nature if visible are prohibited. No accessory buildings (unless approved by the ARCHITECTURAL COMMITTEE or its delegate) will be allowed.
- VIII. FLAGPOLES. Flagpoles are prohibited.
- IX. FRONTAGE. In all constructions, the use of leftover construction materials is prohibited, this with the idea in mind that the frontages have good finishes, reflecting this on the rest of the DEVELOPMENT, and always being of the styles, in which roof tiling, semi-arches and square patterned windows are used, etc. The authorized styles are established in the Construction Guidelines and Plan Approval Process.
- X. HEIGHT. The height must comply the limits established in the Puerta Del Mar Height Guidelines, which is attached to this document as ANNEX H and Construction Guidelines and Plan Approval Process. The maximum height of a construction will vary according to the specific location of each lot. In all cases, construction must respect the panoramic view of immediate neighbors.

In the following Blocks, only constructions with a maximum height of 4.80 meters may be carried out:

Block No. 4 Block No. 10 Block No. 14 Block No. 18

In the following Blocks, only constructions with a maximum height of 7.00 meters may be carried out:

Block No. 2 Block No. 3 Block No. 8 Block No. 9 Block No. 12 Block No. 13 Block No. 16 Block No. 17 Block No. 19 Lot No. 1 Block No. 20 Block No. 21

In the following blocks a CONDOMINIUM will be constructed. No structure in this block can exceed a height of 4.80 Meters as measured from the sidewalk level on "Calle Puerta del Pacifico".

Block No. 7

In the following blocks there is no height restriction.

Block No. 1 Block No. 6 Block No. 11 Block No. 15 Block No. 22 Commercial Area

The following blocks are for exclusive use of:

Block No. 5 Black Water Treatment Plant Block No. 19 Sports Area with exception of Lot No.1

XI. HOT TUBS AND POOLS. Approval of the ARCHITECTURAL COMMITTEE or its delegate is required for all hot tubs and pools. Plans must designate materials, dimensions, and location. Hot tubs and pools will be integrated into the design of the structure and landscaping. Above-ground pools will not be allowed.

XII. LANDSCAPING. The landscaping in the lots should help in such a way that erosion can be controlled, so that it does not affect the panoramic view to another neighbor, so that the air quality is protected by reducing dust, loose soil and so that it also serves, as a vegetal barrier. The landscaped areas should contribute to the beauty of the DEVELOPMENT and by using native plant species it will be possible to save water and energy. The Architectural Committee or its delegate must review and approve all landscaping plans.

To add landscaping not on the originally approved plan, separate written approval must be received from the Architectural Committee or its delegates prior to installation.

Garden areas shall include and be covered with the following:

- a) Trees. One tree of at least 5 gallons for every 50 square meters of landscaped area.
- b) Bushes. One bush of at least one gallon for every 25 square meters of landscaped area.
- c) Ground Covering. 100% of the landscaped area must be covered with the following options: Grass and plants with a maximum height of 45 cm. Covering a minimum of 20% of the total area of floor covering.
- d) Decorative materials. Consisting of organic material such as: tree wood chips or similar materials and/or inorganic material like gravel, stone, crushed brick, and similar materials, covering 80% of the landscaped area with a thickness of at least 5cms. No concrete or crushed asphalt may be used.
- e) Trees and bushes may be distributed according to the construction.
- XIII. PLAY AND SPORTS EQUIPMENT. Approval by the ARCHITECTURAL COMMITTEE or its delegate is required. Equipment such as basketball backboards and play sets will be located in the rear or side yard. Size and color will be considered on a case-by-case basis depending on Site size and proximity to neighbors. The applicant is required to provide proof of notification of all adjacent property owners when plans are submitted for approval for any play and sports equipment.
- XIV. SIGNS. The placing of signs in residential lots is prohibited, except for those to sell or rent said lot, in which case one sign per lot will be permitted, said sign must of good appearance and comply with the measurements of 30X40 cm.

- XV. SETBACKS. Setbacks are defined in Annex M. No structure or protrusion is permitted to be built on or extend beyond the OWNER(S) property line.
- XVI. MANDATORY SETBACKS OR CORRIDORS. All the lots that are within the DEVELOPMENT except for those described in ANNEX M of these RULES AND REGULATIONS, and which are considered an integral part of them, must have the mandatory setbacks that are specified in said document.

Setbacks or corridors are encouraged to help enhance the appearance of homes as well as serve as a means of access for emergency services in such situations.

No structure or construction element that exceeds the limits of the property will be authorized.

Section was amended by General Members Meeting OCT-23-21

- XVII. SOLAR HEATING. No solar energy panel or other energy harvesting equipment may be installed anywhere on any land or in common areas, there will be no modification to this, unless the equipment is installed in a place and in such a way that it is completely lose sight of anyone in PUERTA DEL MAR, to the maximum degree possible without significantly decreasing its efficiency. No person may install such panels or equipment without the prior written approval of the ARCHITECTURAL COMMITTEE or its representatives, which shall have the right to reasonably restrict and determine the size, shape, color, style, material, or location of any of these panels or equipment within the DEVELOPMENT.
- XVIII. STYLE OF HOUSES. Houses must conform to the design elements of Mediterranean, Southwestern, Spanish, or Modern designs as referenced in the Construction Guidelines and Plan Approval Process (Annex E):
 - a) Spanish House Styles (Annex I)
 - b) Mediterranean House Styles (Annex J)
 - c) Southwestern House Styles (Annex K)
 - d) Modern Style Houses (Annex Q)

Section was added by General Members Meeting JUL-21-18

XIX. WALLS AND FACADES: Front, side, and rear walls, outside the area occupied by the front access, must comply with the limits established in the Construction Guide and Plan Approval Process and with the Wall and Fence Height Guide, which is included in this document as ANNEX L, in special cases, the

DEVELOPER and/or the ASSOCIATION may modify the height limit at the request of the OWNER of the lot.

- a) The front, rear and side walls must be built of concrete or concrete block and be plastered or stuccoed and must be painted with the authorized colors creating harmony. The front walls could include natural stone, this would be subject to the approval of the ARCHITECTURAL COMMITTEE. Solid walls or constructions such as entrances to the front patios of the houses may not exceed 50% of the total width of the property. The height of the walls may not exceed 2.00 meters in height. The use of wrought iron to fence the front of the house is authorized, as long as it does not exceed 2.00 meters in height.
- b) The wrought iron fence shall be painted black or white unless the ARCHITECTURE COMMITTEE approves another color.
 Fences or walls that interfere with sewage will not be installed. Wooden fencing will not be allowed.
- XX. WINDOWS AND WINDOW TREATMENTS. Window coverings that are visible from the outside must be white, off-white, or neutral. Changes to windows are subject to the following guidelines:
 - a) Materials that reflect and create a mirror effect from the outside must not be used. Materials such as sheets, paper, or aluminum foil will not be allowed on the windows.
 - b) Changes to the exterior of windows and window treatments or new window installations require the approval of the Architectural Committee.
 - c) Wrought iron security bars are prohibited unless approved by the Architectural Committee.
 - d) Regarding the properties destined for the construction of CONDOMINIUMS, this will be determined by L.S.R.P.C.I.B.C, other laws, regulations, and stipulations in force. Section was amended by General Members Meeting JUL-15-17

ARTICLE 27.- The mandatory RULES OF CONDUCT within the DEVELOPMENT are as follows:

I. ASSOCIATION'S RIGHT TO REPAIR NEGLECTED LOTS. In the case of OWNERS who, at the discretion of the ASSOCIATION, have allowed their property to decay, become dangerous, unsafe, or out of tune with what was determined by the Association, the ASSOCIATION, then, will have the right to demand that said property be repaired. In the event that it has not been repaired within fifteen days of the request, the ASSOCIATION will have the right, but not the obligation, to correct such condition and to take possession of the part of the construction that has fallen into this situation, for the sole purpose of correcting such condition. The OWNER shall immediately reimburse the

ASSOCIATION for the cost of corrective action, including but not limited to the Association's legal expenses and costs and that the Association itself shall determine that obtaining a court order to carry out such repairs is for its own interest.

- II. IMPROVEMENTS OF PUBLIC AND COMMON AREAS. No public road, accessway, sidewalk, structure, or improvement in the DEVELOPMENT and in the common areas are to be altered, moved, or replaced without the approval of the ASSOCIATION and/or the City of Rosarito if necessary.
- III. CLOTHESLINES AND STORAGE. All clotheslines, containers, woodpiles, storage boxes, tools and equipment shall be prohibited from any Lot unless obscured from view by a fence or appropriate screen approved by the Architectural Committee of the ASSOCIATION.
- IV. COMMERCIAL ACTIVITY. In compliance with the zoning ordinances applicable to "Fraccionamiento Residencial Puerta del Mar" all commercial activities, other than residential rentals, are prohibited without prior, written authorization of the Association. Commercial activities include, but are not limited to, spas, rehabilitation facilities, medical clinics, classes, massage parlors, nurseries, childcare facilities etc.

Section was amended by General Members Meeting OCT-23-21

V. DOMESTIC ANIMAL OR PET POSSESSION. No animals of any kind shall be raised, bred or kept in any lot or in the COMMON AREA, except that common household pets, including dogs or cats, may be kept in each lot; provided, however, that no animal shall be kept, bred or maintained for any commercial purpose or in unreasonable numbers. As used herein, "unreasonable numbers" shall ordinarily mean more than two (2) animals per lot. Each OWNER shall be responsible for cleaning up any excrement or other unclean or unsanitary condition caused by said animal on any lot in the DEVELOPMENT and/or the COMMON AREAS. The ASSOCIATION, upon the approval of a majority of the Board, shall have the right to prohibit maintenance of any animal within the DEVELOPMENT which constitutes a private nuisance to any other person. Every person bringing an animal upon or keeping an animal in the DEVELOPMENT shall be liable to each and all persons for any injury or damage to, persons or property caused by such animal. All animals maintained in a lot must be kept either within an enclosure, yard, or patio, or on a leash being held by a person capable of controlling the animal.

- VI. DOMESTIC AND EVENTUAL EMPLOYEES. Casual workers shall be treated in the same manner as building contractor staff and shall be escorted by the OWNER and recorded in and out at the gates each day.
- VII. OWNERS shall be responsible to ensure their employees /workers comply with all security requirements as well as all rules of the ASSOCIATION. Domestic employees are allowed to be on the development between the hours of 06:00am and 20:00pm daily. Any extensions to these hours are to be applied for through the ASSOCIATION administration office. Domestic Employees are not allowed to receive visitors while on the development.
- VIII. EASEMENTS OVER SIDEWALKS. There is no exclusivity in the use of auxiliary passageways for each of the OWNERS, their landlords and guests, nor on the sidewalks located in the lots within PUERTA DEL MAR. These are for pedestrian access, use and enjoyment.
- IX. FIREWORKS. The use of fireworks within the DEVELOPMENT is strictly prohibited at all times.
- X. GREEN AREAS. It is strictly prohibited to extract, substitute, or alter in any way the distribution of plants and trees in the green areas of PDM.
- XI. IMPROVEMENTS WITHIN PUERTA DEL MAR. There shall be no construction, alteration, or removal of any Improvement in PDM without the approval of the ARCHITECTURAL COMMITTEE, as set forth herein below. No Improvement shall be constructed upon any portion of any ASSOCIATION Property, other than such Improvements as shall be constructed: a. by the OWNER, or b. by the ASSOCIATION as provided herein.
- XII. RENTALS. Owners are permitted to rent and lease their properties according to the following regulations. The purpose of these regulations is 1) to ensure the security of the community by allowing security and staff to know the identity of all persons within "Fraccionamiento Puerta del Mar" 2) to help absentee owners avoid unauthorized use of their property by squatters, 3) to ensure that all residents and occupants have the peaceful enjoyment of their property and 4) to permit enforcement of fines in the event of any breaches of the rules by long- or short-term renters.

Section was amended by General Members Meeting OCT-23-21

XII.1. Long-term rentals:

In the event an owner rents her or his property on a long-term basis, the owner shall provide the Association with a copy of the lease or rental agreement listing the names of all tenants and the duration of the rental. In the event the owner does not have a lease or a rental agreement, the owner shall provide written notification to the Association of the names of all persons authorized to occupy the residence and the term of the occupancy. This information shall be provided to the office prior to the date the rental/occupancy commences.

The owner shall provide the Association with a working telephone number and email address so that such owner can be contacted directly concerning any issues that may arise associated with the rental.

The owner shall provide the renter with a written copy of the rules of conduct of the Association and the fines for violation of these rules. (A copy can be obtained from the office upon request).

The owner shall be responsible for all infractions of these rules and the consequent fines associated therewith.

XII.2. Short-term rentals:

In the event an owner rents her or his property on a short-term basis, the owner shall provide the Association with the names of all guests, the make, model and license number of the guests' car(s) and the duration of their stay. This information shall be provided to the office in writing on a non-holiday weekday at least 24 hours prior to the arrival of the guests.

As with all residents and renters, reservations for use of the pool area must be made in writing at least 24 hours prior to the requested time of use. This notice to the office must include the names of all persons who will be using the pool area. Guests must be informed in advance of the rules regarding the use of the pool area and must be informed that they may not use this area without a prior reservation.

If the owner lists the short-term rental on Airbnb, VRBO or other short term rental platform the owner shall provide the Association with the link to the listing. The listing may not authorize parties or "fiestas", nor may it advertise outside commercial services such as food catering, etc.

In the event the owner will not be present and reachable during the rental, the owner shall provide the Association with a working telephone number and email address so that such owner can be contacted directly concerning any issues that may arise associated with the guests.

If not included in the listing, the owner shall provide the guests, prior to arrival, with a written copy, in Spanish and in English, of the rules of conduct of the Association and fines associated with their breach. (A copy can be obtained from the office.)

The owner shall advise all guests, prior to their arrival, that they will be required to present identification upon their arrival.

The guests shall also be advised prior to their arrival that, upon entry into the community, they will be required to sign the rules of conduct of the Association (including fines for their violation) and that they will be provided with a copy of these rules which they are required to always keep on the dashboard of their car.

The owner shall be responsible for all infractions of these rules and the consequent fines associated therewith.

Owners are responsible for making sure that only the number of tenants allowed will occupy their homes and this will be in accordance with the number of people the home can accommodate by its nature.

The number of cars parked in front of the rented house cannot exceed 2 (two). Any additional cars can be parked in phase 3 (three) of PDM, next to the tennis court. Section was added by General Members Meeting OCT-23-21

XIII. NOISE. The use of speakers, horns or any other mechanism that produces loud noise and alters public order is strictly prohibited. No OWNER shall permit or suffer anything to be done or kept upon such OWNER's Lot which will obstruct or interfere with the rights of quiet enjoyment of the other occupants, or annoy them by unreasonable noises or otherwise, nor will any OWNER commit or permit any nuisance on the premises or commit or suffer any immoral or illegal act to be committed thereon.

Section was amended by General Members Meeting OCT-23-21

Live music will not be allowed after 10:00 pm (22:00 hrs.). The maximum decibels allowed in a gathering, party, or social event is 100 (one hundred) decibels and only for 4 (four) hours according to the Official Mexican Standards.

Section was added by General Members Meeting OCT-23-21

PDM security guards are empowered to immediately contact the owners of the property where the noise is occurring in the event of a violation of the provisions contained in this section, notwithstanding the ability to contact the local police department. If the case requires it, the owner who does not enforce these provisions may be subject of a fine in the terms of the Fine Policies of Puerta del Mar.

Section was added by General Members Meeting OCT-23-21

- XIV. HAZARDOUS ACTIVITIES. No hazardous or dangerous activities shall be conducted on any portion of the DEVELOPMENT. No improvements shall be constructed on Lots which are or might be unsafe or hazardous to any person or property. Reasonable and customary construction activities by any builder or any OWNER shall not be deemed to constitute hazardous activities.
- XV. NO TEMPORARY STRUCTURES. No tent, shack, trailer or other temporary building, improvement or structure shall be placed upon any portion of the DEVELOPMENT unless approved by the ASSOCIATION.
- XVI. NO UNSIGHTLY OBJECTS. Unpleasant looking objects will not be allowed on any property that can be seen from any other property. All the conditions of unpleasant aspects, constructions, services, equipment, objects, and other elements must be kept inside a structure.
- XVII. OPEN FIRES. There will be no exterior fires whatsoever except for barbeque fires or firepits located only within the OWNER's lot and contained in receptacles designated for such purposes. Otherwise, outside fires are not permitted unless prior written approval is given by the local Fire Department and the Association an such OWNER acts in compliance with all local government fire safety and permit regulations. No OWNER shall permit any condition to exist on their lot, including, without limitation, trash piles or weeds which create a fire hazard or is in violation of local fire regulations. Trash burning on any lot or public or community spaces is strictly prohibited.

- XVIII. REPAIR AND MAINTENANCE BY OWNER. Excluding the ASSOCIATION, they will be obligated to maintain and repair their property as stipulated in these RULES AND REGULATIONS. Each OWNER must maintain the exterior of his/her residence; including without limitation, all walls, sidewalks, exterior lighting, landscaping, driveways, fences, hoses, roofs, patios, patio decks, flat surfaces, decks, balconies, windows, wire screens, locks and doors and all improvements that are located on the OWNER'S lot; in a clean, safe and attractive condition at all times and that necessary repairs are carried out as they arise.
- XIX. REPORTING TO SECURITY. Security is a shared responsibility. OWNERS must report any suspicious or unlawful occurrence to Security and/or the ASSOCIATION's administration office immediately as it is seen or perceived.
- XX. PRIVATE RESIDENTIAL DWELLING AND GUESTS. To ensure that your guests can enter PDM quickly and easily, all owners shall:
 - a)Notify the guards as soon as possible the name(s) of the guests they are expecting; and
 - b)Let their arriving guest(s) know that the guards will ask them to identify themselves.

Owners should also make certain that the guards have their current telephone numbers so they may be reached in the event of unexpected guests arrive at the gate Each Lot shall be used as a private residential dwelling and for no other purpose.

Section was amended by General Members Meeting OCT-23-21

- XXI. SPEED LIMIT. OWNERS are obligated to obey the speed limits and other traffic signals within PDM. The speed limit throughout PDM is 25 Km per hour. Any person found driving in excess of this limit or in a dangerous manner, will be subject to a warning for the first offense, and a fine for any subsequent offense as outlined in the Puerta Del Mar Fines Policy.
- XXII. STRUCTURAL CHANGES. There shall be no structural alteration, construction or removal of any Residence, fence, or other structure whatsoever in the development without the prior written approval of the Board or its designated Architectural Committee, as required herein, except such works of construction by the owner during the development of the previously approved construction.

- XXIII. STORAGE OF DANGEROUS SUBSTANCES. No harmful or inflammable substances may be kept on PDM. This rule shall not apply to the keeping of such substances and in such quantities as may reasonably be required for domestic purposes.
- XXIV. TRASH.- No rubbish, trash, garbage or other waste material shall be kept or permitted upon any portion of the DEVELOPMENT, except in sanitary containers located in appropriate areas screened and concealed from view by a fence, wall or other screen approved by the Architectural Committee, and no odor shall be permitted to arise there from so as to render the DEVELOPMENT, of any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. All such garbage which is put out for pickup, shall be in conformance with all appropriate standards established by the City or governing agency. Any approved trash containers shall be exposed to the view of neighboring Lots only when set out for a reasonable period of time (not to exceed twenty-four (24) hours before and after scheduled trash collection hours).

The owner is responsible for notifying her o his tenants of the day of garbage collection, so that said trash is deposited in the corresponding containers.

The garbage deposits in the security booths are exclusively for the use of the owners, as long as the trash being deposited there is a small bag or incidental trash, not trash accumulated during the week.

The breach of any of the obligations contained in this document will result in a fine to the owner in the terms of the document called Puerta del Mar Fines Policies

No dumping or other trash disposal is allowed in any of the greenbelts, vacant lots, Federal Zone areas, or any other common areas within PDM.

Section was amended by General Members Meeting OCT-23-21

XXV. VACANT HOUSES. It is recommended to notify Security and the ADMINISTRATOR about the houses that are not occupied or inhabited. Security will try to carry out daily inspections to ensure that the house is safe during the time it remains unoccupied. The ADMINISTRATOR and the Security Company must have the telephone numbers to be able to communicate with the owners in case of emergency. It is recommended that you make sure to set your burglar alarm and lock doors and windows when leaving your home.

ARTICLE 28. The construction of stairs in public areas is prohibited unless specifically approved by the ARCHITECTURAL COMMITTEE and/or the City, State or Federal Legislature.

ARTICLE 29. The Association, any person authorized by the Association, or any OWNER may enter any Lot in the event of any emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the OWNER as is possible, and in the event that any damage is caused by or as a result from said entry, the Association shall repair the same at its expense.

ARTICLE 30. The Association, or any person authorized by the Association, shall have the right to enter, upon reasonable notice, any Lot to perform necessary repairs which the OWNER has failed to perform, or which are necessary in connection with the repairs to the common areas or an adjoining Lot. Such entry shall be made with as little inconvenience to the OWNER as is posssible, and in the event that any damage is caused by or as a result of said entry, the Association shall repair the same at its expense.

ARTICLE 31. CONFLICTS OVER THE ESTABLISHMENT OF NEW RULES PUT IN PRACTICE. The establishment of a new rule must be done gradually so that it allows the previous one to remain, until the new one is properly adapted and adjusted. Any decision resulting from such consideration shall be made at the discretion of the ASSOCIATION and shall be binding to all.

SECTION VI OPEN SPACES – COMMON AREAS

ARTICLE 32.- Open spaces are understood to be:

- I. PUBLIC ROADS (PRIMARY, SECONDARY, LOCAL AND WALKWAYS)
- 1. COMMON AREA. The use of common areas is reserved exclusively and equitably for all OWNERS of lots, houses and/or condominiums, their guests, assignees, or lessees; however, the following restrictions apply:

USE. The use of the common areas will be regulated by the norms of conduct and will be subject to easement of access and rights reasonably imposed by the DEVELOPER for the construction and operation of the DEVELOPMENT, as well as to have access to paths, right of way and other easement of access for public services established by authorities, as well as others established for public or private services by the ASSOCIATION.

GRANT THE RIGHT OF USE OF COMMON AREAS. Any OWNER who lives in the DEVELOPMENT may grant his/her rights to use and enjoy the COMMON AREAS to members of their immediate family and to any other person who lives in their residence. In the event that the OWNER has rented or leased his/her residence, the rights to use and enjoy the COMMON AREAS will be automatically granted to his tenants for the period of time that the lease is existent, and the OWNER must lose any right to use and enjoy the COMMON AREAS for the duration of the lease. In the case of a conditional sale agreement, the seller under agreement must be obliged to delegate his/her rights of use and enjoyment of COMMON AREAS to the buyer.

OWNERSHIP OF COMMON AREAS. THE DEVELOPER hereby agrees that the ownership of COMMON AREAS is transferred to the ASSOCIATION, free of encumbrances, except for Property Tax on COMMON AREAS, which is up to date with payment, and which must be prorated to the transfer date. Said transfer must be made to the ASSOCIATION prior to or concurrently with the delivery of the DEVELOPMENT.

REPAIR OF DELIBERATE DAMAGE TO COMMON AREAS. Notwithstanding that it is the Association's obligation to maintain the COMMON AREAS, in the event that the repair or replacement of any element in the COMMON AREAS is necessary due to voluntary actions or negligence, or by omission of any OWNER, its family, guests or lesees; after notice or hearing; the ASSOCIATION must carry out the necessary works and charge the expenses of said maintenance, repair or replacement to the OWNER who has caused said flaw.

- II. ACCESS
- III. PARKS
- IV. ECOLOGICAL RESERVED ZONES
- V. PUBLIC SERVICES (CFE, TELNOR, CESPT)
- VI. FEDERAL ZONE: Land that is within 20 meters of the average High Tide of the Ocean is considered federal property. This part of land is called the Federal Maritime Terrestrial Zone, which is commonly known as the "Federal Zone". No owner may build any construction, whether permanent or temporary, or alter any of these areas without acquiring a concession from the competent federal authority, declaring the intention of the use that you want to carry out within the property, and in certain cases presenting an environmental impact report. No application for such a concession may be submitted

without the prior written approval of the Homeowners Association.

ARTICLE 33.- DEVELOPER hereby accepts that each and every one of the OWNERS, their tenants and guests will not have any exclusive right of use in and over all the sidewalks located in front of the lots within PDM, and are solely for access, use and pedestrian enjoyment.

ARTICLE 34.- STORAGE AND PARKING OF VEHICLES. All vehicles in the DEVELOPMENT shall be parked in accordance with the following:

- I. All streets within the DEVELOPMENT are public and are subject to all applicable laws, ordinances and regulations of all governmental agencies having jurisdiction over the DEVELOPMENT. All such special restrictions shall be enforced by the ASSOCIATION, in accordance with article 13 hereof.
- II. No OWNER shall park, store or keep any large commercial type vehicle or any recreational vehicle (including, but not limited to, campers, motor homes, trailers, boat trailers, boats, aircrafts, mobile homes or other similar vehicles) on his/her Lot, streets within the DEVELOPMENT or any portion of the COMMON AREAS except that any such vehicle may be otherwise parked temporarily for loading, delivery or emergency. Furthermore, OWNERS may not park any standard passenger vehicle, unless it is parked in their own parking lot or at the entrance to their parking lot, provided that said car does not cover the curb sidewalk. This restriction, however, does not limit trucks or other commercial vehicles that are necessary for construction or maintenance of the properties, of the COMMON AREAS, other property, or any improvement. Off-property parking will be limited to paved areas on the street above the vehicle creek.
- III. Each OWNER shall keep his garage readily available for parking of his respective vehicle and shall not store any goods or materials therein, nor use any portion of the garage for a workshop or other use if such storage or use would prevent said OWNER from parking any of his respective vehicles therein.
- IV. All garage doors shall always remain closed, except as reasonably required for entry to and exit from the garage.

- V. No OWNER shall conduct major repairs to any motor vehicle of any kind whatsoever in his/her garage or upon the COMMON AREAS, except for emergency repairs thereto and then only to the extent necessary to enable the vehicle to be moved to a proper repair facility.
- VI. Other than golf carts or maintenance equipment, motorized vehicles are not to be driven on streets, green areas, or common areas. This includes motorcycles, minibikes, etc. Such vehicles will not be stored as to be visible from any place.
- VII. OWNERS will be responsible for keeping their visitors from double parking and obstructing neighbors' parking entrances, disturbing public order, and therefore they must obey all traffic signals and speed limits.
- VIII. OWNERS and guests may not park on the street or common area spaces for more than a 72-hour period without prior written approval from the Board of Administration of the DEVELOPMENT.
- IX. OWNERS and their guests will occupy no more than two (2) parking spaces and will be those directly in front of their lot. In the case of events or parties, an exception will be made as long as the Administration office is notified at least forty-eight (48) hours in advance of the event.

Any person who violates any of the cases listed above will be subject to a fine issued by the ADMINISTRATION, which will consider each violation, omission, or recurrence, in accordance with the document called Fine Policies of the ASSOCIATION that is attached hereto and is identified as ANNEX D which forms an integral part hereof. Section was amended by General Members Meeting JUL-15-17

ARTICLE 35. - SAFETY REGULATIONS. PUERTA DEL MAR SWIMMNG POOL AND SPA: The use of the Pool, Jacuzzi and Club House will be regulated according to the norms established in these RULES AND REGULATIONS. This rule will remain in effect until further notice. The right to use the pool depends on compliance with these RULES AND REGULATIONS and that the owner of the house is up to date with his monthly maintenance fee to the ASSOCIATION. Only residents and guests accompanied by residents will be allowed to use the pool.

I. SOCIAL ACTIVITIES: The owners may host social parties for a group of 25 people with the approval of the ADMINISTRATION. The restrictions for such events are listed in the Security Agreement/Waiver of the Host in Social Parties in the Pool/Recreation Area, which is attached to this document as ANNEX M.

II. GENERAL RULES

- a) Anyone under the age of 13 must be accompanied by a parent, guardian, or tutor who is at least 18 years of age. The person in charge of supervising the minor must be always present in the pool area, observing all the activities of the child that is under his/her supervision. All unsupervised children under the age of 13 will be asked to leave the Pool area. The ADMINISTRATION must be notified immediately of this violation.
- b) The entrance gates to the Pool are locked and the Pool area will generally be closed at 10:00 PM.
- c) The Administration office will post in the DEVELOPMENT's clubhouse as well as on the DEVELOPMENT's internet portal, the Pool hours, in the understanding that on some occasions, it may, at its discretion, close the Pool for planned or unexpected repairs.
- d) Diving, heavy, and noisy games and running in the pool area are prohibited.
- e) Glass containers and pets are prohibited in the Pool area.
- f) Each resident, his/her family, as well as his/her guests, must clean the used area before leaving the pool area.

Section was amended by General Members Meeting JUL-15-17

ARTICLE 36. - RESTRICTIONS FOR SOCIAL EVENTS AND ENTERTAINING AT THE PUERTA DEL MAR SWIMMING POOL AND CLUBHOUSE AREA: Only residents of Puerta del Mar may reserve the Pool and Club House area, respecting the order in which it has been reserved. The Administration or the person designated for this purpose will be responsible for reserving the day and time. Residents wishing to host a social gathering of more than twenty-five (25) guests per owner must request in writing through a Pool/Recreation Area Social Party Host Waiver/Security Form, in advance, if possible, at least one week to the Administration, who will approve such request.

The BOARD OF ADMINISTRATION of the ASSOCIATION will maintain a fee schedule for reservations of the facilities described above in the DEVELOPMENT's administration offices as well as on its website. Changes in the fee schedule will be reviewed and approved at the Annual Assembly of Members. A security deposit will be required and the amount of said deposit will also be stated within said schedule. Said program will be included in ANNEX P that is included and is considered as an integral part of this document.

The owner who reserves the Pool will be responsible for any damage caused in any facility of the DEVELOPMENT. Said responsibility is not limited to the amount of the deposit, which will be refunded if the area was cleaned and without causing any damage.

The owner will sign and deliver a Security Agreement/Waiver of the Host in Social Parties in the Pool/Recreation Area to the Administration. The owner is always responsible for his/her guests.

Pool social events are limited to twenty-five (25) guests. Glass containers are prohibited. Music and excessive noise must be such that it does not disturb the adjacent houses. To maintain order within the DEVELOPMENT, live bands will be allowed with the prior approval of the BOARD OF ADMINISTRATION of the ASSOCIATION.

The ASSOCIATION will not allow the consumption of alcoholic beverages in the Pool area. The owner will be responsible for the alcohol consumption of his/her guests. No party or social gathering will last more than six hours. The party/gathering may not end after 12:00 a.m. m. (midnight). The Board will set hours for the pool and clubhouse as well as private events. These will be reviewed at the annual meeting and made available in the office and on the website.

The owner and guests will obey all the rules of the Pool, will collect all the garbage, and leave the used place for the event in order and clean.

As Puerta del Mar does not have a lifeguard, the host owner will assume all responsibility for the use of the Pool and Jacuzzi. The owner also agrees to release the ASSOCIATION, owners, and residents from all liability, for any inconvenience that arises from the use of the facilities in the area of the Pool, Jacuzzi, and Club House.

Exceptions may be made for events held by the ASSOCIATION.

Section was amended by General Members Meeting JUL-15-17

ARTICLE 37. - TENNIS COURT/MULTI-PURPOSE COURT RULES:

I. The tennis/multi-purpose court is exclusively for the use of members in good standing of Puerta Del Mar Association and authorized guests. Trespassing on the court and/or use by unauthorized individuals is strictly prohibited.

- II. Appropriate attire will be worn on the court, including proper flat-soled tennis shoes. Hard-soled shoes, cleats, soccer shoes, etc., are prohibited.
- III. Glass bottles, alcoholic beverages, and food are prohibited on the tennis court/multipurpose court.
- IV. Only the use of tennis equipment is permitted in the tennis court area.
- V. The tennis courts and multipurpose courts will only be available for use at times established by the BOARD OF DIRECTORS, which will be informed through newsletters always posted on the courts and available at the DEVELOPMENT administration office.
- VI. The use of the tennis courts and multipurpose courts must be reserved according to the order of arrival and may be used for a maximum of one hour of play when other members of the community and/or authorized guests are waiting. If the tennis and multi-use courts have begun to be used upon your arrival, you will be asked to sign up for a designated roster to establish the order of the waiting list.

Section was amended by General Members Meeting JUL-15-17

ARTICLE 38. – COMPLAINTS AND REPORTS OF VIOLATIONS: ASSOCIATION members and residents may report violations to the ASSOCIATION Directors and/or the administration office. For the purpose of adequately enforcing the RULES AND REGULATIONS that regulate the complex, each violation is clearly and exactly specified in the form ANNEX N of this document. The information provided will be confidential.

SECTION VII URBAN FURNISHINGS (USES AND MAINTENANCE)

ARTICLE 39.- Urban Furnishings are to be understood as:

- I. BENCHES
- II. BARRIERS FOR VEHICLES
- III. FOUNTAINS
- IV. INFORMATION MODULES
- V. LIGHT FIXTURES
- VI. MAILBOXES
- VII. PUBLIC TELEPHONES
- VIII. PUBLIC TRANSPORT PICK UP AREAS

- IX. SIGNS
- X. TRASH DEPOSITS

SECTION VIII SIGNS

ARTICLE 40.- The following form part of the signaling:

- I. TO INFORM AND PROMOTE
- II. TO GUIDE
- III. TO PREVENT AND RESTRICT

SECTION IX SECURITY AND ENFORCEMENT OF THE RULES AND REGULATIONS

ARTICLE 41.- The municipal authority is responsible for the compliance with laws and regulations pursuant to construction, and it has the capacity to detect unlicensed construction, suspension of same, notices, warnings, and summons.

ARTICLE 42.- The OWNERS of any property in PUERTA DEL MAR must become members of the Civil Association "Asociación de Residentes de Puerta del Mar, A.C." and comply with each and every one of the obligations that the bylaws confer on it to obtain the rights that correspond to it as a member. These RULES AND REGULATIONS refer to the ASSOCIATION, and it will be governed by the guidelines established in these RULES AND REGULATIONS and by its own Bylaws.

ARTICLE 43.- The ASSOCIATION will have as its objective, among others, to administrate, preserve, maintain and supervise the operation, acquisition and construction of the DEVELOPMENT, it will also have the capacity to establish and collect the necessary fees for maintenance, to pay public lighting and preserve in a good conservation state public areas and general services of the DEVELOPMENT, to serve and supply any service that the authorities are not capable of supplying on time, maintaining optimal quality in the DEVELOPMENT, and which will have the rights and responsibilities established in its own By-laws and in these RULES AND REGULATIONS.

The ASSOCIATION's remedies for non-payment of fees, including, but not limited to, an action to recover a money judgment, Assessment lien and right of foreclosure and sale, are cumulative and in addition to and not in substitution of any other rights and remedies which the Association and its assignees may have hereunder or at law.

The charge for a returned check from any OWNER will be set by the board and collected with

the costs that the Association has incurred for the collection.

ARTICLE 44.- Each OWNER upon acquiring said status becomes a Member of the ASSOCIATION and must comply with the Bylaws and these RULES and REGULATIONS. As a member you will have the right to vote in the election of the members of the Board of Directors and vote to decide the objectives and activities of the same and of the ASSOCIATION. Said member will additionally have the right to use the DEVELOPMENT facilities and participate in the activities of the ASSOCIATION.

ARTICLE 45. – ERRORS AND OMISSIONS - If there is an omission or error in the declaration, or another instrument of the RULES AND REGULATIONS of the ASSOCIATION, the ASSOCIATION may correct the error or omission through amendments made to the RULES AND REGULATIONS or other instruments as long as it is voted by two thirds of the members of the Board of Directors or by the majority of votes of the OWNERS in the Meeting called for said purpose, unless the ASSOCIATION's bylaws specifically provide higher percentages or different procedures. The procedures for the amendments cited in the previous paragraph will not take effect if the amendment affects the property rights of an OWNER unless the affected OWNER consents in writing. This ARTICLE does not limit the power of the ASSOCIATION to correct, bylaws or other instruments, but authorizes a simple process of amendments requiring fewer votes to correct defects, errors, or omissions when the property rights of an OWNER of a lot are not affected.

CHAPTER X PAYMENT OF TAXES

ARTICLE 46.- It is the obligation of the OWNER to pay the taxes of his/her property: Property Tax, Tax on the Acquisition of Real Estate (ISABI), as well as any other tax that is generated derived from the property, except the Income Tax (ISR), which It is paid by the seller, upon execution of the sales agreement.

ARTICLE 47.- Your personal information will not be shared with any other member.

ANNEXES – REFERENCES AND SUPPORTING DOCUMENTS:

- A. Puerta Del Mar New Construction Plan Approval Application
- B. Notice of New Construction Completion Form
- C. Puerta Del Mar Architectural Modification Request Form
- D. Puerta Del Mar Fines Policy
- E. Construction Guidelines and Plan Approval Process

Annex was amended by General Members Meeting JUL-21-18, OCT-23-21

F. Artistic Doors

- G. Approved House Colors
- H. Puerta Del Mar Height Guidelines

Annex was amended by General Members Meeting OCT-23-21

- I. Spanish House Styles
- J. Mediterranean House Styles
- K. Southwestern House Styles
- L. Wall and Fence Height Guidelines
- M. Waiver/Security Agreement to Host a Social Function at Pool/Recreational Area Form
- N. Setbacks for constructions

Annex was amended by General Members Meeting JUL-21-18, OCT-23-21

- O. Report and Complaint Form for Violation of Rules and Regulations
- P. Fee schedule for reservation of common areas
- Q. Modern Style Houses

Annex was added by General Members Meeting JUL-21-18