

# Constitution of Sierra Gorda Community



## CHAPTER I

## GENERAL PROVISIONS

## ARTICLE 1.- INCORPORATION AND CORPORATE NAME

With the corporate object and purposes specified in the following article, the cooperative urban preservation entity to be called *Sector R.T.4, Urbanización Sierra Gorda* is hereby incorporated and shall be governed by these Articles and the applicable legislation in force. For the purposes of meeting its corporate aims, the entity is of an administrative nature and shall acquire legal status as of its inscription in the Register of Cooperative Urban Entities.

## ARTICLE 2.- CORPORATE OBJECT AND PURPOSES

The generic object of this entity is the preservation of the urban development works and the maintenance of the equipment and facilities of the public services of the Sector in which Urbanización Sierra Gorda is located.

For the achievement of the said purposes, the entity shall carry out the following activities:

a).- The entity shall contract and finance the preservation of the development works executed in accordance with the relevant project, under the supervision of the municipal authorities.

b).- The entity shall see to the adequate performance of the public services of the sector through direct contracting with the appropriate public entities and supplying companies.

c).- The entity shall take such steps as may be required before all kinds of public and private agencies in order to promote the generic objects of preservation set out above and which, in short, contribute to a better organisation of co-existence.

d).- Any other activity that may be performed, approved by a sufficient quorum at the General Assembly and that, being included among the legal objects of the entity, are duly authorised by the Municipal Authorities.

## ARTICLE 3.- CAPACITY

This entity has absolute legal capacity to comply with the objects set out in these Articles and in the legislation in force.

## ARTICLE 4.- CORPORATE ADDRESS

1.- The corporate address of this entity is established in Coín, Valle Vicario number 14.

2.- The corporate address indicated above can only be changed by prior resolution of the General Assembly of this entity, which shall be notified to the Municipal Corporation and inscribed in the Register of Cooperative Urban Entities.



## ARTICLE 5.- SECTOR OR UNIT OF ACTION

The lands object of the functions performed by this entity are those indicated in the P.G.O.U. (General Plan of Urban Development) of Coín (revised) under the denomination of *Sector R.T.4, Urbanización Sierra Gorda* and with the surface extension and boundaries specified in the relevant plan.

## ARTICLE 6.- TUTELARY ADMINISTRATION

This entity shall operate under the control and tutelage of the Coín Municipal Corporation, who shall exercise the said functions through the competent bodies as regulated by the applicable legislation.

## ARTICLE 7.- DURATION

This entity is established for an indefinite duration. However, by resolution adopted by the General Assembly with the appropriate quorum, a time limit may be established at any time, provided that the said time limit allows for the necessary steps to be taken in order to ensure the settlement of the rights and obligations of the entity in accordance with the corresponding legal terms. At all events, the establishment of a time limit shall be notified to the tutelary administration and entered in the Register of Cooperative Urban Entities.

## CHAPTER II

### THE MEMBERS

#### ARTICLE 8.- PERSONS INTEGRATING THE ENTITY

1.- This entity shall of necessity be formed by all natural and legal public or private persons owning properties included within the boundaries of the sector or unit of action specified in article 5 of these Articles. Attached to the said Articles will be a list of the titleholders concerned, specifying in each instance their private or corporate address, which shall be constantly updated and at the disposal of the Municipal Authorities, who shall be informed of any changes that may occur.

2.- The co-owners of a property shall be bound to designate one single individual to exercise the faculties corresponding to them as members of the entity and shall be jointly responsible for all obligations deriving from their condition as such. Should they fail to designate their representatives within a term of 30 days as of the registration of this entity or as of the establishment of the condition of co-ownership, the said representative shall be proposed by the entity's competent body.

3.- If the properties are owned by persons under age or persons with a limited capacity to act, such persons shall be represented before the entity by their legal representatives.

#### ARTICLE 9.- RIGHTS AND OBLIGATIONS

1.- The members of the entity shall have absolutely equal rights and obligations, regardless of the legal moment of their integration into the entity.



2.- Except in the event of loss of the ownership or joint ownership of the property forming part of the Sector governed by this entity, the condition of member of the said entity can not be waived and, consequently, neither can the rights and obligations inherent to the said condition.

3.- The members shall have the following rights:

a) To assist, with the right to speak and to vote, at the General Assembly and, if appointed thereto, at the meetings of the other corporate bodies.

b) To appoint the members of the corporate bodies.

c) To use the entity's common facilities.

d) To obtain copies and certificates evidencing the corporate resolutions and their background, to examine the files and records of the entity and any other information they may request from the entity and its bodies.

e) To submit proposals and suggestions.

f) To exercise any right deriving from these Articles and the applicable legal provisions.

4.- The members shall have the following obligations.

a).- Those that derive as individualised performances from the resolutions adopted by the entity's competent bodies in compliance with the legal or statutory provisions and regulations originating from the objects of the entity.

b).- To pay in due time the ordinary or extraordinary quotas established by the Entity in order to meet the be able to perform the preservation activity it has been entrusted with and meet the correlative general expenses, as well as any other obligation of a financial nature legally deriving from the performance of its statutory purposes.

c).- To maintain the private properties in an adequate state of preservation, compensating any damage they may cause to the works and facilities whose preservation corresponds to the unit.

d).- To allow access to the private properties whenever this is necessary for the preservation activities of the entity, it being understood that, at all events, the actions carried out shall cause as little inconvenience and damages as possible and that any damages that may be produced in any particular case shall be compensated.

e).- To notify the entity 10 days in advance of any intention to transfer the ownership of the property located in the Sector.

f).- To comply with all obligations deriving from the application and effectiveness of these Articles and of all applicable legal provisions.

5.- The participation of the owners in the obligation, preservation and maintenance of the works of development, equipment and facilities of the public services that have not remained the responsibility of the Municipal Authorities shall be



determined in accordance with the quotas assigned to the properties of private or community ownership, so that they add up to a total of one hundred percentage points. The said percentage shall be calculated in proportion to the total built-up surface extension or building potential of each one of these unit in relation to the total surface extension corresponding to the Sector. The properties occupied by buildings subject to a system of joint ownership shall distribute internally the general quota assigned to them in accordance with those established respectively for each of the condominiums of which they are composed.

#### ARTICLE 10.- SYSTEM OF TRANSFER OF MEMBERSHIP

The transfer of the ownership of properties shall imply the subrogation in the rights and obligations of the transferor of the said properties, and the transferee shall be deemed to have become a member of the entity as of the moment of the said transfer. To this effect, the title of transfer shall include the commitment relating to the preservation of the works and services of the development and the express acceptance thereof on the part of the acquiring party. This commitment shall be duly formalised in the relevant public deed inscribed in the Property Register, a copy whereof shall be presented to the Town Corporation with a view to ensuring that the relationships and agreements with third parties take effect before this Administration and that the subrogation of future owners takes place to this effect.

### CHAPTER III

#### THE BODIES OF THE ENTITY

#### ARTICLE 11.- ENUMERATION

The organisation of this entity is set up around the following bodies:

- Bodies of management and administration: the General Assembly, the Management Committee and the President.
- Complementary administration bodies: the Secretary and the Treasurer.

#### SECTION 1. THE GENERAL ASSEMBLY

#### ARTICLE 12.- FORMATION

- 1).- The General Assembly shall be formed by all members and shall examine and resolve on the issues of its specific competence.
- 2).- All members, including dissident members and those who failed to assist at the meeting, shall be bound to comply with the validly adopted resolutions.

#### ARTICLE 13.- MEETINGS

- 1).- The General Assembly shall hold its ordinary meetings twice every year (within the first and fourth quarter of each year) and its extraordinary meetings whenever deemed necessary by the President of the Management Committee or at the written request of a number of members representing at least one third of the



participation quotas of the entity. In the latter two cases, the President shall call the requested meeting within a term of ten working days following the date of the request.

2).- At the ordinary meetings, in addition to the issues specified by the President, the Management Committee or the members representing one third of the total, the first meeting shall discuss in particular the approval of the Management Report and the accounts of the previous financial year, whereas the second meeting shall examine the budget for the following financial year and the provisional or complementary quotas to be paid during the said financial year.

3).- The extraordinary meetings shall determine in a clear and precise manner the issues intended to be brought before the Assembly; no items other than those included in the agenda may be discussed.

#### ARTICLE 14.- FACULTIES OF THE GENERAL ASSEMBLY

The General Assembly shall be authorised to examine and to resolve on the following issues:

a).- Modification of the Articles, without prejudice to the subsequent approval of the Municipal Authorities.

b).- Appointment and dismissal of the individuals integrating the corporate bodies.

c).- To approve the annual budgets and accounts of the entity and the ordinary accounts required for the management of the entity.

d).- To contract works and services whose amount is in excess of 25 percent of the entity's budget and to examine those executed by the Management Committee.

e).- To establish the system of contracting of all works and services of the entity.

f).- To agree on the operations of credit or guarantee and the extraordinary expenses or to adopt exceptional measures that imply responsibilities and have not been provided for in the budget of the entity.

g).- To adopt resolutions relating to the establishment of extraordinary quotas.

h).- To establish amounts intended to create or to increase, as the case may be, a reserve fund.

i).- To resolve all matters referring to the equitable distribution of profits and charges among the members, deriving from the obligations created as a result of the management of the entity's purposes, in accordance with that set out in these Articles.

j).- To approve the operating system of the administration of this entity and its personnel, if any, as well as the material means they should be provided with.

k).- To resolve on all matters submitted to the Management Committee.



l).- To resolve the claims brought against the decisions made by other bodies of the entity.

m).- To propose the dissolution of the entity to the Municipal Authorities.

## SECTION 2. THE MANAGEMENT COMMITTEE

### ARTICLE 15. FORMATION

1).- The Management Committee shall be made up of six members.

2).- The decisions adopted by the Management Committee shall be binding upon all members of the entity.

The Management Committee may be attended by the Treasurer of the entity and all members who wish to do so, although without the right to vote.

### ARTICLE 16. THE MEMBERS OF THE MANAGEMENT COMMITTEE

1).- The members of the Committee shall be elected freely by the General Assembly among the members of the entity, including the representatives of legal persons. A member of the Management Committee may be appointed by members who voluntarily form a group until reaching a percentage of participation quotas determined in the form established in section 5 of article 9 of these Articles, provided that the said percentage is equal to or higher than that resulting from dividing the total of one hundred percentage points by the number of members of the Committee. Should they make use of this faculty, the holders of the participation quotas thus forming a group shall not intervene in the voting of the remaining members of the Committee.

2).- The mandate of member of the Management Committee shall have a duration of six years and the said Committee may be renewed by halves every three years, except in the case of the first Management Committee, one half of which, designated by lot, shall resign the first year of its appointment. Vacancies due to death, resignation or any other cause shall be covered provisionally by members, appointed by the Committee itself, until the General Assembly has been called and the latter appoints the new members in accordance with the Articles.

### ARTICLE 17.- MEETINGS

1).- The Management Committee shall hold ordinary meetings every three months and extraordinary meetings whenever called by the President, either at his own initiative or pursuant to a written request made by a number of members representing one fourth of the participation quotas of the entity. In the latter case, the President shall call the meeting within a term of ten working days as of the date of presentation of the request.

2).- The extraordinary meetings shall determine in a clear and precise manner the issues brought before the Committee; no items other than those included in the agenda may be discussed.

## ARTICLE 18.- FACULTIES OF THE COMMITTEE

The Management Committee shall have the following faculties.

- a).- To execute the resolutions of the General Assembly.
- b).- To contract works and services whose amount is in equal to or lower than 25 percent of the entity's budget.
- c).- To carry out the financial management of the entity in accordance with the budgets approved by the General Assembly and to record their results.
- d).- To propose to the General Assembly the adoption of resolutions in matters forming part of the competence of the latter.
- e).- To perform all acts of administration and management of the entity not expressly reserved by the law or these Articles to the General Assembly.

## SECTION 3. THE SINGLE-PERSON BODIES

### A).- THE PRESIDENT

#### ARTICLE 19. APPOINTMENT

The President shall be appointed by the General Assembly at its incorporation meeting or, for subsequent renewals, among the members of the Management Committee. In the event of absence or illness of the President, the latter shall be replaced by the eldest member of the Management Committee, with the exception of the Secretary.

#### ARTICLE 20. FACULTIES

The President shall have the following faculties:

- a).- To call, preside over and lead the debates of the corporate bodies of the entity and resolve the voting ties by his casting vote.
- b).- To represent the entity in and out of court in all manner of legal transactions, being authorised to grant mandates in favour of third parties, provided the latter are not members, to exercise the said representation, both for judicial and non-judicial purposes.
- c).- To authorise the acts and certificates of the resolutions adopted by the corporate bodies of the entity and all documents requiring such acts or certificates.
- e).- To perform all functions entrusted to him or delegated upon him by the General Assembly.
- f).- To channel the relations of the entity with the Municipal Authorities.
- g).- To perform such contracting activities, up to a specific amount, as he is entrusted with by the Management Committee.



## B. THE SECRETARY AND THE TREASURER

### ARTICLE 21. APPOINTMENT

The Secretary and the Treasurer shall be appointed by the General Assembly at its incorporation meeting or, for subsequent renewals, among the members of the Management Committee. In the event of justified absence or illness, the Secretary shall be replaced at the meetings by the youngest member of the Management Committee, with the exception of the President.

### ARTICLE 22. FACULTIES OF THE SECRETARY

The Secretary shall draw up the minutes of the meetings of both the General Assembly and the Management Committee, specifying the results of the votes, with the approval of the President; he shall organise the internal services of the entity and, in particular, the existence of a Register Book in which the members integrating the Assembly shall be listed, indicating their personal details, their address, the date on which they have become a member, their participation quota and number of votes, a description of the property to which they hold the title of ownership in the entity and such complementary details as are deemed appropriate; furthermore, he shall carry out the acts of administrative management and other functions as he has been specifically entrusted with by the President or the Management Committee.

### ARTICLE 23. THE TREASURER

The Treasurer shall be responsible for payments and collections corresponding to the funds of the entity and the custody of the said funds; he shall render account for the budgetary management of the association and comply with all other obligations relating to his commitment established in legal provisions or resolutions of the entity.

## C. SYSTEM OF POSTS IN THE ENTITY

### ARTICLE 24. PRINCIPLE OF PERFORMANCE FOR FREE

The posts in the entity shall be held by way of a personal performance free of charge. If any of the said posts should require an excessively burdensome dedication, such post may be remunerated in the manner as approved by the General Assembly.

## CHAPTER IV

### SYSTEM OF CALLS, PROGRESS OF THE MEETINGS AND RESOLUTIONS

#### ARTICLE 25.- REQUISITES OF THE CALL

1).- The corporate bodies of the entity shall be called by the Secretary at the request of the President.

2).- The notice of the meeting shall specify the issues to be the sole subject of the debates and resolutions, as well as the mention that the documentation relating to the issues included in the agenda shall be at the disposal of the members at the registered office until the day prior to the meeting.



3).- The notice for the General Assembly or the Management Committee shall be made by letter sent by registered mail to the addresses indicated by the members, at least 10 days prior to the date on which the meeting shall be held in the case of a call of a General Assembly, or 10 days in the case of the Management Committee. With the same period of advance notice, an announcement shall be placed in each case at the registered office of the Association.

If no address has been indicated, the notice shall be deemed validly made by announcement at the registered office of the association.

#### ARTICLE 26. FORMATION AND VOTING QUORUM

1).- The General Assembly and the Management Committee shall be validly formed on first call when each of them is attended, either present or represented – by means of a written power of representation for each meeting –, by the majority of the members who, respectively, form part of the respective bodies and, in turn, represent the majority of the participation quotas. On second call, the meeting to be held one hour after the first call shall be validly formed whenever the President and the Secretary or those legally replacing them are present.

2).- The resolutions of the corporate bodies of the Association shall be adopted by simple majority of the participation quotas established in accordance with these Articles.

3).- In the event of a draw of votes, the President's vote shall be decisive.

#### ARTICLE 27. RESOLUTIONS

1).- The resolutions of the corporate bodies of the association validly adopted in accordance with the Articles shall be binding and enforceable even in respect of absent or dissident members, without prejudice to the filing of such motions as are allowed by law.

2).- The resolutions on the appointment to, the election for or the renewal of corporate posts shall be notified to the Town Corporation for their information or annotation in the Register of Cooperative Urban Entities.

3).- An ordinary appeal against the agreements or resolutions of the corporate bodies may be lodged with the Tutelary Municipal Administration within a term of one month as of the day following that of notification or as of the date of adoption of the agreement by a corporate body of the entity if the ordinary appeal is brought by a member present in the said body.

#### ARTICLE 28. MINUTES

1).- The resolutions of the Assembly and the Management Committee shall be recorder in minutes which, once they have been approved at the next meeting, shall be transcribed in the relevant book, which shall consist of folios and bound, each folio being certified with the signature of the President of the entity and the seal of the Town Corporation, with the first folio containing an opening statement signed by the Secretary and specifying the number of folios and the date of opening.



2).- All matters not regulated shall be subject to that set out in the local legislation applicable in this regard.

3).- If so requested by the members or the municipal authorities, the Secretary of the association, with the approval of the President, shall issue a certificate of the contents of the Book of Minutes.

## CHAPTER V

### FINANCIAL SYSTEM

#### ARTICLE 29. FINANCIAL MEANS

1).- The financial resources of the entity shall be made up of the following income:

a).- The quotas of any nature to be paid by the members, the amount and intervals may be modified by the General Assembly.

b).- Subsidies, aid, donations and other income.

2).- If, during the financial year, any unforeseen need should arise requiring an extraordinary expense, a resolution by a General Assembly called specifically for this purpose shall be required.

#### ARTICLE 30. BUDGET

1).- Each year an ordinary budget shall be drawn up and approved.

2).- Its income side shall consist of the previous surplus, if any, the subsidies or donations received and any other expected income.

3).- Its expenses side shall consist of the ordinary and general preservation expenses, premises, furniture and material, as well as the expenses foreseen for the achievement of the preservation purposes of this entity.

4).- The budget shall be balanced by means of the quotas to be paid by the members.

#### ARTICLE 31. COLLECTION

1).- The entity shall keep the accounts of the financial management in the appropriate books so that, at each given moment, the transactions carried out can be evidenced and the bills to be paid deduced from them.

2).- The accounts shall necessarily consist, as a minimum, of the books of income, expenses and cash, which shall be kept by the Treasurer of the entity.

3).- The General Assembly may appoint an Auditing Commission formed by three members of the entity with a view to reviewing the accounts of the said entity and informing the said corporate body of the said accounts.



## CHAPTER VI

### SYSTEM OF GUARANTEES WITHIN THE SCOPE OF THE ENTITY

#### ARTICLE 33. CLAIMS AND APPEALS

1).- Claims against the resolutions of the Management Committee and the President of the entity can be filed in a discretionary manner with the General Assembly in a term of fifteen days as of the day following that of notification.

2).- At all events, an ordinary appeal referred to in article 27.3 of these Articles can be lodged against the agreements and resolutions of the corporate bodies.

#### ARTICLE 34. LEGITIMISATION

Appeals against the resolutions of this entity can be lawfully brought by all members of the entity, as well as all persons whose sufficient legitimisation in relation to the resolutions liable to affect them is acknowledged.

## CHAPTER VII

### DISSOLUTION AND WINDING UP OF THE ENTITY

#### ARTICLE 35. GROUNDS FOR DISSOLUTION

The entity shall be dissolved by resolution of the General Assembly ratified by the tutelary Municipal Administration, subject to the prior modification of the Municipal Planning in this respect.

#### ARTICLE 36. WINDING UP

After the dissolution of the entity has been validly agreed upon, the Management Committee, on its own account or through the auditors, if any, shall proceed to the settlement of the accounts by means of the collection of credits and payment of debts outstanding. The surplus, if any, shall be distributed among the members in proportion to their participation quotas.

#### ADDITIONAL PROVISION

That set out in these Articles shall be governed by the Land Law (*Ley del Suelo*), its Management Regulations and concordant provisions and, additionally, by the general regulations governing Associations.