EXTRAORDINARY ASSEMBLY OF CONDO OWNERS OF THE CONDOMINIUM REGIME "EL CANTIL" PRIVATE UNIT ONE AND PRIVATE UNIT TWO AND SUB-REGIMES EL CANTIL SUR AND EL CANTIL NORTE

In the city of Cozumel, Quintana Roo, being **8:00 AM (EIGHT HOURS WITH ZERO MINUTES)** of the **SECOND DAY OF NOVEMBER OF THE YEAR TWO THOUSAND EIGHTEEN**, in **El SALÓN MONTE CARLO** located on **5ta AV. ESQ CON 15 SUR, PLAZA CHEDRAUI LOCAL 22Z3 (SECOND FLOOR) COLONIA CENTRO, OF COZUMEL**, the condo owners of the Property in Condominium Regime named **"EL CANTIL" PRIVATE UNIT ONE AND PRIVATE UNIT TWO AND SUB-REGIMES EL CANTIL SOUTH TOWER AND EL CANTIL NORTH TOWER** (in the following referred to as the "Condominium) gathered in **SECOND CALL** to an Extraordinary Assembly of condo owners of the Condominium, to which they were previously and rightfully notified by means of a Call issued on the first day of the month of October, of the year two thousand eighteen **(Attachment A),** in accordance to what is established in the Condominium By-laws.

Once the roll call of all condo owners is verified, as well as their legal representatives and attending proxies, whom are mentioned in the list of attendees, correctly signed and attached to the present document as **Attachment B**, they proceed with the Introduction of the Special Guests for this Extraordinary Assembly. Therefore, the pertaining Vigilance Committee of the Condominium in duty called to Order all present and introduced as Special Guests for this Assembly the following people:

First, Attorney Romina Harsanyi. Second, the Attorney Johana Margarita Rodriguez Romero. Also present, Mr. Yigall Marcel Rodriguez Romero as interpreter hired by the Condominium Regime for this Assembly, of the English - Spanish and Spanish-English languages.

The Vigilance Committee in duty assigns the next people:

As parliamentarian, **Mrs. Trisha Lee Kieckhafer** is assigned, to make sure that all those present conduct themselves in an educated manner and to keep the moral and cordiality standards among the present Assembly, and as officials (sergeants) to escort those who break the order of the present Assembly, they assign: **Mr. David William Ahrensen** and **Mr. Robert Schoenthaler**.

Subsequently, they proceed to designate **unanimously** in relation to the vote of all present that represents **61.7534% (Sixty One Point Seven Five Three Four Per Cent)** of the votes of the undivided interest in relation to the Master Condominium, **Mr. Robert Lee Balgenorth** as **Chairman** of the Assembly, as well as **Attorney Johana Margarita Rodriguez Romero** as **Secretary** and as vote tellers: **Gary Robert Gomola** and **Martina Lee Hanson,** who after accepting their duties, proceeded to review the attendance list signed by the condo owners that are part of the Condominium **"EL CANTIL" PRIVATE UNIT ONE AND PRIVATE UNIT TWO AND SUB-REGIMES EL CANTIL SOUTH TOWER AND EL CANTIL NORTH TOWER** in accordance to the documents showed by the condo owners, with which they credit their personality and right to attend this Assembly, in person or by means of a proxy. As for the powers, they are attached to the minutes of this Assembly as **Attachment C**. And the vote tellers validated that in this Condo Owner Assembly there was **61.7534% (Sixty-One Point Seven Five Three Four Per Cent)** represented of the undivided interest in relation to the Master Condominium, calculated as per the table of Votes of the undivided interest.

With evidence on the certification extended by the vote tellers and with basis on the By-laws, the Chairman declared the Assembly to be legally installed in **Second Call** and for valid all the agreements that this one votes on, becoming such an obligation for all the condo owners, including the absent and dissidents.

Therefore, they proceed to the First Point of the Agenda:

FIRST POINT.- In fulfillment of point "I" of the Agenda, they proceed to the certification that there is legal quorum for this Present Extraordinary Assembly. Hence, it is explained to all present that each condo owner will have the right to a number of votes according to the percentage of the value of their unit and in relation to the Master Condominium.

The distribution of votes for each unit, regarding the percentages of undivided interest will be the following:

Condominium in SOUTH TOWER	Owner	Undivided Interest %	Undivided Interest % in relation to the Master Condominium
L-A	El CANTIL CONDOMINIOS SA DE CV (Alan Craig Dannerman Sirmai)	4.9297	2.203
L-B	Fideicomiso-SOL Y LUNA INVESTMENTS LLC (DAVID WILLIAM AHRENDSEN)	3.6099	1.6132
L-C	Fideicomiso- LCS UNIT LLC (SIDNEY CHARLES STOLPER)	5.3936	2.4103
3-A	Fideicomiso- DANIEL JOSEPH y COLEEN FYE KLIETHERMES	4.9959	2.2326
3-B	Fideicomiso- CHRISTOPHER MICHAEL y CAROLYN JANE SUTTON	3.771	1.6852
3-C	El CANTIL CONDOMINIOS SA DE CV (BOBBY FREEMAN Y PETER POOLOS)	5.1875	2.3182
4-A	MAÑANA 4A EL CANTIL SUR S. R.L. de C.V. (Rep. Javier Villalobos)	4.8817	2.1815
4-B	Fideicomiso-EL CANTIL 4B LLC (Charles Bud Corkin)	3.8892	1.738
4-C	Fideicomiso- CASA TROPICAL LLC (GARY ROBERT GOMOLA)	5.2272	2.3359
5-A	Fideicomiso-EL CANTIL 5AS LLC (Jack William Musser)	4.8888	2.1847
5-B	Fideicomiso- JAIME ALBERTO OLMO Y NORMA IRIS PEDRAZA	3.897	1.7415
5-C	Fideicomiso-JONATHAN EUGENE HOLTER y DORIS MARINA HOLTER	5.2296	2.337
6-A	Fideicomiso-FRANCIS BERNARD DOONAN	4.8978	2.1887
6-B	Fideicomiso-EL CANTIL 6BS PROPERTIES LLC (GREGORY NATHAN HANSON)	3.81	1.7026
6-C	Fideicomiso-TMJE PROPERTIES LLC (JOHN WEISSERT)	5.3001	2.3685
7-A	Fideicomiso- 7ASURCANTIL LLC (WILLIAM JOSEPH MENCAROW)	5.0521	2.2577
7-B	Fideicomiso- EL CANTIL 3BN LLC (GORDON LA VAN SWANSON JR)	3.9043	1.7447

7-C	GUSTAVO VILDOSOLA RAMOS	5.2138	2.3299
8-A	Fideicomiso- PHAS EL CANTIL LLC (GREGOR SCOTT BAILAR)	6.6082	2.953
8-B	Fideicomiso- EL CANTIL PHB LLC (Dana Clark)	2.5197	1.126
8-C	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	6.7929	3.0356

Condominium in NORTH TOWER	Owner	Undivided Interest %	Undivided Interest % in relation to the Master Condominium
L-A	Fideicomiso- WILLIAM MARTIN y HEATHER LYNNE BRYAN	2.7636	1.5286
L-B	Fideicomiso- LYNN SUSAN y MARK EDWARD KAY	2.1308	1.1786
L-C	Fideicomiso-JEFFERY ALAN JOZWIAK y SARAH SHAUGHNESSY JOZWIAK	2.1817	1.2068
L-D	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	3.4149	1.8888
2-A	Fideicomiso- ROBERT WALTER y MARY FORSTER SCHOENTHALER	4.2272	2.3382
2-B	Fideicomiso- JERRY ALAN y DIANE LYN JACOBS	3.2637	1.8052
2-C	Fideicomiso- DANNMARK PROPERTIES LLC (Victor Peter Markuski JR.)	3.5451	1.9609
3-A	Fideicomiso- PURISCH PROPERTIES LLC (ARNOLD y ELLEN PURISCH)	4.2272	2.3382
3-B	Fideicomiso- EL CANTIL 3BN LLC (GORDON LA VAN SWASON JR.)	3.2637	1.8052
3-C	Fideicomiso- JOAN HILDA Y GEORGE JOHN BACZYNSKI	3.5451	1.9609
4-A	Fideicomiso- JOHN WARD THOMAS	4.2272	2.3382
4-B	Fideicomiso- THE SMITH AND WENSVEEN VACATION RENTAL LLC (EARL LEO SMITH III y JANICE SMITH)	3.2637	1.8052
4-C	Fideicomiso- KANDY JEAN STAHL	3.5451	1.9609
5-A	Fideicomiso- JEAN MARIE BRILL y MICHAEL JON BRILL	4.2272	2.3382
5-B	RAMON VILLANUEVA LOPEZ	3.2637	1.8052
5-C	Fideicomiso- ROBERT LEE BALGENORTH y MICHAELA EDITH ELLA BALGENORTH	3.5451	1.9609
6-A	El CANTIL CONDOMINIOS SA DE CV	4.2272	2.3382
6-B	Fideicomiso- THOMAS RICHARD KIECKHAFER y TRISHA LEE KIECKHAFER	3.2637	1.8052
6-C	Fideicomiso- ELCANTIL 6CN LLC (DANIEL CLARK KENNY)	3.5451	1.9609

7-A	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	3.0013	1.6601
7-B	Fideicomiso- REGINA BONESO y ROBERT MITCHELL BONESO	2.0337	1.1249
7-C	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	2.2714	1.2563
7-D	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	3.5584	1.9682
8-A	EL CANTIL CONDOMINIOS SA DE CV	4.2272	2.3382
8-B	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	3.2637	1.8052
8-C	Fideicomiso-CANTIL COZUMEL LLC (PAUL ERHARD)	3.5451	1.9609
9-A	Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (representados por Alan Craig Dannerman)	6.9624	3.8511
9-B Rest	Wynston Albert Dearboy Dannerman Dominguez, Emilee Ilene Dannerman Melendez y Ayden Marshall Dannerman Melendez (2do y 3ro representados por Saby Karina Melendez Chan)	5.4658	3.0233

It is announced to all present that Unit 9AN and 9-B Rest, both from the North Tower CANNOT vote for being in arrears with their payments to the Condo Regime. Therefore, these private units will not be taken into account for the installation of the present Assembly. The aforementioned agrees with Article 32 Paragraph 3 of the Condominium Law for the State of Quintana Roo.

Following, it is manifested that, from the previous list of units, the following are absent: **LAS, 3CS, 4AS, 4BS, 6CS, 7AS, 8CS, LDN, 2CN, 4AN, 6AN, 6CN, 7AN, 7CN, 7DN, 8AN, 8BN** and they are in breach of **Article 14 of the Condominium By-laws of El Cantil**. All present are reminded that the said article specifies clearly the obligation and responsibility that each condo owner has, to do everything in their power to be present in person or by means of proxy to ALL Condominium Assemblies; since, the repeated non-attendance can damage or even block the decision-making process for the well-being of the Condominium. It is emphasized that because of the clear breach of this Article, the Units (Owners) that persist with the intention of not attending and are not making necessary arrangements to obtain a proxy to attend in their behalf, fines in accordance with **Article 65 of the cited By-laws**, could be levied.

The vote tellers now certify that there is: **63.967% (Sixty-Three Point Nine Six Seven Per Cent)** of the undivided interest of the Sub-Regime of the South Tower and **59.7115% (Fifty-Nine Point Seven One One Five Per Cent)** of the Sub-Regime of the North Tower and that the Undivided Interest in relation to the Master Condominium “El Cantil” is: **61.7534% (Sixty-One Point Seven Five Three Four Per Cent). Therefore: It is established by this Assembly that the undivided interest of Both Towers (North and South) in Relation to the Master Condominium “El Cantil” is of 61.7534% (Sixty-One Point Seven Five Three Four Per Cent) is the one that will be used for all the decisions taken by the present Assembly.**

This point is approved with a **unanimous vote** of all present that represent **61.7534% (Sixty-One Point Seven Five Three Four Per Cent)** of the votes of the undivided interest in relation to the Master Condominium, it is approved as it was described in the present minutes.

SECOND POINT.- In fulfillment of point II of the Agenda and once discussed about the election of the Chairman, Secretary and two Vote Tellers, with a **unanimous vote** of all present who represent **61.7534% (Sixty-One Point Seven Five Three Four Per Cent)** of the votes of the undivided interest in relation to the Master Condominium, this point is approved as it was described earlier in the minutes: **Mr. Robert Lee Balgenorth** as **Chairman** of the Assembly; Likewise, **Attorney Johana Margarita Rodriguez Romero** as **Secretary** and as Vote Tellers: **Gary Robert Gomola** and **Martina Lee Hanson.**

THIRD POINT.- In fulfillment of point III of the Agenda, the Chairman of the Assembly, **Mr. Robert Lee Balgenorth** declares that the Assembly is legally installed in **Second Call**, that the vote tellers certified the Signed Attendance Sheet of the Condo Owners that are present in person or by means of a legal proxy, in accordance to the fulfillment of the First Point. It is reminded to all present that this Assembly has established the undivided interest of Both Towers (North and South) in relation to the Master Condominium “El Cantil” of **61.7534% (Sixty-One Point Seven Five Three Four Per Cent)** and is the one that will be used to make all the decisions, in accordance with the fulfillment of the First Point.

The Assembly approves this point with a **unanimous** vote of those present that represent **61.7534% (Sixty-One Point Seven Five Three Four Per Cent)** of the votes of the undivided interest in relation to the Master Condominium.

FOURTH POINT.- In fulfillment of point IV of the Agenda, the Chairman reads the Agenda proposed for the present Assembly, same that is transcribed as follows:

¨AGENDA¨

I- Verification of Attendance list (Which will verify the number of co-owners present, representatives or legal proxies calculated in accordance to their undivided interest, done Per Sub Regimes and Master Regime).

II- Appointment of Assembly chairman, Secretary and two vote tellers.

III- Declaration by the Assembly Chairman that the Meeting is duly and legally installed in accordance with the regulations.

IV- Reading of The Agenda.

V- Discussion and/or vote for the ratification of the Minutes of the Extraordinary Assembly of June 1st, 2018.

VI- Discussion and in its case approval of certain modifications of the Rules and Regulations for El Cantil Regime.

VII- Discussion and/or vote for Architectural Committee Guidelines.

VIII- Administrator and Vigilance Committee Report on progress since the last meeting.

IX- Legal Report.

X- Discussion and/or vote regarding IVA Recuperation process.

XI- Discussion and Election and/or Ratification of Vigilance Committee Members.

XII- Discussion and/or vote regarding the Financial Statements only from January to September (3 quarters) of 2018.

XIII- Discussion and/or vote regarding South Pier Stainless Steel Ladder

XIV- Discussion and/or vote regarding New Pool Area Furniture

XV- Discussion and/or vote regarding Lightning Rods

XVI- Discussion and/or vote regarding Fiber Optic Upgrade

XVII- Discussion and/or vote regarding Relocation of Elevator #4 Control Panel

XVIII- Discussion and/or vote regarding Solar Panels

XIX- Discussion and/or vote regarding Security Gates in lobbies

XX- Discussion and/or vote regarding Building Insurance
XXI- Discussion and Approval of the General Budget for 2019 and Reserve Fund expenses.
XXII- General Business
XXIII- Designation of Special Agent who will cause a formal record of the Assembly minutes before a Public Notary as well as their registration before the Public Registry of Deeds and Commerce in Cozumel.
XXIV- Approval of the person assigned to Draft the minutes, discussion, reading and approval of the respective minutes.
XXV- Adjournment.

Once the agenda is discussed, it is approved with a **unanimous vote** of all present that represent **61.7534% (Sixty-One Point Seven Five Three Four Per Cent)** of the votes of the undivided interest in relation to the Master Condominium, as it has been properly described in the present minutes.

FIFTH POINT.- In fulfillment of point V of the Agenda, the Chairman of the Assembly indicates that it is necessary to ratify the Minutes of the Condominium Extraordinary Assembly of June 1st, 2018. **Mr. Gregory Nathan Hanson** emits a motion so that the reading of the minutes of the mentioned assembly might be dispensed due to the fact that the document is very long and that the ratification of the same might be approved. Therefore, it is put to a vote and the Assembly decides according to the following:

Resolution:

It is approved to ratify the Minutes of the Condominium Extraordinary Assembly of June 1st, 2018 with a majority of votes of those present that represent **96.861% (Ninety-Six Point Eight Six One Per Cent) in favor, 0% (Zero Per Cent) against** and **3.139% (Three Point One Three Nine Per Cent)** of the votes of the undivided interest in relation to the Master Condominium.

SIXTH POINT - In fulfillment of point VI of the Agenda**,** they proceed with the discussion and in its case approval, on certain modifications to the By-laws of “El Cantil” Condominium.

It is explained that the required quorum of 75% of the undivided interest has not been reached in order to make a decision about this matter. Therefore, not having anything to discuss nor vote in the present point, the Assembly moves on to the next point in the agenda.

SEVENTH POINT.- In fulfillment of Point VII of the Agenda, they proceed to the discussion and vote to approve the Architectural Committee Guidelines.

It is explained that the required quorum of 75% of the undivided interest has not been reached in order to make a decision about this matter. Therefore, not having anything to discuss nor vote in the present point, the Assembly moves on to the next point in the agenda.

EIGHT POINT.- In fulfillment of Point VIII of the Agenda, **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V.,** Administrative Company of the Condominium Regime Property of “El Cantil”, proceeds to present his Administrative Report about the progress since the last Assembly by means of slideshows.

Mr. Gregory Nathan Hanson takes the floor to declare that he meets every week with the Administrator and that a lot of projects have been accomplished. He explains that a lot of time from the Vigilance Committee and the Administrator has been invested in legal matters but apart from all the work accomplished they are prioritizing on matters of security.

There is a question and answer session about this report. In respect to certain projects, some owners give suggestions that the administrator will take into account and will follow through.

Resolution:

By a majority of votes of those present that represent **96.861% (Ninety-Six Point Eight Six One Per Cent) in favor**, **3.139% (Three Point One Three Nine Per Cent) against** and **0% (Zero Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

NINTH POINT.- In fulfillment of point IX of the Agenda, regarding the Legal Report: **Mr. Ashley Grant Sartison,** as the legal representative of the Condominium Regime "El Cantil" proceeds to present a legal report, by means of slideshows:

First, it is explained the quantities that the **Units 9AN** and **9BN (Rest)** owe the Condominium Regime:

El Cantil (ECC Cozumel A.C.)					
Delinquent Dues and Penalties / Cuotas no pagadas y penalidades					
September 30, 2018 / 30 de septiembre, 2018					
Condo	**Ordinary & Self Insurance Dues/ Cuotas ordinarias y cuotas de seguro**	**Reserve Dues/ Cuotas de reserva**	**Water bills / Gastos de agua**	**Fees and penalties / Penalidades**	**Total**
9AN	822,663.00	142,492.00	26,764.48	2,078,619.00	3,070,538.48
9BN	497,995.00	111,864.00	32,724.05	3,099,808.00	3,742,391.05

Following, the legal procedures are explained:

CASES WON • 85/2016 – Dispossession of 9AN (WON) • 29/2017 - Appeal of 85/2016 (WON) • 433/2017 – Amparo Directo Appeal of 29/2017 (WON) • "Revision" (WON) – All legal expenses related to this trial and appeal will now need to be paid by 9AN owners. This trial is done. • 785/2016 – Criminal Lawsuit against Ash for Attempted Dispossession of 9AN (WON) • Criminal Lawsuit - Theft of Cages – (WON) • Criminal Lawsuit - Drone – (WON) • 3 Criminal Cases against Jorge, Bill and Ash (WON) CASES LOST	CASOS GANADOS • 85/2016 – Despojo del 9AN (GANADO) • 29/2017 - Apelación del 85/2016 (GANADO) • 433/2017 – Amparo Directo Apelación del 29/2017 (GANADO) • Revisión (GANADO) – Todos los gastos para la defensa de este juicio y su apelación se tienen que pagar por los dueños de 9AN. Juicio totalmente cerrado. • 785/2016 – Demanda Penal contra Ash por intento de Despojo del 9AN (GANADO) • Demanda Penal – Robo de Jaulas – (GANADO) • Demanda Penal - Drone – (GANADO) • 3 Demandas Penales en contra de Jorge, Bill y Ash (WON) CASO PERDIDOS

• Offensive Legal Administrative Case to overturn the transfer of the Federal Zone Concession to a third party. IN PROCESS • Started and Offensive Lawsuit against SEMARNAT to force them to properly review and reverse the transfer of the Federal Zone Concession to a third party. • 46/2017 - Jactancia regarding 9BN-Rest and 9AN • 298/2016 - 9AN vs. June 2016 Condo Assembly	• Juicio Administrativo que se llama Revisión ante SEMARNAT para cancelar la transferencia de la Zona Federal a tercera persona. EN PROCESO • Se empezó una demanda de Juicio de Nulidad en contra de SEMARNAT para forzarles a hacer una revisión y en su caso cancelar la transferencia de la Zona Federal a tercera persona. • 46/2017 - Jactancia cuanto al 9BN-Rest y 9AN • 298/2016 - 9AN vs. La Asamblea de Condóminos del 2016

There is a question and answer session about the legal procedures.

Attorney Horacio Cuevas is presented before the assembly, he is the litigation attorney in the Process of the Federal Zone Terrestrial and Maritime. He gives a report about the Federal Zone. He explains that the present holder of the concession is **Mrs. Saby Karina Melendez Chan,** that the concession was transferred in her favor from the Company **Condominios San Miguel S.A. de C.V.** Due to these facts, his professional opinion is that the fact that a third party holds the concession of the Federal Zone is not to the condo owners' benefit. This fact causes uncertainty for the future buyers, and since this is a third party that does not belong to the Association approved by the Condominium Regime, as third party they don't have the obligation to render accounts to such Association.

He explains that an Administrative Trial called Revision was started before SEMARNAT to cancel the transfer of the Federal Zone to a third person. And since this was rejected, for the moment an Annulment Procedure (Juicio de Nulidad) has started against SEMARNAT to force them to do a revision and in its case to cancel the transfer of the Federal Zone to a third person.

Mr. Thomas Richard Kieckhafer makes a motion to ratify the desire of the condo owners of El Cantil, expressed in the **FOURTEENTH POINT** of the November 4th, 2015 Assembly; where it was expressed that the desire was that the Condominium Regime was the holder of the Federal Zone Terrestrial and Maritime by means of its Civil Association, ECC Cozumel A.C. Simultaneously, that it may be requested to the present holder of the Federal Zone, to transfer in a voluntary way the title of the Federal Zone Concession to the civil association of the Condominium, named ECC Cozumel A.C., for the benefit of all the condo owners of the Condominium."

This motion is approved by a majority of votes that represent **96.8610% (Ninety-Six Point Eight Six One Zero Per Cent) in favor**, **3.139% (Three Point One Three Nine Per Cent) against** and **0% (Zero Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

Having nothing further to approve in this matter, they proceed to the next point in the agenda.

TENTH POINT.- In fulfillment of the point X of the Agenda, they proceed with the discussion and/or vote regarding IVA Recuperation process. Taking the floor, **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V.,** Administrative Company of the Condominium Regime Property of "El Cantil", proceeds to explain that, talking to experts on the subject, they have suggested that as long as the accounting is honest and clean there is a big possibility that the IVA might be recovered and that the best time for doing this is before December of the present year. A question and answer discussion is opened about the topic.

Mrs. Jean Marie Brill emits a motion to authorize the Administrator to use up to a maximum of **$5,000.00 Dollars (That is: Five Thousand Dollars of the United States of America 00/100)** to be able to explore with the tax specialist attorneys if it's a viable option or if there exists a possibility of getting IVA back.

The motion is approved by a majority of votes of those present that represent **80.2118% (Eighty Point Two One One Eight Per Cent) in favor**, **19.7882% (Nineteen Point Seven Eight Eight Two Per Cent) against and 0% (Zero Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

Following, **Mr. Gary Robert Gomola** emits a motion so that after the investigation with the tax specialist attorneys, if there is a possibility, the Administrator and the Vigilance Committee may take the decision to follow with the process to get back the IVA in the most prudent manner and as long as the cost of this is within budget.

The motion is approved by a majority of votes of those present that represent **88.3735% (Eighty-Eight Point Three Seven Three Five Per Cent) in favor**, **3.139% (Three Point One Three Nine Per Cent) against** and **8.4875% (Eight Point Four Eight Seven Five Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

ELEVENTH POINT.- In fulfillment of point XI of the Agenda, about the election and/or ratification of the Members of the Vigilance Committee. It is reminded to the Assembly that the present members of the Vigilance Committee are the following people: As **President Mr. Joseph Ciotti**, as **Secretary Mr. Thomas Richard Kieckhafer,** as **Treasurer Mr. Gregory Nathan Hanson** and **Mr. Jeffery Alan Jozwiak and Mr. Daniel Joseph Kliethermes** as **Spokesmen** (**Vocals).**

In regard to the duties of the Vigilance Committee we have the following:

It is clarified to ALL present that no owner is obligated to remain as a member of the Vigilance Committee if they do not wish to do so. And if it is required to make a change on the members, the voting for electing new members will be by means of an exception to the rule of the undivided interest, that is: 1 vote per Unit in conformity with Article 28 Fraction II of the Condominium Property Law of the State of Quintana Roo.

It is explained to those present that Mr. Joseph Ciotti in recent dates, not only has sold his Unit which is part of the Condominium Regime to another person but has also expressed his desire to renounce his duties as **President** of the Vigilance Committee. **Therefore, it is explained to the Assembly the need to accept the resignation of Mr. Ciotti but also to revoke all the powers that had been bestowed in his favor as President.**

Therefore, the Assembly makes the next:

Resolution:

With **29** Votes **in favor**, **0 against** and **1 Abstentions** of the **30 Units** present the Assembly **approves** the resignation of **Mr. Ciotti** as **President** of the Vigilance Committee and in this act revoke all the powers previously bestowed in his favor with the effect on the functions he performed as President of such Committee. Simultaneously, he is released of all responsibility that may result, not having anything to reclaim from him in a present or future way more than just extend gratitude for his loyal and good performance in his duty.

A motion is emitted to accept the resignation of **Mr. Jeffery Alan Jozwiak** and **Mr. Daniel Joseph Kliethermes** as **Spokesman (Vocals) from the Vigilance Committee and revoke all the powers bestowed upon them.**

With **29** Votes **in favor, 0 against and 1 Abstention** from the **30 Units** present, the Assembly approves the resignation of **Jeffery Alan Jozwiak** and **Daniel Joseph Kliethermes** as spokesmen of the Vigilance Committee and in this act, they revoke all the powers previously bestowed in their favor in accordance with the functions they performed as members of such Committee. At the same time, they are released of all responsibility that may result, not having anything to reclaim from them in a present or future way more than just extend gratitude for their loyal and good performance in their duties.

Act that follows **Mr. Robert Lee Balgenorth** explains that a new President should be elected for the Vigilance Committee and at the same time possibly some changes in positions between the members of the actual Committee. Therefore, after a long discussion there is the next resolution:

Resolution:

With **29** Votes **in favor, 1 against and 0 Abstentions** from the **30 Units** present the Assembly **approves** the following people as new members of the Vigilance Committee of the Condominium Regime:

Mr. Gregory Nathan Hanson as **President**
Mr. Thomas Richard Kieckhafer as **Secretary**
Mr. Jean Marie Brill as **Treasurer**
Mr. Doris Marina Holter as **Spokesman**
Mr. Robert Lee Balgenorth as **Spokesman**

Therefore, in this act the aforementioned people, being here present, accept their respective duties and pledge to fulfill it faithfully. Following, the Assembly proceeds to bestow on the new members of the Vigilance Committee the sufficient Powers to represent the Condominium Property Regime named **"EL CANTIL" UNIDAD PRIVATIVA UNO Y PRIVATIVA DOS Y SUBRÉGIMENES EL CANTIL TORRE SUR Y EL CANTIL TORRE NORTE.** Therefore, in accordance to the Article 2810 of the Civil Code for the State of Quintana Roo, they bestow the next Faculties and Powers, **including in these the Faculty to Bestow or Revoke powers to third parties (other people) for the rightful representation of the Property in Condominium Regime:**

A.- GENERAL POWER FOR LITIGATION AND COLLECTIONS, with all the general and special authorities that require a specific clause pursuant to law, in terms of the first paragraph of article two thousand five hundred and fifty-four of the Federal Civil Code, two thousand eight hundred and ten of the Civil Code for the State of Quintana Roo, and its correlatives of other Codes of the States of the Mexican Republic.
B.- GENERAL POWER TO ADMINISTER ASSETS, in terms of the second paragraph of article two thousand five hundred and fifty four of the Federal Civil Code, two thousand eight hundred and ten of the Civil Code for the State of Quintana Roo, and it's correlatives of other Codes of the States of the Mexican Republic and for the representative, in name and representation of the company is able to make with the Tax office (Secretaria de Hacienda y Credito Publico), with (Servicio de Administración Tributaria) and any other of the Federal, State, or Municipal governmental office, all types of actions specially of a fiscal or administrative character, including among them: getting a Tax identification Number, obtaining the Certificate of fiscal identification for the company, as well as the digital certificate, do the errands in order

to create the electronic advanced signature; present declarations, notices, informs, promotions, requests and notices in front of authorities as well as fiscal pronouncements; process returns and compensations of taxes that the granter company generates; likewise receive notices and attend to all types of summons in front of the fiscal authorities.

C.- GENERAL POWER FOR LITIGATIONS AND COLLECTIONS IN LABOR MATTERS AND TO ADMINISTER ASSESTS IN LABOR MATTERS, in accordance with Article 2554 (two thousand five hundred and fifty four) of the Federal Civil Code, two thousand eight hundred and ten of the Civil Code for the State of Quintana Roo, and it's correlatives of other Codes of the States of the Mexican Republic with all general faculties related to the execution of the mandate, as well as the special ones that require a specific clause pursuant to law, among the ones naming but not limiting them: we can quote the following: to contract, to contract before arbitrators, to articulate and release statements, to acknowledge signatures and documents, to make and receive payments, to consent in sentences, having the proxies faculties to contract and fire workers and employees of the company and being able sign all types of labor contracts and fees for services provided, all types of agreement as per the termination of such contracts. Likewise the proxy can appear in front of any labor authority, especially hearings in the conciliatory stage of the process and celebrate agreements with such audiences' that could occur, being able to represent the association as boss in terms of Articles 9, 11, 523, 692 Fraction II and 873 to 876 and all correlatives of the Federal Labor Law, in all stages of the process and finally represent the association in front of individuals and in front of all Labor authorities, Conciliation and Arbitrary, being those Federal, Local or Municipal and in General for them to be able to have part in any litigation or collection doing and administration acts in labor matters, owning and having the most ample faculties even if they require a special clause. Likewise, the proxies will be able to represent the company in front of National Institute of Housing for the Workers (INFONAVIT), Social Security Department (IMSS) and all other institutes where the workers of the company will have to be registered, to be able to make requests and the necessary processes for the resolution of matters that come up, in which they will appear with character of legal representatives of the commanding company to be able to process all the necessary things to be able to add or remove workers and make all sorts of activities to be able to register them or cancel registration in such institutes and corresponding registries.

D.- POWER TO SIGN ENTITLEMENTS AND CREDIT OPERATIONS (THIS IS: CHECKS OR OTHER SIMILARS), to sign, accept, issue, cash, cancel, credit documents, open/close bank accounts of any type including checking accounts, in national currency or in dollars, within the national territory or abroad, being able to authorize who they seem convenient, by means of an specific special power, in accordance to bank laws, necessary to be able to sing and make and issue checks, and in general, being able to act in anything related to the rights and obligations that result from all types of entitlements and credit operations in terms of article Nine of the General Law of Entitlements and credit operations.

TWELTH POINT.- In fulfillment of point XII of the Agenda, they proceed with the discussion and vote to approve the 2018 Financial Statements from January to September. Taking the floor, **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V.,** Administrative Company of the Condominium Regime Property of "El Cantil", proceeds to present to the Assembly the Financial Statements of 2018 only from January to September. A copy of the same is added to the content of the present minutes as follows:

FINANCIAL REPORT

El Cantil (ECC Cozumel A.C.)
Budget vs. Actuals (Cash basis) / Presupuesto vs Real (Base de efectivo)
January- September 2018 / enero a septiembre, 2018

	Actual / Gastos Reales	Budget / Presupuesto	Difference / Diferencia
Income / Ingresos			
Interest income/Intereses Ganados	5,899.51		5,899.51
Onity card replacement fee / Cobros para reemplazo de tarjetas Onity	660.00		660.00
Ordinary Dues / Cuotas Ordinarias	4,717,326.26	5,582,868.00	(865,541.74)
Penalty for Late Payment / Penalidad por falta de pago	250.00		250.00
Unpaid ordinary dues recovery / Cobro de cuotas ordinarias no pagadas	255,867.99	0.00	255,867.99
Water payments / Pagos de agua	281,799.80	309,600.00	(27,800.20)
Total Income / Total de ingresos	5,261,803.56	5,892.468.00	(630,664.44)
Expenses / Gastos			
Bank charges/Cargos Bancarios	1,088.08	1,350.00	(261.92)
Employee expenses/Gastos de empleados			-
Payroll / Nomina	934,701.39	811,575.00	123,126.39
Payroll Expenses / Seugro, Infonativit, IVA, ISR	372,254.52	343,750.00	28,504.52
Rewards / Premios		6,075.00	(6,075.00)
Uniforms / Uniformes	35,489.56	21,000.00	14,489.56
Total Employee expenses/Gastos de empleados	1,342,445.47	1,182,400.00	160,045.47
Legal - Assembly expenses/Gastos de asamblea	188,376.41	250,000.00	(61,623.59)
Total Legal fees/Honorarios por asistencia Legal	575,722.05	824,850.00	(249,127.95)
Maintenance/Mantenimiento			-
Cleaning supplies / Productos de limpieza	15,804.42	32,625.00	(16,820.58)
Extinguisher/Extintores	8,862.40		8,862.40
Gardening / Jardineria	14,175.12	7,650.00	6,525.12
General maintenance / Mantenimiento general	87,248.05	175,950.00	(88,701.95)
Paint and paint supplies / Pintura	50,996.03	22,500.00	28,496.03
Roof Sealing/Impermabilizacion del Techo	11,022.85		11,022.85
Total Paint and paint supplies / Pintura	62,018.88	22,500.00	39,518.88
Plumbing and Electrical / Plomeria y Electrico		54,900.00	(54,900.00)
Electrical / Electrico	85,313.25		85,313.25
Plumbing / Plomeria	167,047.77		167,047.77

Total Plumbing and Electrical / Plomeria y Electrico	252,361.02	54,900.00	197,461.02
Pool Repair & Supplies / Reparacion y productos alberca	193,631.02	110,700.00	82,931.02
Telephone repairs / Reparacion al sistema de Telmex		3,825.00	(3,825.00)
Tools / Herramienta	14,932.31	22,050.00	(7,117.69)
Total Maintenance/Mantenimiento	649,033.22	430,200.00	218,833.22
Office expenses/Gastos de oficina	23,513.22	23,175.00	338.22
Professional services fees/Gastos servicios profesionales			-
Accounting fees / Gastos de contabilidad	69,204.00	62,100.00	7,104.00
Administration Extraordinary / Admin extraordinaria	190,800.00	190,800.00	-
Adminstration fee ordinary / Administracion ordinaria	666,675.00	666,675.00	-
Elevator maintenance contract / mantenimiento elevador	221,722.74	221,625.00	97.74
Fumigation / Fumigacion	52,724.72	57,600.00	(4,875.28)
Security / Seguridad	189,000.00	198,450.00	(9,450.00)
Total Professional services /Gastos servicios profesionales	1,390,126.46	1,397,250.00	(7,123.54)
Taxes - Federal Zone/Zona Federal		203,100.00	(203,100.00)
Taxes IVA ISR /Impuestos IVA ISR	192,168.00	200,250.00	(8,082.00)
Taxes Pier concession/Concesion de muelle		25,000.00	(25,000.00)
Utilities/Servicios			-
Electricity / Luz	222,338.00	218,475.00	3,863.00
Gas / Gas	206,338.09	200,570.40	5,767.69
Internet / Internet	7,261.00	7,200.00	61.00
Television / Television	307,757.28	310,725.00	(2,967.72)
Water / Agua	520,853.64	510,175.00	10,678.64
Total Utilities/Servicios	1,264,548.01	1,247,145.40	17,402.61
Total Expenses / Total de gastos	**5,627,020.92**	**5,784,720.40**	**(157,699.48)**
Profit or Loss / Utilidad o Perdida	**(365,217.36)**	**107,747.60**	**(472,964.96)**

El Cantil (ECC Cozumel A.C.)

Budget vs. Actuals Projects (Cash basis): Presupuesto vs Real Proyectos (Base en efectivo)

January - September, 2018 / enero a septiembre, 2018

	Prior to 1-Jan-18	Jan 1 – Sept 30, 2018	Estimate to complete	Total Estimate at Completion	Budget	Variance

	Antes de 1-ene-18	1-ene a 30-sept, 2018	Aprox para completar	Total aprox para completar	Presupuesto	Diferencia
Reserve fund assessment / Cuotas de fondo de reserva		**1,117,505.00**			**1,200,000.00**	**-82,495.00**
Unpaid reserve dues recovery / Cuota para cuotas de reserva no pagadas		**82,491.00**			**0.00**	**82,491.00**
Total Reserve Income / Total recibido		**1,199,996.00**			**1,200,000.00**	**-4.00**
Projects Current / Proyectos Actuales						
Generator Purchase and Installation / Compra e instalacion de nueva planta electrica	240,317.80	801,400.89	50,000.00	1,091,718.69	1,020,000.00	71,718.69
Railings sea-side balconies / Barandales terrazas frente al mar	2,537,455.68	255,373.87	20,000.00	2,812,829.55	2,936,905.00	-124,075.45
Transfer of Pier Concession to ECC / Transferencia de derechos del muelle a ECC	181.00	0.00	20,000.00	20,181.00	20,181.00	0.00
Transformers Sur - Relocate off Private Property/Mover de propiedad privada	6,525.00	0.00	193,475.00	200,000.00	200,000.00	0.00
Total Projects Current / Proyectos Actuales	**2,784,479.48**	**1,056,774.76**	**283,475.00**	**4,124,729.24**	**4,177,086.00**	**-52,356.76**
Projects Finished / Proyectos completados						
Pool chairs / Tables / Umbrellas / Sillas, mesas y sombrillas para area de alberca	0.00	10,080.00	0.00	10,080.00	10,080.00	0.00
Building exterior paint window sealing / Pintura del edificio y Sellado de ventanas	1,537,102.42	1,076,267.96	0.00	2,613,370.38	2,560,000.00	53,370.38
Onity System/Sistema Onity	126,346.64	7,941.73	0.00	134,288.37	190,000.00	-55,711.63
Repair South Tower water feature / Reparar fuente del torre sur	46,193.64	30,796.07	0.00	76,989.71	92,500.00	-15,510.29
Transfer of Federal Zone Concession to ECC Cozumel/Transf de la Zona Federal	146,056.08	137,505.88	0.00	283,561.96	257,654.00	25,907.96
Total Finished Projects / Total de proyectos completados	**1,855,698.78**	**1,262,591.64**	**0.00**	**3,118,290.42**	**3,110,234.00**	**8,056.42**
Projects on Hold / Proyectos Suspendidos						
Bridge modifications / Modificaciones al puente	17,587.00	0				
New lighting for entire pool/beach area/Iluminiacion nueva para área de la alberca/playa	0	0				
Pool area deck / Pisos del área de la alberca	0	0				
Railings LDN to Palace/Barandales LDN a Palace	0	0				

Security Gates in Lobbies/Las Rejas de Seguridad en los Vetibulos	0	0				
Total Projects on Hold / Total de proyectos suspendidos	**17,587.00**	**0**				
Net Profit Jan-June 2018 / Ganancia enero a junio 2018		**-1,119,370.40**				

El Cantil (ECC Cozumel A.C.)	
Self insurance fund (Cash basis) / Fondo de Seguro (Base en efectivo)	
January-September 2018 / enero a septiembre, 2018	
Revenue / Ingresos	768,276.00
Revenue to cover unpaid portion of 9AN 9BN / Pagos para cubrir 9AN 9BN	37,803.64
Expenses / Gastos	-(613,956.57)
Excess or (Loss) of Revenue over Expenses / Ganancia o Perdida	192,123.07

El Cantil (ECC Cozumel A.C.)				
Fund balance change report (Cash basis) / Reporte de cambios de saldos de fondos (Base en efectivo)				
January-September 2018 / enero a septiembre, 2018				
Description	**Operating**	**Reserve**	**Insurance**	**Total**
Descripcion	**Operativo**	**Reserva**	**Seguro**	**Total**
Balance/ Saldo 31-Dec-17	**1,231,666.78**	**1,611,028.63**	**4,336,595.59**	**7,179,291.00**
Current Period / Periodo actual				
Profit Loss / Ganancia y Perdida	**(365,217.36)**	**(1,119,370.40)**	**192,123.07**	**(1,292,464.69)**
Foreign currency exchange / Tipo de cambio	**(15,898.47)**	**(104,350.12)**	**(259,198.37)**	**(379,446.96)**
Balance / Saldo 30-Sept-2018	**850,550.95**	**387,308.11**	**4,269,520.29**	**5,507,379.35**

El Cantil (ECC Cozumel A.C.)	
Changes in Cash Balance (Cash Basis) / Cambios en saldos en efectivo (Base en Efectivo)	
January-September, 2018 / enero a septiembre, 2018	
Net income or (loss) / Ganancia o (perdida)	
Operating Fund (Fondo operativo)	(365,217.36)
Reserve Fund (Fondo de reserva)	(1,119,370.40)
Insurance Fund (Fondo de seguro)	192,123.07
Total	**(1,292,464.69)**
Other sources or uses of cash / Otras fuentes o usos de efectivo	
Change in employee loans / Cambios a prestamos a empleados	(700.00)
Charge in accounts receivable / Cambios a cuentas por recibir	-
Net cash operating / Neto de efectivo operativo	**(1,293,164.69)**
Gain or (loss) on currency conversion / Ganancia o (perdida) en TC	(379,446.96)

Balance 31-Dec-2017 / Saldo 31-dic-2017	**7,179,291.00**
Balance 30-Sept-2018 / Saldo 30-sept-2018	**5,506,679.35**

El Cantil (ECC Cozumel A.C.)			
Cash Balance Report / Reporte de saldos			
September 30, 2018 / 30 de septiembre, 2018			
Cibanco Operating Account	**221,546.81**		
Cibanco Reserve Fund Pesos	**174,125.31**		
Monex USD account	**4,098,123.43**	**$218,101.30 USD**	**18.79 Exchange**
Monex pesos	**978,381.34**		
Petty Cash	**34,502.46**		
Total	**5,506,679.35**		

Supplemental Information / Información Adicional

El Cantil (ECC Cozumel A.C.)					
Delinquent Dues and Penalties / Cuotas no pagadas y penalidades					
September 30, 2018 / 30 de septiembre, 2018					
Condo	**Ordinary & Self Insurance Dues/ Cuotas ordinarias y cuotas de seguro**	**Reserve Dues/ Cuotas de reserva**	**Water bills / Gastos de agua**	**Fees and penalties / Penalidades**	**Total**
9AN	822,663.00	142,492.00	26,764.48	2,078,619.00	3,070,538.48
9BN	497,995.00	111,864.00	32,724.05	3,099,808.00	3,742,391.05

El Cantil (ECC Cozumel A.C.)	
Prepaid Dues Balances / Saldos de cuotas prepagadas	
December 31, 2015 / 31-diciembre-2015	532,447.44
December 31, 2016 / 31-diciembre-2016	1,657,399.53
December 31, 2017 / 31-diciembre-2017	2,045,111.50
March 31, 2018 / 31-marzo-2018	1,098,062.41
June 30, 2018 / 30-junio-2018	2,259,146.50
September 30, 2018 / 30-septiembre-2018	1,563,353.75

Resolution:

This point is approved by a majority of votes of those present that represent **96.8610% (Ninety-Six Point Eight Six One Zero Per Cent) in favor**, **19.7882% (Nineteen Point Seven Eight Eight Two Per Cent) against and 0% (Zero Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

THIRTEENTH POINT.- In fulfillment of Point XIII of the Agenda, they proceed with the discussion and/ or vote regarding the south pier stainless steel ladder. Taking the floor, **Mr. Ashley Grant Sartison** as a representative of **CBP Cozumel S.A. de C.V., Administrative Company of the**

Condominium Regime Property of "El Cantil", explains by means of slideshows what is involved in this project.

The Assembly having nothing further to discuss in the moment about this point decides that this matter be discussed and voted in the fulfillment of Point XXI of the Present Assembly within the Budget for 2019.

FOURTEENTH POINT.- In fulfillment of point XIV of the Agenda, they proceed with the discussion and/or vote regarding the new pool area furniture. Taking the floor, **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V., Administrative Company of the Condominium Regime Property of "El Cantil",** proceeds to show by means of photographs options about the possible new pool area furniture and proceeds to answer questions about these options.

The Assembly having nothing to vote in this point decided that this matter be discussed and voted in the fulfillment of Point XXI of the Present Assembly within the Budget for 2019.

FIFTEENTH POINT.- In fulfillment of point XV of the Agenda, they proceed with the discussion and/or vote regarding lightning rods. Taking the floor, **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V., Administrative Company of the Condominium Regime Property of "El Cantil",** explains the existing bids for this project. There is a question and answer session.

The Assembly does not decide anything about this matter and proceeds to the next point in the agenda.

SIXTEENTH POINT.- In fulfillment of point XVI of the Agenda, they proceed with the discussion and/or vote regarding fiber upgrade. Taking the floor, **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V., Administrative Company of the Condominium Regime Property of "El Cantil",** explains the existing bids for this project. There is a question and answer session.

The Assembly does not decide anything about this matter and moves on to the next point in the agenda.

SEVENTEENTH POINT.- In fulfillment of point XVII of the Agenda, they proceed with the discussion and/or vote regarding the relocation of elevator #4 control panel. Taking the floor, **Mr. Ashley Grant Sartison,** explains that there is no 75% quorum of the undivided interest required for being able to take a decision in this matter. Therefore, not having anything else to discuss about the present point, the Assembly moves on to the next point in the agenda.

EIGHTEENTH POINT.- In fulfillment of point XVIII of the Agenda, they proceed with the discussion and/or vote regarding the solar panels. Taking the floor, **Mr. Ashley Grant Sartison**, explains the existing bids for this project. There is a question and answer session. The Assembly does not decide anything in this matter and moves on to the next point in the agenda.
NINETEENTH POINT.- In fulfillment of point XIX of the Agenda, they proceed with the discussion and/or vote regarding the security gates in lobbies. It is explained that since there is no 75% quorum of the undivided interest required for being able to take a decision in this matter. Therefore, not having anything else to discuss about the present point, the Assembly moves on to the next point in the agenda.

TWENTIETH POINT.- In fulfillment of point XX of the Agenda, they proceed with the discussion and/or vote regarding the building's insurance. **Mr. Ashley Grant Sartison,** as a representative of

CBP Cozumel S.A. de C.V., Administrative Company of the Condominium Regime Property of "El Cantil", explains some details about this matter.

Taking the floor, **Mr. Gary Robert Gomola**, explains that they were analyzing various options about the damage of a possible future storm like Wilma. He suggests that the insurance might be continued just as it has been until now and in case of having a scenario like Wilma deal with the situation.

Mrs. Trisha Lee Kieckhafer emits a motion to accept the recommendation of the financial committee to **maintain the self-insurance fund to the amount of $1,100,000.00 Pesos (That is: One Million One Hundred Thousand Mexican Pesos 00/100)** and to have the building's insurance policy be paid from that fund.

Self-insurance dues / Cuotas para fondo de seguro	**1,100,000.00**
9AN (3.8511%)	42,362.10
9BN (3.0233%)	33,256.30
Total needed to complete/Total para completar el fondo	**1,175,618.40**
Bill Quarterly/Cobrado Trimestralmente	

The motion is approved by a majority of votes of those present that represent **96.8610% (Ninety-Six Point Eight Six One Zero Per Cent) in favor, 3.139% (Three Point One Three Nine Per Cent) against and 0% (Zero Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

TWENTY-FIRST POINT.- In fulfillment of point XXI of the Agenda, regarding the discussion and approval of the General Budget for 2019 and Reserve Fund expenses. **Mr. Ashley Grant Sartison,** as a representative of **CBP Cozumel S.A. de C.V., Administrative Company of the Condominium Regime Property of "El Cantil",** starts with the discussion about some points of the budget. Then, **Mr. Ashley Grant Sartison**, presents the next table of the General Budget for 2019:

Proposed budget 2019 / Presupuesto General 2019	
Expenses / Gastos	
Bank charges/Cargos Bancarios	1,700.00
Employee expenses/Gastos de empleados	
Annual dinner / Cena anual	14,000.00
Payroll / Nomina	1,362,918.60
Payroll Expenses / Seugro, Infonativit, IVA, ISR	480,000.00
Rewards / Premios	13,000.00
Uniforms / Uniformes	15,000.00
Legal - Assembly expenses/Gastos de asamblea	180,000.00
Legal fees/Honorarios por asistencia Legal	900,000.00
Maintenance/Mantenimiento	
Cleaning supplies / Productos de limpieza	21,500.00
Extinguisher/Extintores	9,000.00

Gardening / Jardineria	15,000.00
Contigency / Contingencia	100,000.00
General maintenance / Mantenimiento general	135,000.00
Paint and paint supplies / Pintura	60,000.00
Plumbing and Electrical / Plomeria y Electrica	100,000.00
Pool Repair, Supplies, Salt / Alberca Reparacion, productos, Sal	250,000.00
Telephone repairs / Reparacion al sistema de Telmex	0.00
Tools / Herramienta	20,000.00
Office expenses/Gastos de oficina	35,000.00
Professional services fees/Gastos de servicios profesionales	
Accounting fees / Gastos de contabilidad	95,000.00
Administration Extraordinary / Administracion extraordinaria	254,400.00
Adminstration fee ordinary / Administracion ordinaria	933,345.00
Elevator maintenance contract / Proveedor de mantenimiento de elevador	310,411.84
Fumigation / Fumigacion	60,000.00
Security / Seguridad	264,600.00
Taxes - Federal Zone/Zona Federal	223,410.00
Taxes IVA ISR /Impuestos IVA ISR	270,000.00
Taxes Pier concession/Concesion de muelle	30,000.00
Utilities/Servicios	
Electricity / Luz	300,000.00
Gas / Gas	323,315.49
Internet / Internet	10,000.00
Television / Television	410,000.00
Water / Agua	660,000.00
Total Expenses / Total de gastos	**7,856,600.93**
Water bill reimbursement / Reembolso para agua	-412,800.93
Total Dues net of water income/Total menos reemblos de agua	**7,443,800.00**
Non Payment of Ordinary Dues by 9AN/9BN/Pago por falta de pagos de 9ANRest/9BN-Rest	511,900.00
Total Dues considering non payment of 9AN and 9BN-Rest/Total de Presupuesto con ajuste por falta de pagos de 9AN/9BN-Rest	**7,955,700.00**

Resolution:

The budget for 2019 is approved as presented above, by a majority of votes of those present that represent **93.7220% (Ninety-Three Point Seven Two Two Zero Per Cent) in favor, 3.1390% (Three Point One Three Nine Zero Per Cent) against and 3.139% (Three Point One Three**

Nine Per Cent) abstain, of the votes of the undivided interest in relation to the Master Condominium.

Subsequently**, Mr. Ashley Grant Sartison** presents the next table of the Reserve Fund:

El Cantil (ECC Cozumel A.C.)			
Reserve Fund Projects / Proyecto del Fondo de Reserva			
	Spent through Oct 31, 2018 / Total gastado hasta el 31-oct-2018	**Estimate at Completion/ Aprox Para Completar**	**Balance / Saldo**
Reserve Fund Balance Oct 31, 2018 /Saldo del Fondo de Reserva 31-oct-2018			**193,106.25**
APPROVED PROJECTS/ PROYECTOS APROBADOS			
Generator Purchase and Installation / Compra e instalacion de nueva planta electrica	1,066,940.54	1,119,655.67	(52,715.13)
Railings sea-side balconies / Barandales terrazas frente al mar	2,811,822.55	2,831,905.00	(20,082.45)
Transfer of Pier Concession to ECC / Transferencia de derechos del muelle a ECC	181.00	20,181.00	(20,000.00)
Transformers Sur - Relocate off Private Property/Mover de propiedad privada	179,020.13	210,000.00	(30,979.87)
Subtotal Current Projects	**4,057,964.22**	**4,181,741.67**	**(123,777.45)**
PROJECTS ON HOLD / PROYECTOS SUSPENDIDOS			
Bridge Modifications/ Modificaciones del Puente	17,587.00	60,000.00	(42,413.00)
New lighting for entire pool/beach area/Iluminiacion nueva para área de la alberca/playa	-	250,000.00	(250,000.00)
Pool área deck / Pisos del área de la alberca	-	1,700,000.00	(1,700,000.00)
Railings LDN to Palace/Barandales LDN a Palace	-	500,000.00	(500,000.00)
Security Gates in Lobbies/Las Rejas de Seguridad en los Vetibulos	-	-	-
	-	-	-
Subtotal On Hold Projects	**17,587.00**	**2,510,000.00**	**(2,492,413.00)**
NEW PROPOSED PROJECTS/PROYECTOS NUEVOS			
New South Pier Ladder/Escalera Nueva Muelle Sur		58,000.000	(58,000.00)
10 Tables and 40 Chairs / 10 Mesas y 40 Sillas			-
Lightning Rods for both Towers/Pararayos para Ambos Torres			-
Fiber Optic Upgrade Ambos Torres / Fibra Optica para Ambos Torres			-
Elevator #4 Redesign/Redeseño del Elevador #4			-
Solar Panels for Common Areas Electricity / Panales Solares para Areas Comunes			-
Hurricane Shutters for Electrical Installations / Anticlonicas para instalaciones electricas		90,000.000	(90,000.00)
Roof Sealing of Both Towers/impermeabilizando de los Techos de Ambo Torres		270,000.000	(270,000.00)

Subtotal New Projects	**-**	**418,000.000**	**(418,000.00)**
Reserve Fund Contribution		**151,328.800**	**(151,328.80)**
Subtotal needed to complete / Subtotal para completar			**(500,000.00)**
9AN (3.8511%)			(19,255.50)
9BN (3.0233%)			(15,116.50)
Total needed to complete			**(534,372.00)**
Bill Quarterly/Cobrado Trimestralmente			

The table of the reserve fund expenses is approved as it was presented above, by a majority of votes of those present that represent **79.2107% (Seventy-Nine Point Two One Zero Seven Per Cent) in favor, 17.6503% (Seventeen Point Six Five Zero Three Per Cent) against and 3.139% (Three Point One Three Nine Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

TWENTY-SECOND POINT.- In fulfillment of point XXII of the agenda, the Chairman of the Assembly asks if anyone has any business they would like to discuss. Not having any, the Assembly moves on to the next point in the agenda.

TWENTY-THIRD POINT.- In fulfillment of point XXIII of the agenda, **Mrs. Kandy Jean Stahl** proposes as special agent of the same, **Mr. Ashley Grant Sartison** to issue the required certified copies of this Assembly and to protocolize the present minutes and register them before any legal authority if necessary for the resolutions taken in this Assembly to be valid.

Mr. Ashley Grant Sartison is designated to be the special agent for him to do whatever is necessary or convenient, in order to formalize, protocolize and give legal effect to the resolutions of this Assembly, including going to the Notary of his choice to protocolize the present minutes, and also to perform any process needed in order to register the present minutes in any registry.

It is approved by majority of votes of those present that represent **96.861% (Ninety-Six Point Eight Six One Per Cent) in favor, 0% (Zero Per Cent) against** and **3.139% (Three Point One Three Nine Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

TWENTY-FOURTH POINT.- In fulfillment of point XXIV of the agenda, a motion is issued to accept **Attorney Johana Margarita Rodriguez Romero** as the person in charge of drafting the Minutes of the present Extraordinary Assembly.

Therefore**, Attorney Johana Margarita Rodriguez Romero**, is designated by majority of votes of those present that represent **96.861% (Ninety-Six Point Eight Six One Per Cent) in favor, 0% (Zero Per Cent) against** and **3.139% (Three Point One Three Nine Per Cent) abstain**, of the votes of the undivided interest in relation to the Master Condominium.

TWENTY-FIFTH POINT.- In fulfillment of point XXV of the Agenda, having no further matters to discuss they proceed with the adjournment of the Assembly and to conclude the drafting of the present minutes, the reading of such and once approved they are signed by the President, the Secretary and the designated Vote Tellers.

The following documents are attached to the present minutes:
ATTACHMENT A- AGENDA
ATTACHMENT B- ATTENDANCE LIST
ATTACHMENT C- POWERS

The meeting that was held in **Second Call** was adjourned being **4:00 PM** (**Sixteen Hours with Zero Minutes)** of the **2 day of November of the year Two Thousand Eighteen.**

CHAIRMAN	SECRETARY
Mr. Robert Lee Balgenorth	**Attorney Johana Margarita Rodriguez Romero**
VOTE TELLER	VOTE TELLER
Mr. Gary Robert Gomola	**Mrs. Martina Lee Hanson**

****Signatures will be on the Spanish version**