

# Primary responsibilities of the Board of Directors of a Horizontal Property

Horizontal property combines private property and common property for the use and enjoyment of all owners, where there are rules that regulate not only such private and shared property but also the relationship between co-owners. Hence the need to maintain in each one a governing body, that is, a Board of Directors, whose primary function is to execute the decisions taken by the Assembly of Owners. They decide everything concerning the management, maintenance, and upkeep of the common property of the horizontal property.

Law No. 284 of February 14, 2022 (hereinafter, the "Horizontal Property Law"), which regulates horizontal properties, details the functions of the Board of Directors within which we can highlight the following:

- Exercise the legal representation of the Assembly of Co-owners. The Board of Directors is responsible for executing all decisions taken by the Assembly of Co-owners of a PH.
- Make the annual call to the Ordinary Assemblies of Co-owners and the Extraordinary Assemblies in cases this is required.
- Establish fines and penalties regarding the grievances committed by the co-owners against the prohibitions set out in the Horizontal Property Law and the Co-ownership and/or Use Regulations of each PH.
- Submit to the Assembly of Co-Owners the following reports: (i) annual budget of income and expenses; (ii) detailed report of the yearly financial management of the budgetary execution; (iii) detailed report of the deposits and withdrawals from the Emergency Fund that the Horizontal Property Law requires must have any property incorporated into the PH regime.
- Keep and custody of the minute book of Ordinary and Extraordinary Co-owners Assembly meetings, as well as all types of meetings of the Board of Directors.
- Keep specific documentation, such as a Copy of the PH plans, the original public deed with which the PH was registered and, if any, its modifications; physical, authentic, and a digital copy of the Use Regulations; insurance policies issued in the name of the PH; and demonstrative plans of parking assignment, among others.
- Authorize any extraordinary disbursement not foreseen in the budget corresponding to a



necessary repair as a matter of urgency, which does not give time to a call for an assembly due to the situation's urgency.

- When necessary: Contract the services of a public accountant authorized to comply with the annual audits of the funds required by the Horizontal Property Law, as well as appoint engineers, architects, and other suitable technicians that are required for the execution of works ordered or authorized by the Assembly of Co-owners and monitor their execution.
- To evaluate the contributions and budgets that the administrator submits for purchasing goods or supplies; and to approve or reject the contracts or agreements that the administrator intends to execute related to the management and operation of the horizontal property.
- To respond, in a collegiate manner and a meeting of the Board of Directors, to the owners' requests, complaints, or suggestions, as well as the conflicts between them that the administrator has not resolved. Similarly, resolve disputes between owners and administrator, or with any other personnel within the horizontal property, because of the use and enjoyment of each person's common property or private property.
- Implement the biosecurity protocols required by the corresponding authorities to preserve the health and safety of the occupants of the horizontal property.