



PLANTATION ESTATES

ADMINISTRATION BYLAWS AND REGULATIONS OF PLANTATION ESTATES OWNERS ASSOCIATION S.A.

ARTICLES 1. PLANTATION ESTATES OWNERS ASSOCIATION S.A.

1.01. Organization. The community is named *Plantation Estates*. It is located in Naranjo, Province of Alajuela, and is organized under the Civil and Commercial Law of Costa Rica.

1.02. Purpose. The purpose of Plantation Estates Owners Association S.A. is to coordinate in an organized way the owners and inhabitants of Plantation Estates in order to promote those social, administrative and legal actions needed to pursue a better quality of life and welfare for every family, based on service excellence, protection of real estate investments and the conservation of the environment, as well as to foresee protection of every right and common interest of its members within the standards of ethics and social interaction.

1.03. General duties and powers. In addition to other duties and powers as contained in the Constitution and these Bylaws and Regulations, the Joint Owners Assembly shall:

- a) Maintain in good condition and appearance, repair, replace, restore, operate and manage the common services and utilities, including, but not limited to, the common facilities, improvements, and the perimeter of *Plantation Estates*.

- b) Acquire, provide and cancel the common services and any other common needs for the Residential.
- c) Maintain such policies of insurance as are required by these Bylaws or as the Joint Assembly deems necessary for the protection of the members interests and Plantation Estates as a whole.
- d) Prepare and distribute to the members of the General Assembly, as appropriate, financial information in accordance with the Bylaws.
- e) To employ or appoint an Administrator or other persons and to contract with independent contractors, to perform all or any part of the duties and responsibilities of the Assembly.
- f) Adopt necessary rules not contained in these Bylaws for the use of the Common Facilities and provide common services, and all improvements and Common Facilities, and the conduct of members, their tenants and guests of Plantation Estates.
- g) To settle matters in accordance with these Bylaws and commercial law, in general, with the purpose of assuring a harmonic life in *Plantation Estates*.

ARTICLE 2. MEMBERS

2.01. Number of Joint Owners. Each Lot of *Plantation Estates*, excepting Lots owned by it, shall be entitled to one membership of Plantation Estates Owners Association S.A.

2.02. Voting and majority rule. Each member shall be entitled to one vote for each Lot irrespective of the number of Owners of the Lot. In the case of co-ownership of a Lot, co-Owners shall designate a single representative to the General Assembly.

ARTICLE 3. USE OF THE LOTS

3.01. Duties of members: All Members, occupants and all other persons using Plantation Estates are subject to those Bylaws regarding the use of private areas and common facilities.

3.02. Residential use: Land use shall be for residential purposes, in accordance with the Regulating Plan of Naranjo, and therefore is forbidden to vary its use. The development of commercial activities in *Plantation Estates* is forbidden. It is excepted sowing in the Owners' lots.

3.03. Rental of Lots: No lot may be rented or leased, transferred or otherwise occupied by persons to the exclusion of the Owner or his immediate family, except, and pursuant to, a written lease or rental agreement that expressly makes the occupancy subject to the provisions of these Bylaws and that expressly makes a breach of these documents a default under the agreement.

The occupancy of a Lot by other than the Owner or his immediate family shall be reported in writing prior to such occupancy, and a copy of the written agreement shall be provided to the Administration, in order to inform such situation to the security service and the rest of the Owners. The Owner shall inform the name of the persons who will occupy the lot, and the period they will use it.

3.04. Owners are jointly responsible for the assessments and any monetary obligation incurred by occupants and all other persons using the Lot and its common area and facilities provided by the Residential.

3.05. *Use restrictions.*

(a) Plantation Estates Owners Association S.A. members shall abstain from raising, feeding or keeping animals, livestock or poultry of any kind on any portion of the Residential, except household pets, such as cats or birds, and not more than two dogs and without commercial purposes, and may be kept provided that they do not become a nuisance to other Owners and/or occupants of Plantation Estates and in accordance with

health, civil and criminal law, especially to prevent future civil or criminal responsibility for omission. It is accepted for those Owners of three adjacent lots to keep horses, not more than two and which stable is built to a distance of not less than thirty meters from the lines of property, and hopefully in the middle of the lots. Dogs shall be kept within an enclosed yard, kennel or on a leash, and they shall not be a nuisance or affect security and cleanliness of Plantation Estates. Owners must prevent dogs from defecating in the common areas and on other lots and are responsible for the immediate collection and disposal of their animal's fecal waste.

(b) Owners shall abstain from any illegal, offensive or deplorable activity, in accordance to law, moral and good customs, nor shall anything be done thereon which may be an annoyance, nuisance for Plantation Estates or which may adversely affect the appearance of Plantation Estates.

(c) Owners shall abstain from erecting advertising signs, billboards or structures that affect the view and style of the Residential, in the opinion of the Owners / occupants. This provision does not include signs, billboards, structures or objects needed by the Owners for the purpose of advertising, promotion and sale of a lot.

(d) Owners shall abstain from maintaining clothesline, woodpile, storage pile or other unsightly object in the visible portion of the lot, in accordance to town planning regulations. This provision does not include those materials necessary for building that fulfill permissions and requirements of law.

(e) All streets, sidewalks, and entries shall remain unobstructed and shall not be used for purposes other than those in accordance to town planning regulations and use of public areas.

(f) No combustible material or any other material which would increase the risk of fire or health in Plantation Estates shall be stored in the property, excepting reasonable amounts and types of these materials necessary, and in accordance to health, safety, and insurance regulations.

(g) No more than three persons may be employed for sowing every owner's lots.

ARTICLE 4. COMMON FUND

4.01. Owners will contribute on a monthly basis an amount to be defined by the General Assemble, which shall be used exclusively to promote welfare and security of the occupants of the Residential, and for the improvements and maintenance of public areas and the commonwealth of Plantation Estates.

4.02. Not less than sixty days prior to the start of each fiscal year, the officers of the General Assembly shall present to all of its members an estimate of the expenses to be incurred by the Residential, including a reasonable provision for contingencies, and reserves for the regular maintenance, repair and replacement of common facilities.

4.03. The general assessments for the welfare of the Residential shall be apportioned equally among the Owners.

4.04. Working capital fund: All owners shall contribute an amount equal to one month's general assessment for the purpose of meeting unforeseen expenses or to purchase additional equipment or services.

4.05. Suspension for Non-payment: The General Assembly may suspend the use of the facilities and common services to the Owner who is in default in the payment of the ordinary or special assessments, after notice formally to such Owner and an opportunity for a hearing before a meeting of the General Assembly.

4.06. Payment. If an assessment is not paid within fifteen days after its due date, the officers of Plantation Estates shall take the necessary measures to accomplish the payment. Before bringing any legal action, the Administration of the Residential shall call a meeting for a conciliation audience with the technical advice of an attorney in law.

ARTICLE 5. INSURANCE

5.01. Plantation Estates shall maintain a policy of fire and casualty insurance for the common facilities. It shall also maintain a professional risk insurance for its officers and employees.

5.02. In the event of damage or destruction of any portion of a common facility by fire or other casualty, all insurance proceeds paid in satisfaction for claims of said loss shall be used to repair or rebuild the damaged portions of the common facility.

5.03. Plantation Estates shall have the right to bring any legal and any other action in defense of the Owners of Plantation Estates.

5.04. Plantation Estates shall not subscribe a insurance policy for the coverage of improvements, fixtures or furnishings related to common facilities and services.

ARTICLE 6. MAINTENANCE, REPLACEMENT AND IMPROVEMENT

6.01. Plantation Estates shall be in charge of the maintenance and improvement of the common facilities and services.

6.02. In the event any common facility is damaged or destroyed through the act or omission of any Owner or his guests, relatives, lessees or employees, whether or not such act or omission is negligent or otherwise culpable, such Owner shall forthwith proceed to rebuild, repair or replace to a condition as good as formerly existing the facility without any cost to the Residential, except if the General Assembly decides otherwise.

6.03. In the event that the General Assembly undertakes the rebuilding, repair or replacement of any common facility for which an Owner is liable under section 6.02., the General Assembly may recover the cost thereof through a special assessment against the Owner as long as that event was an emergency.

ARTICLE 7. SECURITY SERVICES

7.01. Entrance and exit control 24 (twenty four) hours: Each Owner or occupant of Plantation Estates shall be part of this facility. It shall be paid monthly by each Owner.

7.02. Intercommunication from residences to the guard house: Each occupant and Owner of Plantation Estates shall be part of this service. Plantation Estates assumes the expenses of equipment and installment until each lot, and the Owners shall assume the expenses of the installment inside their properties, and its inner equipments and terminals. Once the service is installed, each Owner shall pay, by semester, a fee for the maintenance of the equipment installed in his property and the network providing the service.

7.03. Other services or security devices: Owners shall deliberate whether it is suitable or not to implement these services.

7.04. Access to the Residential: The guard house of Plantation Estates is the only entrance and exit of it, for pedestrians and vehicles. For security purposes there is no other way of access to it.

(a) Personal identification is necessary to enter Plantation Estates for reasons of security.

(b) Owners and occupants of Plantation Estates previously agree to fulfill the operating and functioning rules to be determined by the Administration.

7.05. Driving of vehicles. Driving of trucks and transportation shall respect the hours and rules set in the Residential. A speed limit of 40 kph is obligatory.

7.06. Any payment not made in due time shall have a penalty of 2% (two per cent) per month for delay and may be recovered through the summary procedure for debts, with certification by Plantation Estates Owners Association S.A.'s Public Accountant which indicates the amount not paid. In this event, the debtor shall also pay the expenses of

the administrative and judicial action, and other expenses related to the recovery of money.

ARTICLE 8. BUILDING AND ARCHITECTURAL CONTROL

8.01. General duties. Owners shall respect the following guidelines applicable to constructions in their lots, and to the repairs, alteration and any other total or partial improvement:

(a) Building guidelines. All improvements shall be constructed in accordance with the building and architectural guidelines set forth by the General Assembly, and the regulations of the Municipality of Naranjo or any other government agency having jurisdiction.

(b) The architectural pattern of the residences shall be in accordance with the style of Plantation Estates. The residences shall be in harmony with the nature of Plantation Estates.

(c) Clothes lines shall not be visible from public areas.

(d) Building envelope. All buildings shall have at least a three (3) meters setback from front, rear and side lot lines.

(e) No wall shall be constructed over four (4) meters high, with the purpose of not interfering with the view. Envelope walls shall preferably be hedge (indian cane, bamboo, exoras, chifleras, myrtle, clavelón, etc.).

8.02. Building process.

(a) During building, public areas for pedestrian and vehicles driving and sewers, shall always be totally free from any material.

(b) Building materials and storage and equipment shall be maintained within the limits of properties. Eventual use of adjacent lots shall depend on prior approval from their Owners.

(c) Material mixtures shall be prepared, in proper trough, within the limits of the lot, never on the street.

(d) It is exclusively the responsibility of the Owner to dispose of building wastes with due frequency and properly outside Plantation Estates, so the cleanliness of Plantation Estates shall never be jeopardized. Owners shall assure that remaining building wastes don't reach or obstruct sewers. In that event, Administration will clean them and charge their expenses to the Owners, and is allowed to deduct it from the security deposit.

(e) General Assembly may require from Owners the payment of a security deposit, which shall not be more than US\$1.000,00, to be used to assure the payment of any damage or destruction of common facilities provoked by building, improvement and repair, and to guarantee the accomplishment of these Bylaws.

(f) Security deposit shall be used when Owners fail to comply with these regulations and after the Administration notifies them by writing the specific aspects to be accomplished, and the default of a thirty (30) natural day term.

(g) Security deposit shall not release Owners liability from damage or destruction of the public or common areas made by them, their representatives or contractors, or any other violation of these Bylaws. This liability shall not be limited by the amount of the security deposit.

8.03. Liability. Any Owner who alters a common facility shall be responsible for the damage caused to it or any other property because of that alteration, and shall also be responsible for any violation of the law.

ARTICLE 9. GENERAL PROVISIONS

9.01. Interpretation. The provisions of these Bylaws shall be interpreted with the purpose of accomplishing a harmonic common life of the residents of Plantation Estates.

9.02. These provisions shall be interpreted by the General Assembly, and to the degree that such intervention is necessary and reasonable, it shall be binding to all Owners. A written opinion by Plantation Estates Owners Association attorneys will be sufficient to determine whether or not an interpretation is reasonable.

9.03. Severability. The provisions herein shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any of the provisions hereof shall not affect the validity of the remaining provisions.

9.04. Enforcement. Infractions to these Bylaws shall be regulated in accordance to civil, commercial and criminal law. These provisions are particularly based on public order regulations and town planning and health regulations.

9.05. Cumulative remedies. The remedies provided herein are cumulative and not exclusive.

9.06. Vigilance duty. These Bylaws shall be binding to Owners, through their act or omission, and their representatives, members of the family, occupants, lessees, employees or contractors, doing any activity in Plantation Estates. When a lot has been leased, its Owner shall continue to be obligated to make the payments and assessments contained in these Bylaws.

9.07. Compliance with law. No provision herein shall be construed to diminish or release any person from observing any national applicable law or regulation.

9.08. Ownership of funds. All funds derived from assessments of Owners, other proceeds payable to Plantation Estates Owners Association, payment received for

damages to the property, and any right or interest in such funds shall belong to the Owners in proportion to each Owner's share of the assessments.

9.09. Dissolution and liquidation of Plantation Estates. Dissolution and liquidation of Plantation Estates Owners Association shall be governed in accordance with the Commercial Code.

9.10. Number and gender. In the interpretation of the terms used in these Bylaws the singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine include the feminine and the feminine include the masculine in accordance to the context.