

**No. 161.- NOTARIAL CERTIFICATE NUMBER ONE HUNDRED SIXTY-ONE .**

**– RANCHO PAPAYAL OWNERS’ ASSOCIATION (ASPRAPA).-**

In the city of Managua, at three hours in the afternoon on the twenty-first of July of two thousand and five. **Before me, MODESTO EMILIO BARRIOS JARQUÍN**, of legal age, married, Attorney-at-Law and Notary Public of this domicile, duly qualified and empowered to act as such by the Supreme Court of Justice for the five-year commission which is due to expire on the fourteenth December of two thousand and six, personally **appear Mrs. Alicia Augusta Argüello Brockmann**, of legal age, married, Business Administrator identified with the Identity Card number two zero one dash three zero zero one seven one dash zero zero zero zero G (201-300171-0000G); **Mrs. Gloria Isabel Cordón Meza**, of legal age, married, Attorney-at-Law, identified with the identity card number zero zero one dash zero three zero one seven two dash zero zero zero five U (001-030172-0005U); **Ms. Olga María Saballos Rayo**, of legal age, single, Attorney-at-Law, identified with the identity card number zero zero one dash zero eight one one seven eight dash zero zero five eight V (001-081178-0058V); **Ms. Geisell del Carmen Orozco Saballos**, of legal age, single, Attorney-at-Law, identified with the identity card number zero zero one dash one seven zero nine seven dash zero zero zero eight S (001-170979-0008S); **Mr. Gabriel Francisco Chavarría Rodríguez**, of legal age, married, Lawyer, identified with identity card number eight eight eight dash one four one one five two dash zero zero zero zero N (888-141152-0000 N); and **Ms. Miriam Esther Ruíz Moncada**, of legal age, single, Attorney-at-Law, identified with the identity card number zero zero one dash one three zero two eight zero dash zero zero one seven S (001-130280-0017S); all these persons are of this domicile. I, Notary Public, attest to personally know the appearing parties who are to the best of my knowledge competent to be legally obligated to perform, especially for the execution of this legal deed in which every one of them acts on their own behalf, and they allege: **FIRST CLAUSE: (CONSTITUTION AND NAME)**. That they have decided to constitute “**ASOCIACIÓN DE PROPIETARIOS DE RANCHO PAPAYAL (RANCH PAPAYAL OWNERS’ ASSOCIATION)** as **non-profitable Association or Legal Entity in accordance with the Article 49 of the Political Constitution and Articles 3 and 8 of the General Law on non-Profitable Entities, which can be called “ASPRAPA”,** hereinafter “The Association”. **SECOND CLAUSE: (DOMICILE)**: The Association shall be domiciled in the city of San Juan del Sur, department of Rivas, but can establish offices, agencies and branches anywhere

within or outside the Republic of Nicaragua. **THIRD CLAUSE: (DURATION):** The duration of the Association shall be indefinite. **FOURTH CLAUSE: (OBJECTIVES OF THE ASSOCIATION):** **The objectives of the Association are as follows:** 1.- To promote and contribute to the economic, social, family and ecological development of the Rancho Papayal owners, its habitat, environment, land, water, sea and beach. 2.- To manage and procure programs for roads maintenance, water central system, electricity and other services and utilities thereof. 3.- To manage and establish conditions and programs for the maintenance, cleaning, security, convenience and leisure activities of the members of the Rancho Papayal Owners' Association. 4.- To create and finance social, economic and family development projects to increase the standard of living, education, culture, health, environmental and ecological protection of the Rancho Papayal owners. 5.- To ensure the Rancho Papayal preservation, thus preventing damages in order to protect, preserve and increase the value of Rancho Papayal. 6.- To make contracts with national and international natural persons or legal entities, which are deemed convenient in the framework of these objectives, signing certified or private documents that might be needed for such purpose. 7.- To carry out all acts and activities compatible with such objectives. **FIFTH CLAUSE: (AUTHORITIES, ADMINISTRATION AND SUPERVISION):** The General Meeting is the Association's highest authority and it is the meeting of the associates legally summoned for such purpose, under the concept that each associate has the right to one vote, subject to the covenants hereinafter set forth and defined in the By-laws. The Board of Directors is the administrative body of the Association and it acts on behalf of the General Meeting, therefore, it is granted the broadest power to look after interests and good functioning of the entity, subject to the covenants established hereinafter and in by-laws. The Supervisor shall be the inspecting body and he/she will be a natural person, whether he/she is the Association's member or not, subject to the covenants set forth in the by-laws, where other executive, operational and investigation bodies might be established for the purpose of the Association's objectives' total compliance. **SIXTH CLAUSE: (BOARD OF DIRECTORS):** The Board of Directors shall be composed of less than three Directors but no more than five, elected by the General Meeting for a two years period; its organization and functions shall be defined in By-Laws of the Association. **SEVENTH**

**CLAUSE: (REPRESENTATION):** The **PRESIDENT** of the Association shall be its Representative, in his capacity as **General Administrative Agent**. **EIGHTH CLAUSE:(PATRIMONY):** The patrimony of the Association is composed of all real estates, duties and shares acquired by the Association for any reason or purpose and its resources are constituted by: **a)** regular and extra membership fees paid by the active members; **b)** donations received by the Association; **c)** products and returns from the goods of the entity and incomes obtained from the services; **d)** grants and other goods and incomes to be obtained for any reason being they part of the Association's assets, subject to the covenants set forth in the by-laws of the Association. **NINTH CLAUSE: (DISSOLUTION AND LIQUIDATION):** The Association shall be dissolved by voting of three fourth parts of the members at the Meeting of Associates and given a justified reason, or owing to the circumstances defined in the sections a, b, c, d, e, f, of the Article 24 of the Decree 147 of the General Law on non-Profitable Entities and other provisions set forth in the by-laws. Once the dissolution of the entity is agreed, the Board of Directors shall keep constituted as Liquidation Board of the assets and liabilities of the Association. Should any surplus keep in cash, it shall be transferred to the Nicaraguan Red Cross. **TENTH CLAUSE: (BY-LAWS) The by-laws of the Rancho Papayal Owners' Association are passed by vote of all present members: TITLE I: INTRODUCTION:** The Association is a Civil Entity, of Nicaraguan nationality, apolitical, having nothing in common with lucrative objectives, created by the owners of lots in Rancho Papayal, situated in the municipality of San Juan del Sur, department of Rivas; constituted to promote, intensify, improve and protect the interests of the associates in harmony with the general interests of the community. It is a non-profitable entity with democratic participation, constituted to achieve the objectives presented herein, with the purpose to provide humanitarian support contributing to the development of the Rancho Papayal and its owners and to the improvement of the ecological habitat thereof. **ARTICLE 1:** The members-founders of the Rancho Papayal have agreed that the Rancho Papayal shall be a corporation responsible for the maintenance of the streets, water utilities and the green area. The agreement starts with the purchase of fifty lots and from now on, the amount of fourteen thousand dollars is agreed for the period of one year. Further, the Association has agreed to take responsibility for maintaining not less

than four horses to be used by the Association's owners preferably. The agreement begins with the sale of fifty lots and from then on the amount of twelve thousands dollars is agreed for the period of one year. **ARTICLE 2.** The name of the Association is **“ASOCIACION DE PROPIETARIOS DE RANCHO PAPAYAL” (RANCH PAPAYAL OWNERS' ASSOCIATION)**, or **“ASPRAPA” in its abbreviated form.** In these by-laws, the entity shall be called the Association. **ARTICLE 3.** There is a lot of the Association for the purposes of development. The membership is compulsory for all owners of lots and it is registered in the dossier of each lot. Each owner of lot shall receive one vote for each lot belonging to him/her. There are not different types of membership. If any member requires the complete copy of the by-laws, this copy shall be available. These by-laws shall have no influence regarding the use and pacific occupation of each lot. The by-laws restrict the use of the sold lots to a single family. These lots shall be not less than two hundred square feet in the area for a single residential story and not less than eight hundred square feet for two stories. The restrictions are the control regulations until respective ordinances of the area are established. No building constructed on a lot shall be more than twenty feet in height; it is supposed that the construction activities shall be ended in twelve months from the time the construction materials are delivered on a lot, or the establishment of the activities is ready, independently of the order of the above mentioned events. The functions and duties of the Associations shall be: to provide maintenance to public utilities, such as central water system, roads inside the area and the entrance into the area. The financial duties to the further maintenance of the central water system, the roads' sub-division, the entrance to the streets and other common aspects for the lots' owners shall be complied through the payment of the compulsory charges by the members of the Association. The Developer shall have no especial right to control the Association, whether through the creation of the rights or positioning pertinent officers. The maintenance of the water central system and roads shall not be assumed by the Association until the Developer has sold fifty lots. No increases of assessments or fees shall be needed. Until the year two thousand and six the annual fee per lot shall be not more than five hundred fifty Dollars; after two thousand and six, the Association shall increase the annual amount only in conformity with the voting majority. The actual level of the assessments provides to the Association

the capability to know its current financial duties. The special assessments can be imposed only by two third parties of votes. The Association can appoint a manager company to maintain and carry out the duties of the Association. **ARTICLE 4.** The domicile of the Association is the municipality of San Juan del Sur, department of Rivas, but its action area can be extended to the whole territory of the Republic. The Association can establish offices, branches throughout the national territory and outside the country. **ARTICLE 5.** The Association is created for indefinite period of time. **ARTICLE 6.** The Association in its capacity as Legal Entity is able to acquire rights and incur obligations by means of its representatives duly empowered to act as such. **TITLE II: OBJECTIVES:** **ARTICLE 7.** The Association's objectives are established in the Fourth Clause of its Constitution contract. **TITLE III. THE ASSOCIATES:** **ARTICLE 8.** Besides associates who are founders of the Association, there are associates being natural o legal persons, owners of one or various lots in Rancho Papayal, municipality of San Juan del Sur, department of Rivas; said associates have to meet certain requirements to be accepted by the Board of Directors. **ARTICLE 9.** The associates, be they founders or not, shall have the same rights. **ARTICLE 10.** For the purpose of these by-laws, the members of this Association are defined as natural persons and legal entities. **ARTICLE 11.** All natural persons or legal entities forming part of the Association, obey requirements set forth by the Board of Directors. **ARTICLE 12.** The rights of the associates are as follows: a) to attend General Meetings with voting right; b) to represent and to be represented in General Meetings; c) to elect and to be elected for the positions of the Association; d) to enjoy the benefits that the Association confer and to use the services that it gives to its associates under established conditions; e) to submit all kind of proposals and requests both to the General Meeting and the Board of Directors; f) to demand the compliance of these by-laws and other provisions that constitute the legal system of the Association; g) to require that the Association intercedes as friendly mediator; h) the rest of rights derived from the above mentioned, from the nature of their capacity as associates, or the rules of the Association. **ARTICLE 13.** The duties of the associates are as follows: a) to attend the General Meetings or to be represented thereat; b) to perform the positions and tasks to be assigned when they having no legal impediment; c) to procure cordiality and good understanding among the associates and

between these and the authorities of the entity; d) to contribute to the sustainability of the Association and to its patrimony by paying regular and extraordinary membership charges and the value of special services; e) to inform the authorities of the Association about any irregularity they might observe and to suggest them ideas, methods or proceedings which may contribute to the common interest; f) to look after good reputation and interests of the Association, to comply and cause the compliance of these by-laws and other rules of the Association and to disseminate the purposes determining its organization and functioning; g) to submit before the directors the general problems related to proposals, plans and projects to be formulated; to implement and supervise these projects; h) to provide any data requested by the Association timely and in a reliable way, provided that such information does not affect the confidentiality of its operations; i) all other duties derived from the afore mentioned, in connection with the nature of an associate or from the rules of the Association. **ARTICLE 14.** The associate loses his/her membership because of the following: a) decision of the Board of Directors, if the associate is late in timely payment of regular and extra membership fees or special services; resignation; b) default of his/her obligations to pay regular and extra membership fees, provided that it is stated that the associate has been repeatedly asked to comply with the obligation to pay at least three (3) times; and because of the expulsion agreed by the General Meeting, taking into account the infraction of these by-laws, rules and provisions set forth by the authorities of the Association, or acts and maneuvers intended to detriment of the Association. In the cases described in the sections a) and b), the decision shall be made prior hearing the concerned party. The loss of the condition of associates does not exonerate him/her from the payment of regular and extra charges and the value of special services which he o she owes. **TITLE IV: PATRIMONY AND RESOURCES:** **ARTICLE 15.** The patrimony of the Association is composed of all real estates, interests and shares acquired by the Association for any reason o purpose. **ARTICLE 17.** The resources of the Association shall be: a) regular and extra charges that the associates are obliged to pay; b) donations received by the Association; c) products and returns from the entity's goods and incomes obtained from the services; d) grants and other goods and incomes to be obtained due any reason forming they part of the Association's assets. **ARTICLE 18.** The regular and extra charges shall be proposed

by the Board of Directors. In order to determine the amount of such charges, the financial capability of the associates will be considered, in order to guarantee the impartiality and legality of the charges. These charges shall be paid as follows: a) Admission fee; b) Regular and extraordinary fees. After the first year, the Board of Directors shall be in charge to submit the proposal to referendum of the Meeting of Associates and to establish the amount of such charges and the value of ordinary and extraordinary services to be paid by the Associates and the Board of Directors shall determine respective fees. **TITLE V: ORGANIZATION: CHAPTER 1: GENERAL MEETING: ARTICLE 19.** The General Meeting is the Association's highest authority and it is the meeting of the associates legally summoned for such purpose, under the concept that each associate has the right to one vote, excepting honorary associates who shall have right only to one vote and no quorum. Its decisions made in a legal way oblige the rest of Association's authorities and all members thereof. To take part in the General Meeting, the associates shall be up to date with payment of all kind of charges or services. **ARTICLE 20.** The associates can be represented in the General Meeting by other associate, the spouse of the associates and/or by a legal representative duly authorized before the Association; this representation can be conferred through a letter, telegram or cable three days in advance from the date of the Meeting. The document authorizing the representation shall be submitted to the Secretary of the Board of Directors and kept filed in the Association. **ARTICLE 21.** There are two types of General Meeting: a) Regular and b) Special. The regular meetings are held on a regular basis in accordance with the decision of the Board of Directors: two times a year, and the special meetings are held by virtue of the special notification with the exclusive purpose to know and solve the matters which have to be presented before associates. The Board of Directors shall summon for a special meeting given the following: 1) decision of the General Meeting; 2) in response to the request of not less than two third parties of the active associates; **ARTICLE 22.** The General Meeting can be held and make legal decisions having complied with the conditions as follows: a) have be summoned at least thirty (30) days in advance; b) the attendance among the presents and represented members must be of a half plus one of the total number of associates at least. In the event that the General Meeting does not meet as established for such purpose given a lack of quorum, this shall be proved two (2) hours

after the announced hour of the meeting. Once the lack of quorum is verified, the meeting shall be held seven (7) days after the day of first call, on the date indicated on the notification. **ARTICLE 23rd.** The notice of the meeting shall be mailed to the associates through respective letter addressed to the Associates or through any newspaper without affecting the publication of the announcement for the summon in a daily local paper. The notice shall indicate: a) type of meeting; b) place; c) day; d) time to be carried out and the agenda to be discussed, and in case of special meetings, it shall indicate specific matters to be discussed. **ARTICLE 24<sup>th</sup>.** Once the General Meeting is established in accordance with the provisions thereof, the withdrawal even of 50% of any number of attendants shall not affect the validity of the decisions to be made thereat. **ARTICLE 25<sup>th</sup>.** The decisions of the General Meeting shall be made by the voting majority; (i.e. the half plus one of the number of the associates present and represented at time of voting), unless cases requesting the specific majority of votes in accordance with these by-laws. **ARTICLE 26<sup>th</sup>.** All General Meetings shall produce written Minute which shall be filed in the pertinent book and signed by the persons who have been acting as President and Secretary of such meetings. **ARTICLE 27<sup>th</sup>.** The powers of the Regular General Meeting are as follows: a) election and removal of the members of Board of Directors for and from their respective positions; b) discussion and approval or disapproval of the annual report of activities, which shall be prepared by the Board of Directors, and of the balance sheet; c) approval of the financial statement and activities submitted by the outgoing Board of Directors; d) revision of any matter which may exceed the competence of the Board of Directors and grant of necessary authorizations to the same; e) making decisions on non-planned matters which might affect the general policy of the Association and other important and significant aspects submitted to its revision; f) establishment of rules and guidelines to achieve the Association's objectives, in accordance with the constitutive contract and these by-laws; g) appointment of committees that it deems convenient in order to benefit the Association; h) all decisions on not foreseen matters which can affect the future and general policy of the Association and all others important decisions having great significance shall be submitted to its examination. **ARTICLE 28<sup>th</sup>** . The powers of the General Special Meeting are as follows: a) reform of the constitution and these by-laws; b) dissolution of the Association and the way how its patrimony shall

be liquidate; c) authorization of transfer or tax of the real estate owned by the Association; d) solution of any other matter for which it should be specially called. To make decisions about the matters mentioned in the sections a), b), c) and d) of this Article, it is needed the vote of at least seventy-five percent (75%) of total number of the associates. **BOARD OF DIRECTORS: ARTICLE 29.** The Board of Directors is the highest authority of the Association acting by delegation of the General Meeting, and therefore it is granted with the broadest powers to look after interests and good functioning of the entity. The Board of Directors shall be composed of one President, one Secretary, one Treasurer and two permanent members-founders elected by the members of the Meeting. The vacancies which should be occupied in the Board of Directors because of waiver, absence, physical handicap or any other reason that one of its members might have, shall be filled by the voting members of the Board of Directors following the order in which they were elected. The members of the Board of Directors shall attend the sessions both of the proper Board and the General Meeting, and they shall stay in their positions for two years. The new Board of Directors shall automatically take possession of its position. **ARTICLE 30.** The Board of Directors shall meet as determined by its members or when summoned by the President or two of their regular members. In case of tie, the President shall have double vote. **ARTICLE 31.** The unjustified absence of a Director to four (4) consecutive meetings shall be considered as a waiver to his/her position and the Board of Directors, in accordance with the hierarchy, shall call the pertinent member to substitute such Director and cancell the period of the substituted person. **ARTICLE 32. The powers of the Board of Directors are as follows:** a) to conduct and manage the general policy of the Association and in this sense, to make all necessary provisions to guarantee good functioning, development and increasing of activities; b) to appoint and remove the staff from the Association which appointment was agreed; c) to prepare the work plan and annual budget; d) to authorize the President to grant general and special powers, or to reverse them as the case may be; e) to prepare Association's rules to implement the objectives of the Association, its constitutive contract, by-laws and instructions as established by the General Meeting of Associates; f) to carry out the projects and programs derived from the General Meeting of Associates; g) to submit annual report of activities and balance sheet to the general

regular meeting; h) to summon the General Meeting and prepare the agenda of the matters to be discussed; i) to comply and cause the compliance of the by-laws, rules, decisions and agreements which should be approved by the General Meeting; j) to collect and invest the incomes of the Association; k) to decide about the signing and execution of contracts and grants of any kind, and the purchase, transfer, reposition and repair of personal property of the entity; l) to decide about the opening of accounts in Cordobas or Dollars in national or international banks and to issue to these accounts designating persons who shall sign said checks, and to accept other commercial documents and donations for the Association; m) to propose before the Meeting the salaries or any kind of remuneration concerning the Association's staff; n) to establish administrative staff's powers and duties; o) to appoint delegates and representatives before organizations, entities, or public or private institutions when it is deemed convenient for interests of the Association; p) to approve judgments on matters related to the Associations; q) to receive regular reports from the Administrator or Administrators. The Board of Directors shall determine the regular and extra services to be remunerated by the associates, establishing the pertinent taxes. **ARTICLE 33** The President of the Board of Directors is also the President of Association and, therefore he/she is the legal representative of the entity. **The powers and duties of the President are as follows:** a) to summon, chair and conduct the meetings of the Board of Directors; b) to chair and conduct supported by other members of the Board, the General Meetings; c) to supervise the administrative staff and to establish rules in order to perform its functions in a successful way; d) to prepare regular reports for the Board of Directors about the performance of its functions; e) to grant General and Special powers, prior authorization of the Board of Directors; f) to sign the minutes of the General Meeting and Meetings of the Board of Directors; g) all additional powers and duties established in these by-laws, by the General Meeting, the Board of Directors or the rules of the Association. **ARTICLE 34. The SECRETARY powers and duties are as follows:** a) to prepare minutes of General Meetings and Meeting of Board of Directors, with the purpose of recording them in the relevant Book being such minutes authorized by his/her signature; b) to register the letters and certify the agreements and decisions of the Meeting; c) to prepare the project of annual report and to write the requested reports; d) to maintain due order of the entity's files; e) to

summon the members of the Board of Directors and to send circular letters and notices for Meetings; f) all additional powers and duties established in these by-laws, set forth by the General Meeting, Board of Directors and rules of the Association. **ARTICLE 35<sup>th</sup> .**

**The TREASURER'S powers and duties are as follows:** a) to manage the funds of the Association; b) to collect incomes using the most effective means and procure that all members are up to date with their payments; c) to authorize the expenses and relevant distributions of money, jointly with the President or any person designated by the Board of Directors; d) to maintain the accounts in order and up to date; e) to maintain in order books and proofs of accounts; f) to maintain in order the Register of Associates and other members of the entity; g) to submit the project of general budget and financial annual report to the Board of Directors, at least one month in advance from the date of celebration of the General Regular Meeting which must know about such documents; h) to prepare and submit the report of situation and outcomes that shall be submitted to the General Regular Meeting; j) all additional powers and duties established in these by-laws, set forth by the General Meeting, Board of Directors and rules of the Association.

**ARTICLE 36<sup>th</sup>. The functions of VOTING MEMBERS are as follows:** They shall carry out all actions entrusted by the Board of Directors and substitute, in accordance with the order of their elections, any members of the Board of Directors when these are temporally or definitively absent until the new members are elected by the General Meeting of the Association. The voting members shall have functions as designated by the General Meeting o the Board of Directors. **ARTICLE 37<sup>th</sup>. (SUPERVISOR)** The General Meeting of Associates shall appoint a SUPERVISOR to implement supervision and control of all activities of the Association, its administration and whole compliance of the covenants set forth in the Constitution contract and the by-laws; the supervisor can participate in the General Meetings and Meetings, revise the accounts and accounting of the Association; he/she shall inform the Board of Directors and General meeting in order to prevent and correct any irregularities, acting on his/her own initiative and in a compulsory way each six months. The duration of her/his functions shall be two years.

**CHAPTER III: ARTICLE 38.** The Board of Directors can appoint an Executive Director and the rest of officers who should be required for the management of the Association, granting them the respective powers and duties. **CHAPTER IV: ARTICLE**

**39th.** The General Regular Meeting can designate an auditor to revise, control and prepare reports on accounts of the Association; such reports shall have the necessary duration. **CHAPTER V: ARTICLE 40<sup>ty</sup>** . The Board of Directors or in its default, the rules of the Association, shall create committees and other bodies necessary or convenient to achieve the objectives of the Association. **TITLE V: ARTICLE 41<sup>st</sup>**. The causes to dissolve the Association are as follows: 1) according to the resolution of the law; 2) decision of the General Meeting; 3) in a compulsory way, when the number of its associates should be reduced and the amount of their contributions is less than the agreed one. **ARTICLE 42<sup>nd</sup>**. Once the dissolution of the entity is convened, the Board of Directors shall keep constituted as the Liquidation Board of the assets and liabilities of the Association and the surplus in cash, if any, shall be transferred to the social welfare entity as agreed by the General Meeting. **ARTICLE 43<sup>rd</sup>. (RESOLUTION OF CONTROVERSIES)**: Any controversy between any member and the Association, which could not be solved by mutual agreement, shall be solved by arbitrators, in conformity with the provisions set forth in Nicaraguan legislation. **SPECIAL CLAUSE.** **ARTICLE 44 (DESIGNATION OF THE BOARD OF DIRECTORS)**: Thus, the appearing parties proceed to elect the first Board of Directors, as follows: **PRESIDENT:** ALICIA AUGUSTA ARGUELLO BROCKMANN; **VICE PRESIDENT:** GLORIA ISABEL CORDÓN MEZA; **SECRETARY:** OLGA MARÍA SABALLO RAYO. **TREASURER:** GEISELL DEL CARMEN OROZCO SABALLOS. **FIRST VOTING MEMBER:** GABRIEL FRANCISCO CHAVARRÍA RODRÍGUEZ; **SUPERVISOR:** MIRIAM ESTHER RUIZ MONCADA. The President is authorized to register, on behalf of the Association, its legal status before the Legislative National Parliament and to record the Association in the Registry of Associations. All members of the Board of Directors keep in their respective positions for a provisional period until the first General Meeting should ratify them or elect a new Board of Directors. This was stated by the parties who personally appeared before me and I, Notary Public, have cautioned and informed them of the purpose, significance and consequence of this legal act, of the general clauses which ensure the validity of this instrument and of the special clauses that include and involve implicit and explicit waivers and provisions and of the necessity to obtain the legal status and register the entity in the Registry of Associations of the Ministry of the

Interior. I, Notary Public have read this document to the appearing parties who have expressed their conformity, consent and approval and sign together with me, without any modifications, nor amendments, In witness thereof. (s) Aarguello B.- (s) Gloria Cordón Meza.- (s) OMSaballosR.- (s) GorozcoS.- (s) Illegible of Gabriel Chavarría.- (s) MruizM.- (s)MEBarriosJ.

I proceed to enter this deed on the front of the folio six hundred seventy-nine to the obverse of the folio six hundred eighty-four of my Notarial Register number fifteen, which has been authorized for the present year and at the request of Mrs. Alicia Augusta Arguello Brockmann, in her capacity as President of the Rancho Papayal Owners' Association, I issue this certificate number one on seven sheets of legal paper and hereunto set my hand and seal in the city of Managua at three hours in the afternoon on the twenty-first day of July of two thousand and five.