



MINUTES OF THE ORDINARY GENERAL ASSEMBLY OF MEMBERS, ASSOCIATION OF DESCANSO HOMES A.C.

Being the nine hours of September 21, two thousand thirteen in accordance with the provisions of Articles 16, 17, 18, 20, 24 and 29 of the Statute that governs the Association, and according to the call dated August 21, 2013, meeting in the club house facilities of the Association, located in Privada Mezquite, number K-3, the Fraccionamiento El Descanso, municipality of Playas de Rosarito Baja California, was conducted Ordinary General Assembly of Associates DESCANSO HOMES AC, which is done under the following agenda:

- 1)** Legal Quorum Statement Assembly and Installation.
- 2)** Appointment of scrutineers.
- 3)** Reading and approval of agenda.
- 4)** Reading and Approval of Minutes of Previous Assembly.
- 5)** Election Process Supervisory Committee members.
- 6)** Election Process members of the Board.
- 7)** Presentation and Approval of the Financial Report by the Treasurer.
- 8)** Closing Report of the Board for the year 2011-2013.
- 9)** PROMOCASA reports.
- 10)** General themes.
- 11)** Designation of Officers and Closing of the Assembly with Respective Minutes survey.

FIRST ITEM ON THE AGENDA: QUORUM OF LEGAL DECLARATION AND INSTALLATION OF ASSEMBLY. – The meeting will be led by Oscar Guerra Peraza, President of the Board. Calls for start of assembly were held in the facilities of the clubhouse, the first call in about nine hours, declaring void because there was no quorum, the second call in about nine-thirty am, declaring void because of lack quorum, and taking out a third call in about ten hours, collecting the attendance, signed by the 18 members present who are current in the payment of maintenance fees, and it is noted that no co-owner sent people on their behalf annexing documents for the record. There were opportunities for partners to any past due, to make the payment prior to the beginning of the meeting. So according to the law, and the rules on third call is declared the Assembly legally installed.

Mr. Oscar Guerra Peraza in his capacity as President of the Board, once legally installed assembly, unveiled the history of the meeting, and a brief description of the purpose and development of it, proceeding to review later the background and questions from the community about the candidates, vacancies and the election process.

SECOND ITEM ON THE AGENDA: APPOINTING SCRUTINEERS. - The president of the Assembly, asks attendees Associates, appoint two scrutinizers for legal purposes such designation contracts.

Proposing to NICHOLAS BENETIC and SOFIA ESPINOZA, who in the presence of the Assembly agree to these nominations and accept the position that gives them.

THIRD ITEM ON THE AGENDA: READING AND APPROVAL OF AGENDA. - In this section, the President of the Assembly, was reading the agenda, which was adopted unanimously by those present, there being no comments or objections.

FOURTH ITEM ON THE AGENDA: READING AND APPROVAL MINUTES OF THE PREVIOUS MEETING. - The Secretary of the Board Eve Duran, reported to the Assembly the minutes of the previous extraordinary meeting held on May 25 2013, asking the members present, manifest if there have comments or objections in this regard, The General Assembly in Descanso Homes Civil Association in accordance with the powers conferred by the statutes of incorporation, by unanimous vote, approved for all legal purposes that may be required, the Assembly Minutes of the Previous Session, held on May 25 2013.

FIFTH ITEM ON THE AGENDA: ELECTION PROCESS SUPERVISORY COMMITTEE MEMBERS. - Was requested by the President of the Assembly, people who intend to form supervision committee, so once exposed above, not received intentions to occupy such orders, so it is proposed to the General Assembly, will ratify the positions of the current members, which is submitted to the General Assembly, who unanimously ratified this act as members of the supervisory board to Mr. PEDRO MENESES and NICHOLAS BENETIC, which will be chaired by the first of those and acting as a member of the same mentioned in the second term.

SIXTH ITEM ON THE AGENDA: ELECTION PROCESS BOARD MEMBERS. - The President of the Assembly, stated in relation to this issue during the period

July 21 to August 21, 2013, were received only two letters of intent to apply for fill the positions remain vacant at this meeting, Mr. THOM THOMAS and Mrs. EDELMIRA TORRES, who chairs the assembly informing the first of those withdrew his interest in participating in this contest, and with respect to the second one, to the time of nomination had debts for maintenance fees and security then was not accepted her request.

At voice of Mrs. Sophia Espinoza, stated that due to the proper administration that has occurred by the current Board of Directors proposes that it be ratified for the period 2013-2015, a situation that is proceeded to vote at the general assembly, who unanimously adopted the following resolution:

RESOLUTION 1-AGO-2013 (21/09/2013). - The General Assembly of Descanso Homes Civil Association, pursuant to the authority conferred by Article Nineteen paragraph c) of the Statute Constitutive, by unanimous vote, ratify the nomination Mr. Oscar Guerra Peraza, as President of the Board of Directors, position that he held for the period 2013-2015, with all the duties and powers under article Forty-Third Statute Constitutive Association, especially giving it the power to open and cancel bank accounts for the deposit of the funds obtained from the maintenance and management fees or other income to comply with the purposes of the association; Also in this act reiterated their positions as members of the Board to EVE DURAN as Secretary; SERGIO RAMIREZ DE LA MORA as Treasurer, ELIAHU BARACK and FRANCINE WEST as Association Vocals.

Thereupon, Mr. Oscar Guerra Peraza, accepted to be conferred and thanks the community of owners, for the trust placed in him, stating that the task assigned him always play adhered to statutory and legal standards, pursuing at all times to obtain the best conditions for the Association.

SEVENTH ITEM ON THE AGENDA: SUBMISSION AND APPROVAL OF FINANCIAL REPORT BY THE TREASURER. - The Board Treasurer Sergio Ramirez says that delivered electronically, as an attachment the financial status of the Association for the period May to September 2013, also in this act to all present delivers the financial status report for the period referred to above, explaining in detail to the present information on revenues and expenditures of the period to report, and likewise the details of accounting and financial movements of the Association in the reporting period.

Requesting Mr. DAVID DE LA CRUZ, to be answered each point of the report rendering Mr. Nicholas Benetic, then the Treasurer said that there will be a

detailed report that will be answered every question made and such information will be forwarded each one of associates electronically.

Analyzed the above was voted the approval of the financial report given by the Treasurer of the Board, to which the Assembly had about taking the following resolution:

RESOLUTION 2-AGO-2013 (21/09/2013). - The General Assembly of Descanso Homes Civil Association, pursuant to the authority conferred by Article Nineteen Paragraph b) of the statute constitutive, by unanimous vote, approved the report rendered by the Treasurer for the period May to September 2013.

EIGHTH ITEM ON THE AGENDA: CLOSING REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2011-2013. President of the Board exposes in detail the actions taken by the Board.

NINTH ITEM ON THE AGENDA: REPORTS PROMOCASA. - At use PROMOCASA representative voice, Liliana Almanza, said that for the moment no information to render.

TENTH ITEM ON THE AGENDA: GENERAL. - The President of the Board requests PROMOCASA representative, a meeting to show the RCI project to turn it to know the community of owners.

Not having further business to discuss.

ELEVENTH ITEM ON THE AGENDA: APPOINTMENT OF DELEGATES AND CLOSURE OF THE MEETING WITH THE RESPECTIVE RECORD. - No more issues to deal with, being 11:45 hours on September 21 2013, was concluded the Assembly, providing the time necessary to formalize the Minutes, by telling the secretary of the Board to be 10:20, 3 associates joined the general assembly, certifying that the total attendance was 21 members; attaching to this reports as well as each and every one of the documents that conform the appendix to this assembly. Also, is hereby designated as the delegate of the General Assembly to the Bachelor Julio Menendez Sanchez, to complete the process of protocols by a Notary Public of this Act.

Notes:

1. The future assembly meetings will be held every year, once on an american holiday and the other on a mexican holiday. (May Memorial Day weekend and September Mexican Independence weekend).

2. To ask Jerome (architectural committee) to redraw his resignation and continue being on the committee with Roger. Furthermore, the President will send a letter to Jerome on behalf of the board asking him to keep his position on the committee.

3. The two members elected for lack of candidates to the board, will remain one period more. At the next board meeting of October 19 will elect the president by the same board.

4. Pedro Meneses is ratified as President of the Vigilance Committee and Nicholas Benetic as vocal of the committee.

CLOSING:

Once the sufficiency of the matters provided for the agenda, this record is closed, which is signed by the President, Secretary, Treasurer and Members of the Board, President of the Supervisory Committee and scrutineers appointed for purposes of this Act.

Oscar Guerra Peraza.
President of the Board

Eve Duran.
Secretary of the Board

Sergio Ramírez De la Mora
Treasurer of the Board

Francine West
First Vocal of the Board

Eliahu Barak
Vocal of the Board

Pedro Meneses
President of the Supervisory Committee

NICHOLAS BENETIC
Assembly scrutineer

SOFIA ESPINIOZA
Assembly scrutineer