

Statutes and articles of the proprietors' association of "Pinosol" (plots number 1 - 149, both included, with sports ground, green plots and streets) built by "Bahia de Javea", private limited liability company, approved by the municipality of Javea.

Chapter I: The association in general

Article 1: Reach and composition

This proprietors' association includes all owners of houses and buildings which were built by "Bahia de Javea" in the area of "Pinosol" and all of them are obliged to join it in the moment of undersigning the Escritura. The borders of this urbanisation had been approved by the municipality of Javea in 1985.

The proprietors' association is founded with reservation of the possible membership to another, larger association, supposed that "Bahia de Javea" includes more plots in the urbanisation "Pinosol" for which they will get the permission for building.

Article 2: Duration and characteristic

The association is founded for an indefinite time; it refers to a special association with private property and commun property and/or commun right of use which is inseparable of the private property and will be calculated in exact proporciones in relation to the whole urbanisation.

Commun property are all the footpathes and streets, the wooded areas and the gardens which are put in the green-zones and all this belongs to the commun right of use, with reservation of the possible transfer to the municipality of Javea and therefore can't be named exactly. Further the complete installation for lighting system, lighting circuit and lighting masts, the main lighting circuit and the main water pipe, except the lines which are belonging to private suppliers, and - generally said - all pipes and lines which are not private property.

Article 3: Registered seat and aim and purpose of the association

The registered seat of the association is the own ground auf "Pinasol". Aim and purpose of the association are all activities, direct or indirect, which create the optimal conditions for corperate live in the urbanisation. It has to secure the corresponding services to preserve the comun property and the use of it.

Article 4: Form of administration

The owners' Association will be ruled by the present statutes and articles, which will be completly overtaken in the corresponding selling-documents or added to them, so the buyers must declare in the "Escritura" to know them and to agree with them.

Chapter II: Right^s and obligations of the owners

Article 5: Proportions

The adquisition of lots and plots or buildings of any kind in the urbanisation "Pinosol" includes automatically the quota which decides the buyer's proportion and/or the comun right of use in the area of "Pinasol" and therefor also the proportions of the comun costs.

The mentioned quota will be 0,66 % for the 140 plots of 1-family-houses, because they are absolutly similar, which includes plot number 1 to 149, both numbers included, and 1.66 % for the sport- and service-area.

Article 6: distribution of general costs

Corresponding to the above mentioned quota the owners are obliged to contribute to the general costs which will be fixed and forced in the annual general meetings.

On basis of this decision the administration council or in its orden the secretary will send to each owner who couldn't take part in the general meeting of the owners a corresponding bill. This bill must be paid in any case within 10 days after having received it.

The participants of the general meeting of the owners have to pay this bill within a fortnight, counted from the day after the meeting, except when they do not agree.

If these payments are not done in the above mentioned time the secretary can charge interests for delay, they are 4 points more than the valid basis interests of the "Banco de España" and the slow payer is obliged to pay all the corresponding costs. Besides this the administration council can punish him with 10 % of the owing amount.

Article 7: Property with private character

The owners have all the rights over the private plots and buildings which are incident to private properties, except those which come out of these statutes, the orders in the urbanisation for buildings, fencing-in a.s.o. and the agreements which will be accepted by the general meeting of the owners or by the administration council.

Article 8: Commun property, employ and use

The commun property and the commun buildings are not divisible and can only be sold, charged or pledged in connection with the private property and only in the corresponding quota. It is an inseperable annex.

All the owners are authorized to use the commun installations and to enjoy them, corresponding to the intended purpose and unless the other owners are not disturbed and the general directions of the administration are respected.

Owners, who do not use the commun installations in accordance with the above mentioned general directions, or those, who damage them, are responsible for the damages. Owners have not a right of pre-emption and no right of cancelation in respect of the association.

Article 9: labourings and repairs

In accordance with the regulations for the urbanisation and the general rules given by the administration council, all owners of a private property have the right to do repairings and labourings at his property on their own account when necessary.

The owners are obliged to tolerate the use of their private property if it is necessary for repairings or labourings in commun interests.

Article 10: Employing in outside rights

The purchasers of plots in the urbanisation "Pinosol" authorize strictly the promoter-firm to plead their causes and interests against the municipality of Javea, subcontractors ect.

Chapter III

The General Assembly of the owners

Article 11: The general structure

The General Assembly of the owners, which has to decide about the commun affairs, will be formed by the owners which are registered in the official landregister and those, who had already paid the full price without being registered in the official landregister.

Article 12: Attendance and substitution

Following the article 11 each owner is authorized to participate in the General Assembly of the owners. In case a house has more than one owner, only one is authorized to participate at the Assembly in the name of all. If a property is parted, the main-owner represents the others, when he is able to.

In case of leasing or letting the leaser or letter who is responsible for the leasing or letting and responsible for the realization of the rules for the community participates in the meeting.

In any case everybody who has got the right of participation can put in a personal appearance or send a substitute; than the administration council must be informed.

Owners under age and legally incapacitated can only take part with the attorney-in-fact.

Article 13: Convocation and Assembly

The General Assembly of the owners take place according to the regulations once a year, and that between June and September. It will be convoked by the president of the administration council or by his legal substitute, according to these statutes.

The convocation will be realized by an undersigned and stamped information, sent by registered letter to the addresses written down in the before mentioned owners-book.

This information contains the place, day and hour of the General Assembly as a first convocation, and in the same letter the second convocation. There must be a time-difference of 24 hours between both.

The convocation has further on to inform about the agenda in which must be the annual report, the cash-balance, both given by the administration council, and the election of the authorized representatives, which may be a new election of the administration council; the payment for the owners, corresponding to their quota, information about costs which were done or must be done in the next year; regular or unregular details and probably details for founding a reserve.

The General Assembly of the owners can be convocated any time on the initiative of the president of the administration council or on the initiative of three or more members of the administration council or on initiative of the owners themselves; than they have to present more than 30 % of the owners.

Article 14: Passing of a resolution

At the first convocation it is necessary to have a participation of more than 50 % of the owners, in order to get binding resolutions. At the second convocation it is possible to pass a resolution with all the presents owners. In both cases the resolution will be passed by the majority of the present owners or their substitutes.

In order to change these statutes it is necessary to have a 2/3 agreement.

A change or a new adjustment of the existing quotas goes according to the present fixed statutes or with a removal of one or all members of the administration council.

The binding resolutions oblige all owners, including the absentees and dissidents.

Article 15: Presedency and minutes

The president of the administration council presides over the General Assembly, the secretary of the administration council as the secretary. In case that the one or the other, or both, are

prevented from coming, their by the present statues elected substitutes have to take action.

In case, that the substitutes also are prevented from coming, the General Assembly has to name two present owners, which will be elected in a preceding action.

The secretary draws up the minutes which must be signed at the end of the meeting by himself and two present owners.

Chapter IV The administration council

Article 16: competences

The administration council is responsible for all rules and the administration of the association, corresponding to the following authorities:

- a) The administration council presents ^{*} the community in all juridical and unjuridical matters and businesses and makes all agreements in the name of the community.
- b) It organizes and leads and takes care for the services and the use of the common properties.
- c) It watches over the absolute compliance with these present statues, the buildings orders and the performance of the resolutions which passed the General Assembly.
It gives the general internal and necessary supplemental rules.
- d) The administration council asks the owners for the corresponding payments, fixed in the General Assembly, in order to pay the costs or to form a reserve. The
administration council can settle all necessary, unforeseen and unavoidable contingencies without informing the General Assembly.
- e) The administration council can name or set down the manager, employ subordinate staff and controls their tasks and decides about the salary.
- f) The administration council controls all reformations, improvements and embellishments in the common gardens, which can't be done without agreement of the administration council.
- g) The administration council has to keep
-the account of the community and to put it on to the daily balance,

-the minute-book, which is only kept for the General Assembly and the administration council.

-"the book of the owners" in which besides the names must be registered the private property, the title of the purchase and the corresponding quota, further on the exact direction under which the owner receives his bills und convocations for the General Assembly.

h) The administration council has to open and to keep an account at an bank house or credit bank.

i) The administration council has:

-to put disciplinary penalties, which agree with these statutes and the resolutions in the General Assembly,

- to act as an arbitrator when there are squarrels between the owners about the use of the comun properties or if they have to arrange neighbourly difficulties.

Article 17: Composition and election

The administration council is composed by a president, a/secretary, a treasurer and two members entitled to vote.

All are choiced in the Genral Assembly for four years, without any payments. Their duties are specially explained. The half of the administration council will be removed each second year. All charges can be chosen again, but only on voluntary base.

The first administration council must be elected in the first General Assambly; renews with regard to the secretary and the two members entitled to vote after two, the others change after next two years. This rhythm will be continued.

If in the administration council allways exist failures on account of insurmountable difficulties or other justified reasons or on account of retirement of one of the members, the charges will be reoccupied with the agreement of the next General Assambly. These authorized representitives take charge of the corresponding tasks until the next necessary removement.

In case of illness, absence or temporal prevention the president will be substituted until the next General Assembly by the treasurer and the treasurer by the first of tne members intitled to vote, the secretary by the second member entitled to vote.

In no case it is necessary to give the reasons for the substitution outside of the administration council.

Article 18: The president

The president of the administration council has to present the community at lawsuits. But the administration council also can name one of the members or another person for certain actions.

The president's duty, or the duty of his substitute, is to convocate the General Assembly of the owners and the administration council. He has to preside over the General Assembly and to preside the discussions. He has to take care, that the passed resolutions are carried out. He has to take measures if it is necessary.

Article 19: The secretary

The secretary is responsible for all papers and proofs of the community beside the above mentioned activities at the General Assembly of the owners and the meetings of the administration council, further on for the annual report, referring to Article 13 of these statues, and for the informations given to him.

He has to bring up to date the "owners' register" and the book of activities. He has to fix the General Assembly and the meetings of the administration council with dats, attendance list, topics dealed with and passed resolutions. He has to undersign all minutes of the meetings, together with the president and - if it is a minute of the General Assembly - with two present owners.

The nomination of the present owners in the meetings, can be done in the activity book by referring to their numbers in the owners' register.

The secretary can execute certificates about the books and documents he is looking after, affixed with the president's signature. He also has to complete all the duties which are normaly belonging to a secretary's job.

Article 20: Treasurer

The treasurer has to keep the capital of the community; he has to control the costs and payments, which he can't do without the president's permission and signature; he has to make out a balance-sheet and a balance of the account. Both has to be presented in the annual

General Assembly. He is responsible for the payments, ordered by the General Assembly or given by the administration council.

Article 21: Members entitled to vote

Apart from the in article 17, § 3, mentioned tasks the members entitled to vote have sometimes or always to accomplish functions ordered by the General Assembly or by the administration council.

Article 22: Regulation of the passed resolutions

The administration council meets as much as it is necessary, at least half-yearly. The foregoing convocation must have the agreement of the president.

The resolutions in the General Assembly pass with the majority of votes of the participants. Resolutions which do not refer to simple activities can only pass with at least 3 ayes of the present members. Also 3 ayes of the present members are needed to substitute the president of the administration council, also 3 ayes in order to settle or change the rules or regulations of the internal management; and also 3 ayes if they ask for payments which are not with a preceding agree in the General Assembly. They also need 3 ayes for all employments of new people, at disapprobation of objections or for sanctions of any kind.

Temporary arrangement

The General Assembly of the owners will take place for the first time within 6 months, counted after the day when the promoter of the urbanisation has sold 50 % of the plots in the building land. The right of usufruct for all precedid purchases allways starts with the day of the inscription into the "owners' book", on which these statutes refer.

Until this day the promoter firm takes charge of all the responsibilities, of the president and the administration council, mentioned in article 16 of these statutes. They can carry over these tasks to a juridic or private person.