

**Ordinary General Assembly of the
Owners Association of Club Puerto Calma**
(*"Comunidad de Propietarios del Complejo de Apartamentos Club Puerto Calma"*)

An Ordinary General Assembly of the Owners Association of Club Puerto Calma ("**Owners Association**") is held on 3 December 2011. First call at 18:00 pm, second call at 18:30 pm.

Meeting held at Club Puerto Calma, Gran Canaria, Spain.

Assistance and representations

- **Holiday Club Canarias Sales & Marketing S.L.**, holding 658 weeks ("*co-ownership shares*"), represented during the meeting by Ms. Claudia Esplá.
- **Holiday Club Canarias Resort Management S.L.**, acting as administrator of the Owners Association, representing owners holding 501 weeks ("*co-ownership shares*") by way of proxies granted for such purpose, represented during the meeting by Mr. Manuel Roca.
- **Mr. Lennart Karlsson** representing owners holding 150 weeks ("*co-ownership shares*") by way of proxies granted for such purpose.
- **Mr. Holger Piepgrass** representing owners holding 108 weeks ("*co-ownership shares*") by way of proxies granted for such purpose.
- **Mr. Hoffmann** representing owners holding 35 weeks ("*co-ownership shares*") by way of proxies granted for such purpose.
- **Mr. John Lesley** representing owners holding 12 weeks ("*co-ownership shares*") by way of proxies granted for such purpose.
- **Ms. Lena Perez** representing owners holding 8 weeks ("*co-ownership shares*") by way of proxies granted for such purpose.
- **76 Owners** attend in person to the meeting in their own name.

Proxies from certain representatives have been handed over few minutes before the meeting, and the start of meeting is delayed for some minutes in order to establish the number of owners that are being represented. Chairman of the meeting states that those proxies have been accepted but for the future he requests that they are delivered at least 48 hours ahead, so that they can be processed and the meeting can start duly on time.

Presentation of the Chairman of the Meeting and of the participants

Mr. Calvin Lucock acts as the Vice-chairman of the Owners Association and Mr. José Puente acts as Secretary of the Owners Association, as they were elected in the last meeting of the General Meeting of the Owners Association of Club Puerto Calma held on 21 February 2011.

It is agreed by all attendants that Mr. Calvin Lucock shall act as Chairman of this Meeting, and that Mr. José Puente shall act as Secretary of this Meeting.

Presentation of other participants:

1. Ms. María Martínez
2. Mr. Samuel Miranda

Mr. Hoffman questions the role of the persons sitting on the table since on 21 February 2011 different persons were appointed. Mr. Puente clarifies to him that that is not correct. Mr. Francisco Iniesta was appointed as Chairman but he has in the meantime resigned, once that the transfer of the management business from Puerto

Calma Maintenance S.L. to Holiday Club Canarias Resort Management S.L. was completed. Therefore Mr. Lucock, appointed then as Vice-chairman, acts today as Chairman. The Secretary was appointed in the meeting of February 2011 and is acting in such role today.

Language of the meeting

In accordance with past practices, since the majority of the owners attending this meeting speak English, it is agreed that the meeting will be held in English. Summaries of the issues discussed will also be made in German and in French.

The General Assembly was called by means of a letter sent by the Administrator of the Owners Association, as established in the by-laws of the Owners Association, to all Owners on 3 November 2011.

Visit of the show apartment

Owners were invited before this meeting to visit the show apartment 413 in order to see how the apartments would look like once that the deep maintenance works to be proposed in this Meeting would be carried out.

Being present or represented owners holding a total number of 1548 weeks ("*co-ownership shares*"), the meeting is considered as duly convened and constituted in second call. The Chairman declares that the General Meeting is validly formation of the Assembly, without any attendant making any protest or reservation, in order to discuss the following

AGENDA

1. Minutes of the previous General Meeting
2. Report to the Owners on the implementation of the decisions passed by the Owners' Association last 22 February 2011
3. Proposal of deep maintenance works in the apartments and in the common areas of the resort to bring the resort to the expected standards and presentation of the related budgets
4. Presentation of the budget submitted by the services company Holiday Club Canarias Resort Management S.L. for rendering services to the resort and the unit owners for year 2012 and its approval, as the case may be
5. Proposal for appointing an external auditor to review the Account of Income and Expenditure of the Association for 2011 and submit the resulting report at the General Meeting in 2012
6. Report from the Administrator Holiday Club Canarias Resorts Management S.L.
- 7.- Proposal of the developer to assume the risk of collection of maintenance fees of 2012 in cases of weeks of owners in default that are effectively repossessed
- 8.- Appointment and/or renewal as appropriate, of the Chairman of the Owners' Association
- 9.- Appointment and/or renewal as appropriate, of the Vice-chairman of the Owners' Association
- 10.- Appointment and/or renewal as appropriate, of the Secretary of the Owners' Association

11.- Future calling of meetings and remittal of documents via email and webpage

Additional points of the Agenda included following a request from Mr. Lennart Karlsson:

12.- Proposal for the creation of a liaison committee for serving as a channel of communication of the unit owners with the Administrator of the Owners Association and with the Services Company, in addition to the statutory positions. Liaison Committee to be formed by three members who shall represent the unit owners -one representative for each of the three large "owner regions", namely (i) United Kingdom/Republic of Ireland; (ii) Central Europe and (iii) Nordic countries (DK, FI, IS, NO and SE)-, establishing the remuneration terms

At the request of Mr. Karlsson before the starting of the meeting this item is suppressed of the Agenda.

13.- Translation of the statutes of the Owners' Association into the languages of the main number of customers

14.- Request to the administrator to establish the procedure to be followed in case of transfers of week units where the seller is an existing owner in order to provide clear information to the seller and buyer as regards the steps and the scope of the rights that can be transferred

15.- Request by the Owners' Association to the developer Holiday Club Canarias Sales & Marketing S.L. of information on internal exchanges and on the system of how it works

16.- Proposal to revisit the situation of the VIP Card and/or alternative measures

17.- Questions and answers

As a consequence of the new items suggested being included in the agenda, following item is required

18.- Review of the 2012 budget under the light of the decisions taken under items 12 through 17

After having been discussed are then unanimously –except as otherwise stated- passed the following

RESOLUTIONS

1. Minutes of the previous General Meeting

The Secretary explains that the Minutes of the last General Meeting were prepared and drafted according to the authorization granted by the owners in the last meeting. Copies of the minutes are available to all owners on site, if any of them is interested.

The Chairman explains that the minutes may be translated into German and Norwegian if requested, and that copies will be sent per email to Owners upon request.

2. Report to the Owners on the implementation of the decisions passed by the Owners' Association last 22 February 2011

The Chairman explains that the assumption by Holiday Club Canarias Resorts Management S.L. of the role of administrator and services company has been completed, as it was agreed in the previous meeting.

3. Proposal of deep maintenance works in the apartments and in the common areas of the resort to bring the resort to the expected standards and presentation of the related budgets

Background: ad hoc maintenance works vs. deep maintenance works

The Chairman explains the status of the resort Club Puerto Calma and shows pictures of the resort, indicating that in many areas maintenance works are required. In particular ad hoc maintenance will be necessarily required since according to the experts that have visited the resort the standards of the resort are not adequate: there are several problems such as leakages in the terraces, the railing safety glass in the units, the functioning of the air conditioning and the status of the electricity installation. The ad hoc maintenance would be carried out in order to solve the most urgent issues, but they would not imply the refurbishing of the resort. Theoretically it is also possible not to pass now any decision on maintenance works, but reality is that at least ad hoc maintenance works should be approved, since the status of the resort demands that those ad hoc maintenance works are carried out.

As alternative to ad hoc maintenance works, it would be possible to carry out deep maintenance works in the resort that will bring it up to the standards. Works could be structured in a way so that the owners can continue using their weeks, although access to their apartment will not be guaranteed, since it may be undergoing works. Therefore it would be possible to carry out the works in the resort in parts.

The Chairman explains that works have been carried out in apartment 413 to serve as a show apartment. If the deep maintenance works are not approved the related costs of said apartment would be fully assumed alone by the company Holiday Club Canarias Sales & Marketing S.L., which is the current seller and marketer of weeks.

Funds to be financed by the developer in case of deep maintenance works

The Chairman indicates that if the deep maintenance works are approved, the developer Holiday Club Canarias Sales & Marketing S.L. would grant a loan of up to 500,000 Euros for common areas and it should be repaid through a specific amount to be charged yearly in the maintenance fees. The increase in the maintenance fees for repaying the loan would be 1% increase per 100,000 Euros granted by way of a loan. With that portion of the maintenance fees, the loan would be repaid until full settlement.

Budgets

The Chairman explains the budgets prepared for both alternatives. Budgets are shown in a screen so that owners can follow the figures.

Extraordinary maintenance charge

In order to finance the maintenance works, either the ad hoc maintenance works or the deep maintenance works, it would be necessary to charge to all owners an extraordinary maintenance charge will be added to the maintenance fee and be paid together. The amount would depend on the alternative chosen.

Debate

After the explanation of the different alternatives, a debate is open between the owners in order to discuss the proposals, raise questions on the proposals, etc.

Mr Barton raises various questions. He wonders how often is the air-conditioning cleaned and that the cleaning of the apartment should be a higher standard. He believes that the cost for the deep maintenance work seems

high. Mr Leesley strongly agrees with this comment. Mr Hoffman states he is worried about the costs that the works will imply for the owners.

Mr Lucock replies that the cleaning of the apartment is not the main issue but rather the age of the installations is the problem. The proposed works as deep maintenance works consist of more than just placing new furniture and painting the apartments. The proposal –included in the attached budget for the deep maintenance works- is that all apartments are stripped completely. Construction costs are expected to be 14,500 Euros per one-bedroom apartment and 24,000 Euros per two bedroom apartment. The kitchen cost, including appliances, is estimated at 2,700 Euros per one bedroom apartment and 3,500 Euros per two bedroom apartment.

Ms Lena Perez comments that the option for the glass on the terrace could be changed. Mr Lucock points out that other options have been evaluated, but that the glass was chosen as the best one since all other solutions would block the view.

A British owner asks if different tenders for the works have been requested and received. Mr Lucock confirms that detailed and serious planning has been carried out. Tenders from different contractors have not be requested and processed yet. The budgets for both alternatives have been produced on the basis of only one proposal, since it was felt that it was better to first submit the proposals to the Owners Association in order to know whether there was green light or not. If any of the options is chosen, tenders will be requested. The budget submitted here shall serve as a maximum for any works.

Mrs Dixon asks whether the works recently done for fire prevention were correct. Mr Lucock confirms that they were.

Commenting on the works carried out in apartment 413, Ms Perez requests that an oven is installed rather than a microwave. Mr Lucock thanks for the comment and explains that detailed works and particular furniture and devices are still not closed and may be subject to changes. Furniture and fittings will be purchased in bulk, which is expected to generate a saving.

Mr Barton asks if the maintenance fees will be lower after the work is completed. Mr Lucock explains that if deep maintenance works are carried out now, this should protect from any ad hoc payments for urgent maintenance works in the future.

Mr Dixon comments that the sliding glass doors are very expensive. Mr Lucock comments that there would also be an option of smaller doors.

A comment is raised on the possibility of a bath instead of a shower unit. Mr Lucock suggests a shower is easier to access for everyone, and that a bath could be an option in the two bedroom units.

A UK owner asks about the cost of the surrounding areas. Mr Lucock gives information on various items of the budget regarding the works to be carried out in the common areas, including non slip tiles around the pool, a wet area above the restaurant with Jacuzzi, and the complete repainting of the resort, which is aimed at creating a consistent image throughout the resort.

Mr Karlsson states he has made a survey among the owners he represents and according to it there is a balance between the owners that are in favour of carrying out deep maintenance works and those that are against. The survey has shown that 50% are in favour and 50% against. He wonders what could be offered to those owners who are not willing to invest. Mr Lucock explains that maintenance works are a necessity, and one of the two options presented needs to be implemented. The state of the resort requires maintenance works. Following the request, Mr Lucock indicates that owners of more than one week will be granted with the option to pay the extraordinary charges in instalments in order to facilitate the payments.

Mr Piepgrass comments that he is satisfied with the figures submitted in the budgets and he likes the design of the new apartment, but he suggests that a decision on the maintenance works is postponed until owners have all information.

Mr Lucock thanks Mr. Piepgrass for his statement but he requests that a decision is taken today on this issue. If the maintenance works are not carried out, the risk of accidents and incidents (particularly due to the status of electrical installation and the leakages) would increase. Although he acknowledges that either option implies a substantial investment, it would protect the future of the resort. The figures submitted shall work as a cap and any funds collected that are over the actual expenditure will be deposited in the maintenance fund that needs to be built.

Many owners raised the issue of unpaid fees. Mr Lucock confirms again that repossession procedures are being put in place in order to deal with this problem.

An owner requests a timescale for the work and asks whether it will affect holidays. Mr. Lucock explains that this has been contemplated, and the best solution for that would be to undertake the work in two phases, starting in May 2012 when the occupancy is relatively lower, so that the resort remains open and can still accommodate owners. The idea would be to complete 50% of the maintenance works this year, and the remaining 50% will be in 2013.

Mrs Cullen asks if the value of the apartments will go up. It is explained that the value of the apartments is expected to increase, but that the main issue is that the resort is brought back to the standards.

The budget includes a final figure under the title "IGIC". An owner asks what is 'IGIC'. It is explained that this is a tax that is triggered in every purchase of goods or services. It is similar to VAT. The tax rate of IGIC in the Canary Islands is currently 5%.

An owner from Germany asks three questions:

- (i) Is there a need for a washing machine as there are washing facilities in the common area?
- (ii) Why do we finance the cost of TV channels if very few are available?
- (iii) How will the maintenance be affected once the maintenance works are done?

Mr Lucock clarifies that the final details for the appliances and furniture in the apartments are still in negotiation, and will be finalized with the help and opinion of owners. Obviously the work will protect the maintenance fees from additional ad hoc payments in the future.

Mr Lucock explains that when the current manager took over the administration of the resort, a contract with a TV supplier was in place. He is aware of the fact that the current services are not satisfactory to the owners, and he is looking for options. He has already requested proposals from different providers, including channels at least in English, German and in Scandinavian languages that cover in each language the most requested channels: a children's channel, news channel, sport channel and a music option, and of course in other languages when available. He understands that the current package is not beneficial to owners and is looking for options. The manager of the resort has already given prior termination notice to the TV supplier for terminating the contract that is now in place, and it will terminate in March.

Mr Hoffman asks why the cleaning service has been reduced. Mr Lucock explains that this measure will reduce costs. The majority of owners do not require cleaning on a daily basis. This has also a positive environmental impact.

During the debate, all questions and answers are translated into German and French. In certain cases they are also translated into Swedish.

After more than four hours of having been thoroughly discussed different issues and the different options, the Secretary requests that the different motions are voted. The voting shall deal with all different questions and requests raised during the meeting.

Proposals

- (1) Motion 1: to carry out ad hoc maintenance works.
The ad hoc maintenance works are based on the budget submitted and presented in the meeting which include following figures to be carried out during a period of 5 years:

Total amount of the works: 1,963,500.00 Euros.

Extraordinary maintenance charge per week: 323.53 T-1 / 647.06 T-2 Euros

- (2) Motion 2: to carry out deep maintenance works.

The deep maintenance works are based on the budget submitted and presented in the meeting which include following figures:

Total amount of the works: 2,268,400.00 Euros.

Extraordinary maintenance charge per week: 505.81 T-1 / 784.31 T-2 Euros.

- (3) In both cases the extraordinary maintenance charge can be paid in instalments by those owners that have two or more weeks. Non-payment of the extraordinary maintenance charge will trigger the same consequences as non-payment of the ordinary maintenance fee.

Voting

- ⇒ As a preliminary issue, and following Mr. Piepgrass' suggestion, there is a first show of hands in order to decide whether the decision on the maintenance works shall be postponed until a further meeting to be called next year or it shall be taken today.

Votes in favour of taking the decision today: 280

Votes in favour of deferring the decision until the next meeting: 49

It is therefore decided to take the decision today.

- ⇒ Second show of hands in order to decide on the following motions:

- Motion 1: ad hoc maintenance works as they are required
- Motion 2: Deep maintenance works

Votes in favour of ad hoc maintenance works: 8 votes.

Votes in favour of deep maintenance works: 1491 votes

Abstentions: 2 votes.

An owner indicates that he understands that there has not been a correct show of hands. The Secretary informs him that he is not correct and that the show of hands has been correctly done, but in order to avoid any concern the show of hands shall be done again. The result of the second show of hands confirms the votes and the outcome of the voting as detailed above.

Mr Lucock indicates at this moment that it would be good to count with a committee of owners in order to discuss with them the details of the deep maintenance works, so that decisions can be taken taking into account owners' views. He asks for authorization to set up such committee.

⇒ Show of hands in order to decide on the set up of such committee: everybody votes in favour so that the decision is passed unanimously. Powers are granted to Mr. Lucock so that he can invite to different owners to form part of the committee.

It shall be indicated that the number of votes indicated represent the number of persons remaining at the meeting at the moment of the voting of the motions, since due to the duration of the meeting many of the owners that participated at the beginning had left the meeting.

4. Presentation of the budget submitted by the services company Holiday Club Canarias Resort Management S.L. for rendering services to the resort and the unit owners for year 2012 and its approval, as the case may be

Mr. Lucock presents to the owners the budget submitted by the services company Holiday Club Canarias Resort Management S.L. to the Owners Association to provide services to the Owners. The budget includes a grand total of 1,416,176.03 Euros as expenses. This budget proposal includes the total amount to be paid by all owners of weeks to Holiday Club Canarias Resort Management S.L. as consideration for the services the company provided during the year 2012 pursuant to the standards based on which have been prepared for the corresponding budgets.

The Chairman explains the budget to the owners:

- The budget includes an item of "other income" for services that Holiday Club Canarias Resort Management S.L. will be entitled to invoice directly to owners.
- The item "Extraordinary income" includes income that the service company will receive in the case of approval of the procedure provided in section 6 of the agenda.
- The budget includes an item as Renovation and Reparation Fund in order to build said fund for future reparations. According to the law there needs to be a sinking fund, but the reality is that when Holiday Club Canarias Resort Management S.L. took over the management, no Renovation and Reparation Fund was available.

In the event that the budget is approved, the services company Holiday Club Canarias Resort Management S.L. will issue the corresponding maintenance fee to each of the holders of the week including the corresponding IGIC (i.e. VAT).

An owner asks whether the actual figures of year 2010 are not shown in the budget. The Chairman answers that the accounts for 2010 should have been prepared by Puerto Calma Maintenance S.L., but despite several requests in that regard, Puerto Calma Maintenance S.L. has not answered and has not prepared the accounts.

⇒ Show of hands in order to decide on the budget

No owner raises any objection to the budget or wants to abstain, all owners show their conformity with the budget so that the budget is unanimously approved and the maintenance fee approved, with following additional measures:

- The services company will charge the total of the maintenance fees to the owners, splitting the total of the budget among the owners;
- Payment of the maintenance fees shall be done before 31 January 2012;
- Non payment of the maintenance fees on time will trigger a penalty as per the by-laws of the Owners Association.

5. Proposal for appointing an external auditor to review the Account of Income and Expenditure of the Association for 2011 and submit the resulting report at the General Meeting in 2012

The Secretary informs to the owners that in the past the review of the accounts has been done by two owners. The current manager believes that it would be better to have the accounts reviewed by a professional auditor rather than by two owners. In order to enhance the transparency, it is thought that a professional auditor can give the owners a higher comfort as regards the veracity of the accounts.

In such a case it would be possible to appoint a local auditor or to appoint one of the big auditing companies (such as PwC or Ernst & Young). The costs of a local auditor would be significantly lower, but the owners shall have the chance to decide on that.

- ⇒ A first show of hands takes place in order to decide whether the accounts shall be revised by a professional auditor or they should continued being revised by two owners appointed from time to time. The owners unanimously agree to the motion that they are revised by a professional auditor. The first accounts that will be revised will be the accounts for 2011.
- ⇒ A second decision is unanimously passed so that the auditor would be a local independent auditor, but not one of the large companies.
- ⇒ Authorization is unanimously granted to the services company to request quotes from auditors and to appoint the new auditor for 2011 on the basis of the quotes submitted.

6. Report from the Administrator Holiday Club Canarias Resorts Management S.L.

Mr. Lucock reports to the owners on the activities carried out by the administrator and on the main decisions and measures taken. The decision to reduce the periodicity of the cleaning of rooms is explained.

Furthermore Mr. Lucock explains what has happened to the VIP Cards. It was a fact that there were a number of clients in favour of the VIP Cards and a relevant number of clients that were against. The reason behind that, was the personal interest of each in using the VIP Cards or not. The owners that use the VIP Cards were in favour and the owners that do not use them were not in favour. According to the consultation made, the number of clients against the VIP Card and in favour of terminating the VIP card was appreciably higher. Nevertheless the reality is that the services offered by Puerto Rico S.A. under the VIP Card had been substantially reduced over the years but the prices had not been reduced accordingly. The existing contract's term is for 10 years, and the financial impact for the owners association would be relevant. During the negotiations with Puerto Calma Group, Holiday Club Canarias Resort Management S.L. secured the right to cancel the VIP Card, and Holiday Club Canarias Resort Management S.L. has done it, because it believes that it was in best interest of the owners and because there were no funds available for covering the month of December.

Following requests from owners, Holiday Club Canarias Resort Management S.L. will try to negotiate good conditions and discounts with Puerto Rico S.A. or with other service providers –although Puerto Rico S.A. is currently the only one that offers hammocks on the beach of Puerto Rico. Owners will be informed if additional possibilities are available in the future.

7.- Proposal of the developer to assume the risk of collection of maintenance fees of 2012 in cases of weeks of owners in default that are effectively repossessed

The Chairman states that it has been a request from the owners to instrument measures to reduce the level of defaults in maintenance fees. In order to deal with that problem, the developer Holiday Club Canarias Sales & Marketing S.L. has communicated to the administrator that it would be ready to assume the risk of maintenance fees due in 2012 for those weeks that it is able to repossess, so that it will actively pursue the repossession of weeks of clients that are in default and in those cases it will pay to Holiday Club Canarias Resorts Management S.L. the maintenance fee corresponding to year 2012.

The services company has received said proposal and the budget has been prepared taken into account that proposal, so that item "Extraordinary income" was included, although with no indication of a figure. Any amounts so received will be considered as "Extraordinary income" and will be credited to the budget of the following year

⇒ The proposal of Holiday Club Canarias Sales & Marketing S.L. is unanimously approved.

8.- Appointment and/or renewal as appropriate, of the Chairman of the Owners' Association

⇒ Appointment of Mr. Calvin Lucock as Chairman of the Owners Association in the terms foreseen in the by-laws and in the Spanish Act on Condominiums ("*Ley de Propiedad Horizontal*").

The point is unanimously approved.

9.- Appointment and/or renewal as appropriate, of the Vice-chairman of the Owners' Association

Mr. Lucock introduces Ms. María Martínez to the owners and requests that she is appointed as Vice-Chairman, to replace the Chairman should it be necessary.

⇒ Appointment of Ms. María Martínez as Vice-chairman of the Owners Association in the terms foreseen in the by-laws and in the Spanish Act on Condominiums ("*Ley de Propiedad Horizontal*"). Ms. María Martínez, as the Vice-chairman shall replace the Chairman and act as the Chairman in the event of non attendance or resignation of the Chairman or if the Chairman is not able to perform his role.

The point is unanimously approved.

10.- Appointment and/or renewal as appropriate, of the Secretary of the Owners' Association

⇒ Renewal of Mr. José Puente as Secretary of the Owners Association in the terms foreseen in the Spanish Act on Condominiums ("*Ley de Propiedad Horizontal*").

The point is unanimously approved.

11.- Future calling of meetings and remittal of documents via email and webpage

It is explained that this issue was already discussed in the meeting held in February 2011, where authorisation was granted to send callings via email. However the intention of the administrator is to enhance it with the

possibility to upload callings to a webpage, so that the information is available there. There are certain IT problems being analysed and processed currently in order to facilitate that communication takes place via email. The option to receive communications by post will continue in place for those owners that prefer it.

- ⇒ Authorisation is unanimously granted to the administrator to send information and callings via emails to those owners that are interested and provide the administrator with their email address.
- ⇒ Authorisation is unanimously granted to the administrator to upload all callings of meetings in the web page once the IT system is ready.

Additional points of the Agenda included following a request from Mr. Lennart Karlsson. Mr. Karlsson explains the background of the proposals to the owners attending the meeting.

- 12.- Proposal for the creation of a liaison committee for serving as a channel of communication of the unit owners with the Administrator of the Owners Association and with the Services Company, in addition to the statutory positions. Liaison Committee to be formed by three members who shall represent the unit owners -one representative for each of the three large "owner regions", namely (i) United Kingdom/Republic of Ireland; (ii) Central Europe and (iii) Nordic countries (DK, FI, IS, NO and SE)-, establishing the remuneration terms**

At the request of Mr. Karlsson before the starting of the meeting this item is suppressed of the Agenda.

- 13.- Translation of the statutes of the Owners' Association into the languages of the main number of customers**

Mr. Karlsson proposes that the statutes of the Owners' Association are translated into the main languages of the customers, and at least in German, Norwegian and English.

The Chairman thanks Mr. Karlsson for the proposal and asks the owners whether they are in agreement with the proposal and with the associated cost.

The owners ask the administrator to request quotes from translators in order to take a decision on this.

- 14.- Request to the administrator to establish the procedure to be followed in case of transfers of week units where the seller is an existing owner in order to provide clear information to the seller and buyer as regards the steps and the scope of the rights that can be transferred**

The request is accepted by the Administrator who agrees to send this information to owners by 31 March 2012.

- 15.- Request by the Owners' Association to the developer Holiday Club Canarias Sales & Marketing S.L. of information on internal exchanges and on the system of how it works**

Mr. Lucock states that the internal exchange has nothing to do with the Owners Association. It is an additional service offered to customers, and it is only paid by those owners that want to use it.

- 16.- Proposal to revisit the situation of the VIP Card and/or alternative measures**

This issue has already been dealt with above.

17.- Questions and answers

Ms. Lena Perez hands to the Secretary a paper with additional comments posed in writing by Mr. and Ms. Knikiz. The comment is as follows: "fees for the TV should only be paid by exchange clients but not by owners. Service fees should be like in Austria (2 Euros per day). The fees for the safe should not be linked to the duration of the stay: it should be one single payment regardless of the number of weeks that a client enjoys."

As a consequence of the new items suggested being included in the agenda, following item is required

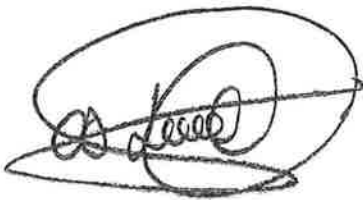
18.- Review of the 2012 budget under the light of the decisions taken under items 12 through 17

No changes are made which affect the budget.

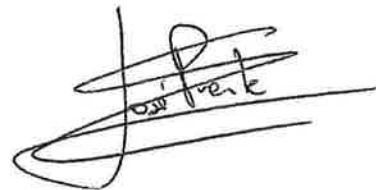
19. Approval of the Minutes

According to the terms of the law, the minutes will be prepared by the Secretary within the next ten days and once they are ready, the Minutes will be signed by the Chairman and the Secretary of this Meeting.

Powers are granted to the Chairman, Vice-chairman as well as to the Secretary so that, should it be necessary, any of them may, indistinctly, in the name and on behalf of the Owners Association, execute the aforementioned resolutions and particularly in order to issue a certificate of the resolutions adopted, and if appropriate to appear before a Public Notary with the most ample faculties, in order to grant and sign the necessary Public Deeds, so that the aforementioned resolutions and the legal transactions arising from them may be formalised, and to raise them to the status of a Public Deed, for all the pertinent legal effects, even for the inscription of the same at the Land Property Registry.



THE CHAIRMAN OF THE MEETING
CALVIN LUCOCK



THE SECRETARY OF THE MEETING
JOSE PUENTE