

Articles of the Association*

CANARY ASSOCIATION OF HOLIDAY RENTAL
("ASCAV")

*Spanish version prevails over this English translation.

Chapter I.- Association in general

Article 1 -. Pursuant to article 22 of the Spanish Constitution, the non-profit entity called the Canarias Holiday Rental Association ASCAV has been constituted with a separate legal identity and capacity to act and to be governed by the Organic Law 1/2002 of March 22, regulating the Right of Association, Law 4/2003, of 28 February, Canary Associations, Decree 12/2007 of 5 February, which approves the Regulation of Canary Associations, and other complementary provisions hereof.

Article 2 -. Purposes of the association.

The purposes of the Association are:

1	Achieving a normative regulation expressly for vacation homes in the area of the Autonomous Community canaries, as non-hotel type of tourist accommodation.
2	The development and promotion of the activities of the running of holiday homes and other similar forms of operation for touristic purposes of homes that are located in the Autonomous Community canaries and the cohesion of the sector.
3	Establish ways of dialogue and cooperation with public authorities on questions relating to the holiday homes.
4	Representation and defence of the owners, managers and agents of vacation homes in the area of the Autonomous Community canaries.
5	Achieving quality standards or regulations for vacation homes.
6	Get a general recognition of the importance of this activity poses to the economy of the area.
7	Participate in local, regional, national and international developments in order to promote vacation rentals in the Canary Islands.

For these purposes, the term vacation home is that which is provided by its owner, directly or indirectly, to third parties, repeatedly and in return for payment, for a period of stay (days, weeks or months), under conditions of immediate availability.

Based on respect for the principle of unit operation enshrined in the Law on Tourism of the Canary Islands (Law 7/1995 of 6 April) vacation homes are considered those that are not subject to this principle of unity of operation.

Article 3 -. Activities

1. For the fulfilment of its purposes, the Association will organize the following activities.

1	Establish and maintain necessary contacts with public authorities at municipal, regional and national level, to promote a legal framework for the development of the operating business of holiday homes and other similar forms of exploitation for touristic purposes of housing.
2	Establish and maintain contacts with similar organizations of any territory, in order to provide mutual collaboration and exchange experiences in professional matters, or any other to the benefit of the Association and its members.
3	Provide assistance and protection to its members, institutional and legal, that are necessary for the exercise of their activity.
4	All necessary other to achieve the objectives of the association.

2. The benefits eventually obtained by the development of these activities will be dedicated to making others of the same nature, in accordance with the articles.

Article 4 -. Address

The association will have its registered office at the following address:

Street	Avenida de Canarias
Number	445, 1º B
Town	Vecindario
District	Santa Lucía de Tirajana
Postal Code	35110

Any changes will be communicated to the Registrar of Associations by publication.

Article 5 -. Territorial scope and duration.

The Association shall have territorial scope as the Canary Islands

The duration is indefinite. The dissolution agreement will be adopted as indicated in these articles.

CHAPTER II -. GOVERNING BODIES AND ADMINISTRATION.

Article 6 -. Corporate governing bodies.

The governing bodies of the association:

- a) The General Assembly.
- b) The representative body.

SECTION I -. GENERAL ASSEMBLY.

Article 7 -. Character and composition of the General Assembly.

The General Assembly is the supreme body of the Association, composed of all the members, it adopts resolutions on the democratic principle of majority of the votes validly cast.

There must be convened at least one ordinary session once a year, in the annual first quarter, to consider and approve the annual statement of accounts for the previous year, the budget for the current year and the memory for the previous year.

It also may be convened in an extraordinary session when agreed by the representative body and when requested by a number of members not less than twenty-five (25) percent of all members.

In the event that the call is made at the initiative of the members, the meeting shall be held within thirty (30) calendar days from the filing of the application.

Article 8 -. Announcements and Agenda

General Meetings shall be convened by the President, with express indication of the agenda set by the representative body or by members who have requested a call.

In both cases, be included in the agenda of those matters as proposed by the members, upon request 1 to 25 (25) percent of all members.

The notice shall be served by means of personal notice to all members, notice shall be deemed valid for all purposes if practiced at the address provided to the Association or to the member's email address which was provided at the time of enrolment or, if applicable, which has subsequently rectified.

The members are obligated to report any new address within the Autonomous Community Canarias or new email address if the one previously supplied has changed. It is understood and properly practiced that notification be sent to the last postal address or email address provided to the Association.

Article 9 -. Constitution of the General Assembly

Both ordinary and extraordinary General Meetings will be considered constituted validly, on first call when attended by a third of the members, present or represented by a third party, and in the second call regardless of the number of concurrent members.

Members may confer, with specific character for each meeting, a proxy to another partner or person they deem appropriate, in writing to the Chair. For the computation of members or number of votes overall, representations or delegations made by the partners shall be submitted to the holder of the Secretariat at the beginning of the session.

Between the announcement and the day appointed for the holding of the General Meeting on first call will have to pass at least fifteen (15) calendar days, and may also state the date on which, if necessary will meet the General Assembly on second call, no meeting between them can take place within less than thirty minutes.

Article 10 -. Adoption of resolutions.

The resolutions of the General Assembly shall be adopted by a simple majority of the members present or represented. It is understood that a simple majority occurs when votes exceed the negative and abstentions.

It is required an absolute majority of the members present or represented, the following agreements:

- a) Relating to the dissolution of the entity
- b) Amendments to the Statutes
- c) The provision or sale of goods
- d) Adoption of a trust issue to the representative body
- e) Remuneration of members of the representative body.

Is meant by absolute majority vote in favour by at least half plus one of those present and those represent ants with a right to vote.

Article 11 -. Functions of the General Assembly

The General Assembly, deliberate and pass resolutions on the following matters:

- 1) Review and approve the General Plan of action and the annual report of activities submitted by the representative body.
- 2) To approve the annual budget of income and expenditure for the following year and the statement of accounts for the previous year.
- 3) Decide on the disposal or sale of assets.
- 4) To elect and remove members of the representative body.

- 5) Ask for declaration of public utility or the Canary public interest.
- 6) Agree integrating association federations or confederations and the separation thereof.
- 7) Check the activity of the representative body and approve management.
- 8) Amend the Articles.
- 9) Approve the dissolution of the Association.
- 10) Designate the Settlement Commission in the case of its dissolution.
- 11) To approve the remuneration of the members of the representative body, if any.
- 12) Ratify the high agreements by the representative body and recognize the voluntary leaving of members.
- 13) Solve ultimately, the files relating to sanction and separation of members, processed under the disciplinary procedure laid down in these Articles
- 14) Other that is in the competency in view of the applicable law.

Article 12 -. Certification of agreements.

In the General Assembly the representative bodies shall act as President / Secretary.

The resolutions adopted by the General Assembly shall be collected in a report prepared and signed by the Secretary of the representative body and must have the approval, by signature of the President of the association.

Any assistant member is entitled to request that their intervention or proposals be included in the minutes. In this case, the applicant must provide in writing written his/her intervention or proposal.

SECTION TWO -. REPRESENTATION OF THE BODY

Article 13 -. Definition of the representative body

The representative body of the association is called the Board.

This body manages and represents the interests of the Association in accordance with the decisions and directives of the General Assembly.

They may only be form part of the representative body of the members.

Management positions will be without pay and will have no interest in themselves or through intermediaries, in the economic performance of the implementation of activities, unless the General Assembly by Resolution adopted with an absolute majority agrees otherwise.

Article 14 -. Members of the representative body.

Pre-requisites for membership of the representative body:

- a) Be an adult
- b) Be in full possession of civil rights
- c) Not be subject to the grounds of incompatibility established by current legislation.

Article 15 -. Calls, agenda and constitution.

The meetings of the representative body convened by the chairperson shall be held fifteen (15) days before accompanied by the agenda, date and time, unless there are justified grounds of urgency. In the event that the notice does not include the venue it is deemed for all purposes to be the address of the association.

Meetings to take place regularly at least once every six months and whenever the Chairman deems it necessary or requested by a majority of its members.

For its valid constitution attendance is required of at least one third of its members, present or represented.

Resolutions shall be passed by a simple majority of members present or represented, except those relating to sanction or separation of the members, in which an absolute majority of the members present or represented shall be specified. In the case of equal votes, the Chairman shall have the qualified character.

A proxy may only be granted to another member of the representative body specifically for each meeting and by way of a letter to the President.

Considering the insular nature of the Canary Islands, the Board may meet by using electronic means (video).

Article 16 -. Composition, duration and vacancies.

The representative body shall consist of the following members:

- a) One President
- b) One Vice-president
- c) One Secretary
- d) One Treasurer, if any.
- e) Four (4) Voices, maximum, if any.

Such charges, which will be voluntary, and therefore must be expressly accepted in writing signed by the nominees, will have a duration of four years and may be reappointed.

The members of the representative body will begin their duties once accepted the mandate for which they have been appointed by the General Assembly.

The vacancies in the representative body which arise, before finishing term of it's office, shall be filled by the members appointed by the Board itself, realizing substitutions at the first General Assembly held, must be ratified this agreement by the Assembly. Otherwise, it will proceed to the election of a member to fill the vacancy in the same session of the Assembly.

Article 17 -. Causes of cessation

The members of the representative body may be removed from office for the following reasons:

- a) a) By voluntary resignation
- b) b) On the death or declaration of death, illness or any other cause that prevents the exercise of their functions.
- c) c) loss of quality of member.
- d) d) incapacity, disqualification or incompatibility according to current legislation.
- e) e) The passing of the period of his mandate.
- f) f) Removal agreed by the General Assembly.
- g) g) the committing of a serious offense under Article 40 of these articles.

The representative body shall report to the General Assembly of the separation of its members, must be ratified by the Assembly when the separation agreement was adopted by the reason given in the letter g).

Article 18 -. Powers of the representative body.

The powers of the representative body shall extend, generally, to all acts for the purposes of the association, always when not required, in accordance with the Statutes, expressly authorized by the General Assembly.

Particularly powers of the representative body are:

- a) Ensure compliance with the Constitution and execution of the resolutions adopted at the General Assemblies.
- b) Prepare the Memories, accounts, inventories, balance sheets and budgets of the Association.
- c) Draft of the Internal Regulations.
- d) Agree on the celebration of activities.
- e) Make available to members the Register of Members.
- f) Make available to members the books and accounting records; and documentation of the entity.
- g) Raise the contribution of members and the management social funds.
- h) Examine the records relating to the punishment and separation of members and adopt a precautionary measure, the appropriate decision thereof, to the final resolution by the General Assembly.

- i) propose to the General Assembly for approval the annual accounts and the budget made by the treasurer, as well as the activity report made by the Secretary.

Article 19 -. Functions of the President/Chairman.

The powers of the President/Chairman:

- a) Legal representation of the Association.
- b) To convene and preside over meetings of the representative body and the General Assembly in accordance with the provisions hereof.
- c) Ensure compliance with social purposes.
- d) To authorize with his signature acts, certificates and other documents of the Association.
- e) Request, collect or enforce the aid, grants or sponsorships by any concept come from public or private entities, as well as contract and agree with any nature of public entities and private.
- f) And whatever powers are conferred, not specifically assigned to other organs.

Article 20.- Functions of the Vice-president.

The powers of the Vice-president will be:

- a) Replace the President in case of a vacancy, absence or illness assuming his functions provisionally, when the holder ceases in office.
- b) those delegated by the President or the General Assembly.

Article 21.- Functions of the Secretary

The following functions correspond to the secretary:

- a) To write and certify the minutes of the meetings of the General Assembly and of the representative body.
- b) To keep the registry of Associates, recording in it the date of registrations and terminations.
- c) To receive and process applications for admission.
- d) Maintain an inventory of the Association.
- e) Have custody of the documents and records of the Association.
- f) issuing certificates.
- g) Develop the activity report.

Article 22.- The powers of the Treasurer are:

- a) He shall be responsible for the funds belonging to the Association.
- b) Develop budgets, balance sheets and inventories of the Association.
- c) Sign receipts, collect the membership fees and make all collections and payments.
- d) Keep and guard the Bookkeeping.
- e) To prepare the annual accounts and budget

Article 23 -. Functions of the voices.

The voices have the right and the obligation to attend meetings of the representative body and voice and vote in the delegation scheme. They may perform the functions assigned to them by the representative body.

SECTION THREE -. ELECTORAL SYSTEM AND CENSORSHIP MOTION

Article 24 -. Election of the representative body

The members of the representative body shall be elected among the members by vote universal, free, direct and secret.

Elections may be called in the following cases:

- a) On the expiry of the mandate.
- b) Should a question of trust be placed in extraordinary general meeting by an absolute majority.
- c) In the event of termination for any reason, of the majority of members of the representative body.

Article 25 -. Electoral Board and Calendar

Concluding the mandate of the representative body or approving a trust issue, within 30 days, the President will convene elections and form the Electoral Board, which will consist of two members that voluntarily present for this function, such members cannot form part of any of the candidates.

In case of there is a no show of volunteers the board will cite two members, of age and underage, being composed of a total of four members.

The Electoral Board:

- a) Organize elections, resolving any matter relating to their development.
- b) Approve the final electoral roll.
- c) Resolve any dispute arising in relation to the electoral process.

Article 26 -. Electoral Calendar

The period between the calling of elections and holding of the same shall not exceed thirty working days, with the first five working days of exposure to the list of members with the right to vote. In that period the list may be challenged.

After the period of exposure and appeal, within three days following challenges will be resolved to census and proceed to the final approval of the electorate.

In the twelve days following candidates may present themselves. Once the deadline for candidates is completed, the validity and final proclamation of the candidates will be ruled in the subsequent five working days.

If no candidates present, the President will call elections again, within a maximum period of fifteen days from the time of the closing date for submission of those.

Article 27 -. Motion of censure.

The motion of censure of the representative body shall be treated by the general meeting, provided that it has been requested by reason in writing by at least one third of the associate members.

To this effect it must be convened within ten working days after the application is submitted.

It will be needed for a successful censure motion that it be adopted by an absolute majority of the members present or represented at an extraordinary general meeting.

If successful, the incumbent President shall hold elections within a maximum period of five days, but will continue in office until the new Board definitely proclaimed in the elections takes office.

CHAPTER III -. Of the Members.

Article 28 -. Members.

Members of the Association may be:

- a) Individuals, with their consent, not subject to any legal condition for the exercise of the right of association as well as minors fourteen years or older, provided they have written consent from their legal guardians.
- b) Legal persons.

Article 29 -. Admission Procedure

The status of membership is acquired, temporarily, at the request of the person concerned, in writing, addressed to the representative body expressing its willingness to contribute to the associative purposes.

The President or the Secretary shall give the person concerned a written record of their request and include in the agenda of the next

session of the General Assembly the list of all applications, corresponding to the Assembly to ratify the admission of members.

Article 30 -. Classes of Members

Members may be:

- a) Founders: Who signed the foundation charter of the association.
- b) From issue: Who have joined after the signing of the founding charter of the association and are admitted as such under this Constitution.
- c) Honorary: Those by the decision of the General Assembly who significantly collaborate in the development of the aims of the Association and / or those who stand to aid the Association with financial and material resources.

Article 31 -. Rights of the founding members and issuers.

The founding member and issuers have the following rights:

- a) Attend, participate and vote at general meetings.
- a) b) Form a part of the organs of the association.
- b) c) Be informed on the development of the activities of the entity, its financial position and identity of members.
- c) d) Participate in the acts of the association.
- d) e) Have knowledge of the articles, regulations and operating rules of the association.
- e) f) Check the books of the association, according to the rules that determine their access to documentation of the institution.
- f) g) Leave freely the association.
- g) h) Prior hearing of disciplinary measures taken against him and to be informed of the facts giving rise to such measures, must be motivated, of the agreement imposing the sanction.
- h) i) Object to the agreements of the organs of the association, when it deems contrary to the law or the Constitution.

Article 32 -. Obligations of members and founders and issuers.

The obligations of the members, founders and issuers are:

- a) Share the purposes of the association and work to achieve them.
- b) Pay the fees, and other contributions to be determined by resolution adopted by the General Assembly.
- c) To fulfil other obligations arising from the statutory provisions.
- d) Comply with and enforce agreements validly adopted by the governing and representative bodies of the Association.

Article 33.- Honorary members.

The honorary members have the right to participate in the activities of the Association and to attend the Meetings, with a right to voice but not to vote.

Article 34 - . Cessation of membership

The condition of membership will be ended:

- a) By the will of the person, expressed in writing to the representative body.
- b) By a resolution adopted by the competent organ of the association, according to the disciplinary procedures set out in Chapter IV of these Bylaws.

CHAPTER IV-DISCIPLINARY REGIMEN: OFFENCES, PENALTIES, AND PROCEDURE PRESCRIPTION.

Article 35.- General Rules.

In the exercise of disciplinary powers the following general principles should apply:

- a) proportionality to the gravity of the infringement, having regard to the nature of the facts, the consequences of the offense and the attendance of mitigating or aggravating circumstances.
- b) Lack of double punishment for the same acts.
- c) Implementation of the favourable retroactive
- d) Prohibition of punishment for offenses not punishable under the time of its commission

The liability is extinguished in any event by:

- a) Compliance with the sanction.
- b) The requirement of the infringement.
- c) The prescription of the penalty.
- d) The death of the offender.

For the imposition of appropriate disciplinary sanctions the aggravating circumstances and mitigating relapse spontaneous repentance will be considered.

There is a second offense when the author of the fault had been sanctioned previously for any infringement of equal gravity, or two or more smaller than they were.

The second offense will be understood in the course of one year from the date the first offense was committed.

Article 36 - . Violations

The offenses against good social order capable of being sanctioned are classified as minor, serious and very serious.

Article 37 -.Very Serious Violations

Serious violations are considered as:

- 1 - All activities that may impair or impede the achievement of the objectives of the association, they have very serious consideration.
- 2 - Failure or contrary to the statutory and / or regulatory behaviours of the Association, when they are considered as very serious.
- 3 - Failure of agreements validly adopted by the bodies of the association, when considered severe.
- 4 - The protest or any offensive actions which prevents the holding of assemblies or meetings of the representative body.
- 5 - Engage, develop or write, by any means of social communication, demonstrations which may seriously damage the image of the association.
- 6 - The illegitimate usurpation of authority or competence without the authorization of the competent organ of the organization.
- 7 -. Assaulting, threatening or seriously insulting any member.
- 8 - Induction or complicity, fully proven against any member in the commission of the offenses referred to as very serious.
- 9-. Breach of sanctions imposed for serious or very serious misconduct.
- 10 -. All offenses classified as mild or severe and whose physical, moral or economic consequences fully proven, are considered very serious.
- 11 -. Overall any conduct contrary to good social order, where it is are considered very serious.

Article 38 -. Serious offenses

Punishable offenses within the social order and shall be considered serious:

- 1 - Violation of sanctions imposed for minor infractions.
- 2- Engage, develop or write through any means of social communication, demonstrations severely impairing the image of the association.
- 3 - Induction or complicity, fully proven, of any member in the commission of any of the offenses referred to as serious.
- 4 - All minor infringements and whose physical, moral or economic consequences fully proven, are considered serious.
- 5 - The repetition of a misdemeanour.
- 6 - Failure or conduct contrary to the statutes and / or regulations of the association, when considered as serious.
- 7 - Failure of agreements validly adopted by the bodies of the association when considered to be serious.
- 8 - Overall conduct contrary to good social order, when considered as serious.

Article 39 -. Minor Offences

Minor disciplinary infractions are considered:

- 1 -. Failure to attend general meetings on three occasions general meetings, without justification.
- 2 - Failure to pay three consecutive instalments, unless there is reason to justify it to the discretion of the representative body.
- 3 - All those behaviours that prevent the proper development of the activities of the association, when considered to be mild.
- 4 - Mistreatment of real or personal property of the Association.
- 5 - Any improper conduct in relations with members.
- 6- Induction or complicity, fully proven, any member in the commission of the offenses referred to as mild.
- 7 - Failure or conduct contrary to the statutory and / or regulatory provisions of the entity, when considered as mild.
- 8 -. Overall conduct contrary to good social order, when considered as mild.

Article 40 - Offences of the members of the representative body.:

a) very serious offenses which may be committed by members of the representative body are considered:

- 1 - The no call to the terms and legal conditions in a systematic and consistent manner, of the bodies of the association.
- 2 - Improper use of funds of the entity.
- 3 - Abuse of authority and illegitimate usurpation of authority or competence.
- 4 - Inactivity or dereliction of duties involving very serious breach of its statutory duties and / or regulations.
- 5 - Failure to attend on three occasions without good cause, the meetings of the representative body.

b) Serious offenses are considered as:

- 1 -. Not providing documentation to the members of the entity that they will be required (bylaws, minutes, internal rules, etc..).
- 2 - Not facilitating easy access of members to the documentation of the entity.
- 3 - Inactivity or dereliction of duties when they cause harm of a serious nature to the proper functioning of the entity.

c) Minor offenses are considered as:

1. Inactivity or dereliction of duties, when not considered serious or very serious.
2. The no call of the bodies of the association in time and legal conditions.
- 3.-The behaviours or actions contrary to the proper functioning of the representative body.

4.-Failure to attend a meeting of the representative body, without just cause.

Article 41 Sanctions

The sanctions that may be applied for the committing of serious offenses listed in Article 37, will be the loss of membership / and or temporary suspension in such condition for a period of one year to four years in proper proportion to the offense.

Serious offenses listed in Article 38, will result in the temporary suspension of membership for a period of one month to one year.

The committing of a minor nature will result, as listed in Article 39 refer to the warning or temporary suspension of membership for a period of one month.

The offenses listed in Article 40 will result in the case of the very serious will cause the cessation to hold the office of member of the representative body and, where appropriate, disqualification from holding office again in the governing body; in the case of serious, termination for a period of one month to one year, and if the infringement has the character of mild reprimand or suspension for a period of one month.

Article 42 Disciplinary proceedings.

For the adoption of the sanctions provided for in the preceding articles, disciplinary proceedings in which, according to Article 31 of these Bylaws, the member has a right to be heard prior to the adoption and processing of disciplinary action against him and to be informed of the facts giving rise to such measures having been motivated, the agreement to impose the sanction.

The instruction of the sanctioning procedures corresponding to the representative body, and named for the purpose by it, as members of the same as they are entrusted with this function.

If processed a record against a member of the representative body he / she will not be able to be part of the examining body and refrain from participating and voting at the meeting of the representative body who makes the provisional resolution.

The examining body of disciplinary proceedings shall consist of a Chairperson and a Secretary. The President instructs the Secretary to of the practice of those preliminary inquiries it deems necessary in order to obtain relevant information about the commission of offense by the member.

In view of this information the representative body can close the proceedings or agree to initiate disciplinary proceedings.

In the latter case, the Secretary will go to the person written expedient which will reveal the charges against him, who can answer for in his defence as deemed appropriate within 15 days, after which the matter will be passed to the first session of the representative body, which agreed as appropriate; the agreement must be adopted by an absolute majority of members of the representative body. The resolution as adopted shall be provisional. The member may bring an action before the General Assembly within fifteen days from the day following the date of receipt of the resolution. Unless any appeal within that period, the decision becomes final.

The General Assembly shall take the appropriate decision regarding the disciplinary or enforcement proceeding.

Article 43: Instruction.

Infractions expire after three years, a year or a month, depending on whether they are deemed to be very serious, severe or mild, beginning to count the limitation period from the day after the commission of the offense.

The limitation period is interrupted by the initiation of disciplinary proceedings, with the knowledge of the individual, but if this remains paralyzed for a month for reasons not attributable to the member, it will return to the corresponding time.

The sanctions barred after three years, a year or a month, depending on whether those corresponding to very serious, serious and minor offenses beginning itself counting the limitation period from the day following that on which has become final resolution by which the penalty was imposed.

CHAPTER V. BOOKS AND DOCUMENTATION

Article 44 Books and accounting records.

The Association shall have available the Register of Members and those Bookkeeping records in order to obtain the true picture of the assets, the results and financial position of the entity.

Also to be kept is a book of minutes of meetings of the General Assembly and of the representative body, which shall include at least:

- a) All data relating to the convening and constitution of the body.
- b) A summary of the issues discussed.
- c) interventions that have been requested record.
- d) The agreements adopted.
- e) The results of the voting.

Article 45 Right of access to books and documentation.

The representative body, responsible for the custody and keeping of the books should make available to the members, books and documents of the organization, facilitating access by themselves.

To this end, once the application is received by the President, shall make available to the member within a maximum of ten days.

CHAPTER VI ECONOMIC SYSTEM.

Article 46 Initial Equity

The Association has an initial equity of fifty (50) euros.

Article 47 Financial year

The financial year shall be annual and will end on 31 December each year.

Article 48 Financial Resources

Economic resources of the Association are considered:

- a) The membership fees, regular or extraordinary.
- b) contributions, grants, gifts for free, inheritances and bequests.
- c) Fixed assets- tangible and intangible
- d) Any other likely source of financial and valuation allowed by law.

CHAPTER VII AMENDMENT OF INTERNAL LAWS AND REGULATIONS SYSTEM

Article 49: Amendment of Bylaws

The Articles of Association may be changed when appropriate to the interests of the same, by resolution of the general meeting specifically called for that purpose.

The resolution to amend the statute requires an absolute majority of the members present or represented.

Article 50 Rules for internal regime.

These Statutes may be developed by internal rules adopted by resolution of the General Assembly by a simple majority of members present or represented.

CHAPTER VIII DISSOLUTION OF THE ASSOCIATION.

Article 51 Causes.

The Association may be dissolved:

- a) A court judgment signed.
- b) By resolution of the Extraordinary General Assembly.
- c) For the reasons identified in Article 39 of the Civil Code.

Article 52 Settlement Commission

Following the agreement to dissolve the association, the Extraordinary General Assembly shall appoint a Liquidation Committee will have the following functions:

- a) Ensure the integrity of the assets of the association.
- b) Conclude outstanding operations and make new ones, which are necessary for the liquidation of the association.
- c) Collect the credits of the entity.
- d) Liquidate the assets and pay creditors.
- e) Apply the surplus assets for the purposes provided in these Bylaws.
- f) Request the registration of the dissolution in the Register of Associations.

The resulting final value after paying the debts and social security contributions are allocated equally to the two Hospitals, San Juan de Dios de Santa Cruz de Tenerife and Las Palmas de Gran Canaria.

FINAL DISPOSITION

These statutes have been approved on March 22, 2014, the contents and each page of which has been witnessed and signed by the following persons.

Vº Bº - PRESIDENT. OF THE MANAGEMENT COMMISSION	SECRETARY OF THE MANAGEMENT COMMISSION
Vº Bº - VICE-PRESIDENT. OF THE MANAGEMENT COMMISSION	

