

FREQUENTLY ASKED QUESTIONS OF THE VECINOS BOARD

Question: Is the Asociación de Regularización de Vecinos de la Cholla, A.C. a legal entity?

Answer: Yes, the Asociación de Regularización de Vecinos de la Cholla, A.C. is legal entity and is recognized by the State of Sonora and the Republic of Mexico. This has been verified by the attorney and the accounting firm.



Gobierno del
Estado de Sonora

ICRESON
Instituto Catastral y Registral
del Estado de Sonora



366630

BÚSQUEDA DE SOCIEDADES


INFORMA QUE PRACTICADA UNA BÚSQUEDA MINUCIOSA EN EL ACERVO REGISTRAL DE LA OFICINA JURISDICCIONAL DE PUERTO PEÑASCO SE ENCONTRÓ LA SOCIEDAD DENOMINADA **ASOCIACION DE REGULARIZACION DE VECINOS DE LA CHOLLA, A.C.** LA CUAL SE REGISTRÓ CON LA SIGUIENTE INSCRIPCIÓN:

SECCIÓN	SUBSECCIÓN	INSCRIPCIÓN	VOLUMEN	FECHA DE INSCRIPCIÓN
REGISTRO DE PERSONAS MORALES	LIBRO UNO	38B	1	01/12/2002

A SOLICITUD DE **DENISSE ALEJANDRA CARDENAS BELTRAN** QUIEN SE IDENTIFICÓ CON INE FOLIO **0632099063242** PREVIO PAGO DE DERECHOS ASOCIADOS A LA SOLICITUD NÚMERO **366630** CON EL RECIBO OFICIAL 310OX-0001-230000146728 Y NÚMERO DE TRÁMITE 160013, SE EXPIDE EL PRESENTE EN LA CIUDAD DE **PUERTO PEÑASCO, SONORA** SIENDO LAS OCHO HORAS CON CINCUENTA Y UNO MINUTOS DEL DÍA NUEVE DE FEBRERO DE DOS MIL VEINTIUNO.

ESTE DOCUMENTO ESTÁ BASADO ÚNICA Y EXCLUSIVAMENTE EN EL NOMBRE QUE ÁQUI SE INDICA, NO NOS RESPONSABILIZAMOS DE ERRORES O DATOS INCOMPLETOS EN EL MISMO, NO ES VÁLIDO SI PRESENTA BORRONES TACHADURAS O ENMENDADURAS.

ATENTAMENTE
SUFRAGIO EFECTIVO NO REELECCIÓN
AUTORIZADO POR EL REGISTRADOR TITULAR DE LA OFICINA
JURISDICCIONAL DE PUERTO PEÑASCO


LIC. RENÉ ANTONIO ACOSTA FELIX

ELABORÓ CRISTINA YANETH PARRA LOPEZ

Translation:

Search for companies

It informs that after a meticulous search in the registry of the jurisdictional office of Puerto Penasco, the society called Association of Regularization of Neighbors of la Cholla, A.C. which was registered with the following registration:

<i>Section</i>	<i>Subsection</i>	<i>Inscription</i>	<i>Volume-</i>	<i>Date of Registration</i>
<i>Registraton of legal entities</i>	<i>Book one</i>	<i>388</i>	<i>1</i>	<i>01/12/2002</i>

At the request of Denisse Alejandra Cardenas Beltran who identified herself with INE folio 0632099063242. Previous payment of fees associated with the application number 366630 with the official receipt 3100x-0001-230000146728 and processing number 160013 is issued in the city of Puerto Penasco, Sonora being eight hours and fifty-one minutes on the ninth day of February, twelve thousand twenty-one.

This document is based solely and exclusively on the name indicated here, we are not responsible for errors or incomplete data in it, it is not valid if there are erasures, strikeouts or amendments.

*Yours sincerely
Effective suffrage not reelection
Authorized by the registered owner of the
Jurisdictional Office of Puerto Penasco.
Lic. Rene Antonio Acosta Felix*

Made by Christina Yaneth Parra Lopez

Question: Is the Asociación de Regularización de Vecinos de la Cholla, A.C. a Homeowners Association or HOA?

Answer: The Asociación de Regularización de Vecinos de la Cholla, A.C. is NOT a HOA in the sense most people associate with HOA's in the States. It is by Mexican definition, a Civil Association or Asociación Civil. However, for simplification, the Asociación de Regularización de Vecinos de la Cholla, has often been called the Cholla Bay HOA, and the term will be used hence forth in emails, the body of minutes or ordinary communications with members.

Question: Does the Cholla Bay HOA have a boathouse?

Answer: No, and never has had one, or a boat for that matter!!

Question: Has the Cholla Bay Board been and are being transparent?

Answer: This depends on what one's definition of transparency is. The Board has published all financial reports even before the embezzlement and continues to do so currently. The financial reports now include bank statements with each report. The Board has made every effort to keep the members informed and updated through our bulk email server Firedrum, The VecinosDeLaCholla.org website and now their Facebook Page.

Question: Is the Oomislim Red Bag project just a scheme for the Board to make money?

Answer: Absolutely not, it was and is an attempt to cut down on the garbage left by renters and part timers who only visit Cholla on occasion and do not want to pay for an annual garbage fee. The idea is for those who visit Cholla two to three or four times a year might be more likely to pay \$10 per bag for garbage collection vs. the \$255 annual fee. i.e. four visits, four bags = \$40 versus \$255. Big savings, big win for Cholla, and most of the \$\$'s go to Oomislim with a little \$\$'s to the vendors who sell the bags. The Association receives NO monetary gain from this project. In

fact, the association donated the bags and printing. The only thing the association's members receive is a cleaner community.

Question: Is Benjamin (Aron) Brown involved in the Red Bag project?

Answer: Absolutely not. Mr. Brown was asked if he would sell the bags and said he thought it was/is a good idea. There has been some miscommunication between Oomislum and the HOA and unfortunately Mr. Brown got caught in the middle. He is by no means responsible for the Red Bag project. Board member Lew Felton is the administrator of the project and is working with Oomislum to clear up any confusion regarding the collection of the bags.

Question: Is the water standpipe used to fill our water trucks just a scheme for the Board to make money?

Answer: No, absolutely not. The standpipe was installed years ago thanks to the Cholla Bay HOA. The truck drivers fill their trucks, deliver water to their clients/customers and collect the cost from each household. They pay Oomapas for the cubic meters they use/deliver each month. Any discount they receive for paying on time is shared equally among the drivers. The Cholla Bay makes no profit on the water standpipe.

Question: Why did the Executive Board let the embezzlement of \$172,000 cash assets happen?

Answer: We DID NOT let the embezzlement happen. We were just as shocked and betrayed by Helen as every member was and we incurred the same loss. Probably even more so because she was considered a trusted friend and we had no reason not to trust her. Please keep in mind we didn't see Helen on a daily basis. We would see her usually when she would come down for the meetings. It is alleged that Helen embezzled more than one million dollars from her employers and they saw her every day. She was that good at what she did. Needless to say, we have been and are doing everything we can to prevent this situation from ever happening again.

Question: Why did the HOA have such a large amount of cash in a banking account?

Answer: From the beginning of the HOA, the philosophy of the Board of Directors has been to keep our annual dues as low as possible. To achieve this goal, the Board has always been a "hands-on" group. Our first president, Alan "Pete" Peterson often personally maintained HOA assets, such as vehicles and buildings. Many Board members along the way have continued this practice. The HOA has paid very little over the years for professional maintenance and management. Our website, email communication and library are handled on a volunteer basis. Our only contract employee, Monica Koerner, does an amazing amount of work for our membership and receives a stipend of only \$600 each month. Our annual dues are 15 % of what members of the Las Conchas HOA pay. This accumulated budget surplus has helped our members at least twice. Once during an unexpected opportunity to make a large land purchase for our community clubhouse. A onetime \$100,000 cash payment from this accumulated surplus and a one year note of \$25,000 payable from funds collected in the following fiscal year completed the purchase. This large piece of land

now owned by our members insures an open space for all residents to enjoy large outdoor events. A second time our cash assets helped occurred in October of 2018. Cholla Bay received nearly 7” of rain in one night. The resulting damage was amazing, but also devastating. Washes and canyons appeared everywhere in what was once our roads. Because of our cash assets, we were able to complete all repairs quickly and completely without any additional cost to our members.

Question: What did the report from the accountant say regarding the Cholla Bay HOA tax liability?

Answer: Please read the enclosed document from Kaizen and signed by Claudia Myriam Hernandez Mendoza. CPA



Puerto Peñasco, Sonora
17 de Febrero 2021

Por este conducto hacemos de su conocimiento que la ASOCIACION DE REGULARIZACION DE VECINOS DE LA CHOLLA, A.C. con fecha del 13 de Marzo 2012 a la fecha actual se encuentra positiva en el cumplimiento de sus obligaciones fiscales.

Se anexa a la presente:

- Opinión de cumplimiento emitido por el servicio de administración tributaria
- Declaración anual 2020
- RFC



CPA. CLAUDIA MYRIAM HERNANDEZ MENDOZA

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TRANSLATON

By this conduct we inform you that the Association, dated March 13, 2012 to the current date, is positive in the fulfillment of its tax obligations.

It is attached hereto:

*Compliance opinion issued by the tax administration service.

*Annual declaration 2020

*RFC