

**Ordinary General Assembly of the
Holders Association of Club Sol Amadores**

(“Comunidad de Titulares del Complejo de Apartamentos Club Sol Amadores”)

An Ordinary General Assembly of the Holders Association of Club Sol Amadores (“**Holders Association**”) is held on 4 December 2015. First call at 12:00 hrs, second call at 12:30 hrs.

Meeting held at Hotel H10, Meloneras, San Bartolomé de Tirajana, Gran Canaria, Spain.

Assistance and representations

- **Holiday Club Canarias Sales & Marketing S.L.U.**, holding 1129 votes equivalent to that number of weeks (“rotational enjoyment rights”, “*derechos de aprovechamiento por turno*”), represented during the meeting by Mr. Miguel Juliá.
- **Holiday Club Canarias Resort Management S.L.U.**, acting as administrator of the Holders Association, representing Holders holding 57 weeks (“rotational enjoyment rights”, “*derechos de aprovechamiento por turno*”), by way of proxies granted for such purpose, represented during the meeting by Ms. Ilona Kievits.
- **Mr. Lennart Karlsson** representing Holders holding 12 weeks (“rotational enjoyment rights”, “*derechos de aprovechamiento por turno*”), by way of proxies granted for such purpose.
- **Mr. Nils Fredrik Braathen** representing Holders holding 3 weeks (“rotational enjoyment rights”, “*derechos de aprovechamiento por turno*”), by way of proxies granted for such purpose.
- **Mr. Bjarne Gregersen** representing Holders holding 23 weeks (“rotational enjoyment rights”, “*derechos de aprovechamiento por turno*”), by way of proxies granted for such purpose.
- Four (**4**) **members**, holders of rotational enjoyment rights, attend in person to the meeting, representing 16 votes. They are British, Finnish and Scandinavians, according to the list attached.

The Secretary reminds to the attendees that in order to secure proper recording of the name of attendees, the number of votes that each holder has and the casting of votes, a prior procedure has been established so that the Holders interested in attending the meeting have indicated their wish in advance, and the list of attendants can be prepared on that basis.

Notwithstanding that procedure, Ms. Nicole Smyth goes around the attendees in order to check any additional attendee and the list of attendants is prepared.

Proxy holders have likewise informed the administrator in advance.

The meeting starts on time.

Presentation of the Chairman of the Meeting and of the participants

Mr. Calvin Lucock acts as the Chairman of the Holders Association and Mr. José Puente acts as Secretary of the Holders Association, as they were elected in the last meeting of the General Meeting of the Holders Association of Club Sol Amadores held on 5th December 2014.

It is acknowledged 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. Nicole Smyth
2. Roberto Picón, Vice-chairman
3. Miguel Juliá, representing Holiday Club Canarias Sales & Marketing S.L.U.
4. Ilona Kievits, representing Holiday Club Canarias Resort Management S.L.U. and the holders that have granted proxies to it and responsible as well for helping in the preparation of the minutes.
5. Tarja Suominen (for the translation into Swedish and Finnish)

Language of the meeting

In accordance with past practices, since the majority of the Holders attending this meeting speak English, it is agreed that the meeting will be held in English. Short summaries of the issues discussed are made in Swedish to a holder present in the meeting when needed. There is also translation available into German and Finnish but it is not required.

The General Assembly was called by means of a letter sent by the Administrator of the Holders Association, as established in the by-laws of the Holders Association.

Being present or represented holders holding a total number of 1,240 rights (equivalent to the same number of weeks), the meeting is considered as duly convened and constituted in second call. The Chairman declares that the General Assembly is validly formed, without any attendant making any protest or reservation, in order to discuss the following

AGENDA

1. Minutes of the previous General Meeting
2. Report from the Administrator Holiday Club Canarias Resorts Management S.L.U. on the year 2015
3. Status of the reparation and renovation fund and of the uses given to the fund
4. Report of the Services Company on the Statement of Income and Expenditure of the Holders' Association for 2014
5. Report of the external auditor of the Statement of Income and Expenditure of the Holders' Association for 2014
6. Report on the repossession by developer of weeks of holders in default and income generated as a consequence of the payment of maintenance fees and positive impact of this in the bad debt provision for 2016. Prorogation of the 2011 resolution
7. Report on the collection efforts of the maintenance fees carried out by the Administrator
8. Presentation of the budget submitted by the services company Holiday Club Canarias Resort Management S.L.U. for rendering services to the resort and the unit holders for year 2016 and its approval, as the case may be
9. Authorisation to release certain units out of the timeshare scheme and granting of powers to the Chairman for executing the release and fixing the new quotas applicable to those units

10. Appointment and/or renewal as appropriate, of the Chairman of the Holders' Association
11. Appointment and/or renewal as appropriate, of the Vice-chairman of the Holders' Association
12. Appointment and/or renewal as appropriate, of the Secretary of the Holders' Association
13. Questions and answers
14. Granting of powers to remedy the resolutions passed, as the case may be

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

RESOLUTIONS

1. Minutes of the previous General Meeting

The Chairman explains that the Minutes of the General Meeting held on 5th December 2014 were drafted according to the law and the authorization granted by the Holders and approved by the Chairman and Secretary. The Secretary informs that the minutes were uploaded into the webpage www.hccanarias.com

The Chairman states that the Minutes were prepared duly after the meeting within the deadline of 10 days agreed in the meeting and they were uploaded on to the webpage on due time.

The Chairman indicates that the minutes are valid with the signature of the Chairman and Secretary, but he asks the attendees for comments or remarks on the minutes of the previous meeting. No comments, remarks or objections to the minutes are made.

The Chairman explains that Mr. Lennart Karlsson that represents holders with 12 rights by way of proxy has forwarded to him before the meeting some questions in connection with resolutions passed in the previous meeting. These questions are addressed during the meeting in this first item of the agenda, but since they do not refer to the minutes but they are rather a follow up with issues previously discussed, for the minutes these questions are reflected in the relevant item of the agenda on questions and answers.

The minutes are thus acknowledged by all attendees and no additional comments are made.

2. Report from the Administrator Holiday Club Canarias Resorts Management S.L.U. on the year 2015

The Chairman updates on the developments of year 2015.

The Chairman reminds that there is a website www.hccanarias.com and that all information for this meeting has been uploaded into that page. All the materials for the meeting have been included in the web page, including the calling of the meeting.

The Chairman also informs on the acquisition of 89% of the share capital of Holiday Group Oy, mother company of Holiday Club Canarias Resort Management S.L.U., by the Indian Group Mahindra. He explains that the change of the shareholder of the management company will not have any impact in the Holders' Association. The new shareholder is studying investments in timeshare projects in new destinations throughout Europe. He will inform in future meetings on any developments on this.

The Chairman explains that there have been two rulings passed by the Spanish Supreme Court related to the timeshare industry that have addressed the question on the duration of the timeshare schemes. Legal experts and the industry in general have criticised the approach taken by the Supreme Court, but it is a fact that the decision has been taken by the Supreme Court.

The Chairman emphasises that these rulings from the Supreme Court do not affect the scheme of Club Sol Amadores but they relate to a different timeshare scheme set up by another company. On the contrary, the Provincial High Court of Las Palmas has recently passed a resolution dated 27 November 2015 in a case that involved the initial developers of Club Sol Amadores (i.e. Puerto Rico S.A., Puerto Calma Marketing S.L. and Vista Amadores S.L.) and a client holding weeks in Club Puerto Calma and Club Sol Amadores, and the Provincial High Court of Las Palmas has expressly stated that the rulings of the Supreme Court do not apply to the timeshare scheme of those clubs and that the contracts signed are fully valid and the court declared that the client that filed the legal action has now to pay all the legal costs.

The report by the Chairman is acknowledged by the attendees. Some holders attending the meeting raise some comments and particularly ask about the new Indian shareholder and about the court rulings. The Chairman welcomes these questions and he elaborates on both aspects. He further makes reference to the questions submitted by the holders in writing before the meeting and confirms that they will be answered in the questions and answer section at the end of the meeting and also time will be allocated for further questions. All holders are in agreement with this.

3. Status of the reparation and renovation fund and of the uses given to the fund

Mr. Roberto Picón explains the situation of the funds. As of 31 December 2014 the available funds in the bank account for the renovation fund were 30,798.13 Euros. As per 2015 budget, the total contribution for the renovation fund was agreed to be € 33,938.44 Euros. In accordance with the authorisation granted in last year meeting, the Services Company has used some of the available proceeds throughout 2015 in order to carry out investments. An amount of 24,820.59 Euros has been invested so far in following concepts: Spare parts in the terrace Jacuzzis, refrigerators and WIFI installation and software.

Mr. Picón shows on the screen a report detailing the concepts, and the related invoices and amounts.

Accordingly, and subject to any further investment decision, the total amount that will be available as of 31 December 2015 is estimated at 39,915.94 Euros.

In the 2016 meeting, an update as regards the uses of the renovation fund will be provided, if applicable.

The Chairman requests that the authorisation in favour of the Administrator to use the funds if necessary for renovation works granted last year, is renewed for 2016 or future years, acknowledging that a full report will always be provided to the Holders Association.

A voting takes place and all Holders vote in favour. No holder raises any objection or wants to abstain. Therefore the following resolution is unanimously passed:

⇒ The Administrator is authorised to use the funds available in the reparation and renovation fund during 2016 in order to devote the funds to any reparation or renovation purposes.

4. Report of the Services Company on the Statement of Income and Expenditure of the Holders' Association for 2014

The Chairman explains to the Holders that a Statement of Income and Expenditure for the whole year 2014 has been prepared. Mr. Roberto Picón explains the Statement and the total amount of actual expenses incurred in that period. For comparison purposes the amounts of the budget for 2014, approved in December 2013, have been used and are shown. The Statement of Income and Expenditure is shown in the screen. The main conclusions are as follows:

- (a) The budget approved in 2013 for year 2014 forecasted a total amount of expenses for 2014 of 804,943.40 Euros including an amount of 31,500 Euros as bad debt provision.
- (b) The actual level of expenses to third parties amounted to 747,827.55 Euros.
- (c) The actual level of collected maintenance fees in 2014 amounted to 741,547,99 Euros.
- (d) Holiday Club Canarias Sales & Marketing S.L.U. contributed with 6,080.00 Euros by way of income out of the payment of outstanding maintenance fees linked to repossessed weeks (16 weeks).
- (e) The amount of uncollected maintenance fees of 2014 was 48,615.41 Euros.

Upon the following questions of the attendees:

- Following Mr. Braathen's request, the line on "Other costs" of the Statement of Income and Expenditure line is broken down and explained to all attendees. This position includes printing and stationary, postal services (maintenance fee invoices and callings of the meetings included), consultancy fee human resources, health & safety, auditing and analyst electric consumption, welcome pack, staff uniforms and meals, photocopier maintenance, external contracts for pool analysis, legionella / pest control, air conditioning, cleaning of mattresses and fan coils

A voting takes place and all Holders vote in favour. No holder raises any objection or wants to abstain. Therefore the following resolution is unanimously passed:

- ⇒ The Statement of Income and Expenditure of 2014 is acknowledged and approved.
- ⇒ The management and the services carried out by the Services Company are also approved.

5. Report of the external auditor of the Statement of Income and Expenditure of the Holders' Association for 2014

The Chairman introduces this point of the agenda and asks Mr. Roberto Picón to explain the audit analysis carried out by the auditor RSM Gassó. The audit analysis is referred to year 2014. The report is shown in the screen in Spanish and English. A full copy is available in the web page www.hccanarias.com.

Mr. Picón explains that the expenses are booked in the accounts of the services company and the auditor has verified that:

- (a) The auditor has seen the real Statement of Income and Expenditure of the year 2014
- (b) Expenses are duly recorded in the accounts and correspond to actual invoices;
- (c) There is an analytical accounting in Holiday Club Canarias Resort Management S.L.U. in order to allocate the expenses to the different resorts;
- (d) The real Statement of Income and Expenditure of Club Sol Amadores is in line with the accounting of Holiday Club Canarias Resort Management S.L.U.;
- (e) The amount of expenses allocated to Club Sol Amadores is reasonable, i.e. respond to a rational parameter of allocation.

The costs of the auditor have been considered as part of the costs of the Holders Association.

The audit report is thus acknowledged by all attendees and no additional comments are made.

6. Report on the repossession by developer of weeks of Holders in default and income generated as a consequence of the payment of maintenance fees and positive impact of this in the bad debt provision for 2016. Prorogation of the 2011 resolution

The Chairman asks Mr. Roberto Picón to explain the measures carried out during 2015 for repossessing the weeks of Holders in default in the payment of maintenance fees. Mr. Roberto Picón shows on the screen a report on the repossessions during 2015.

Mr. Roberto Picón informs that in the previous meeting in December 2014 it was forecasted that Holiday Club Canarias Sales & Marketing S.L.U. would repossess 0 weeks in 2015..

The Chairman requests that previous resolutions acknowledging repossessions by Holiday Club Canarias Sales & Marketing S.L.U. against the payment of current year maintenance fees are renewed, as readiness by Holiday Club Canarias Sales & Marketing S.L.U. to continue repossessing is strictly subject to this condition.

However the Chairman highlights that there are no repossessions forecasted for the year 2016. Chairman requests that the 2011 resolution is extended for the future just in case there are repossessions.

A voting takes place and all Holders vote in favour. No holder raises any objection or wants to abstain. Therefore the following resolution is unanimously passed:

- ⇒ Holiday Club Canarias Sales & Marketing S.L.U. is authorized to continue repossessing in the future weeks of clients in default in the payment of their maintenance fees and in those cases it will pay to Holiday Club Canarias Resorts Management S.L.U. the outstanding maintenance fee budgeted for the year when the repossession takes place. Upon repossession of weeks Holiday Club Canarias Sales & Marketing S.L.U. shall not have to pay any outstanding maintenance fees above the budgeted amounts for the relevant year. Any amounts so received will be considered as "Extraordinary income".

7. Report on the collection efforts of the maintenance fees carried out by the Administrator

As part of the management tasks Holiday Club Canarias Resort Management S.L.U. has increased its efforts to collect the maintenance fees. Holiday Club Canarias Resort Management S.L.U. thinks that these efforts are a substantial part of its function as Administrator and this contributes to the benefit of all Holders that want the resort to be properly maintained and that all Holders pay their relevant share of the costs.

Holiday Club Canarias Resort Management S.L.U. has carried out following steps:

1. The Services Company has continued with the structured program for contacting all defaulting clients and requesting payment from them. This has continued to be successful and many customers have voluntarily agreed to pay their maintenance fees.
2. If telephone conversations and emails contacts have not lead to a fruitful outcome, Holiday Club Canarias Resort Management S.L.U. has sent written reminders.
3. Only once the written requests have been unsuccessful, Holiday Club Canarias Resort Management S.L.U. has entrusted the collection efforts to a specialised company.
4. And although the delinquency has gone up slightly, it is thanks to these efforts that we can maintain the delinquency rates at a minimum.

If the above measures have not worked out, then the cases have been forwarded to Holiday Club Canarias Sales & Marketing S.L.U. as a repossession candidate.

The Chairman explains that there has been generally a slight increase in bad debt in 2015 in comparison with 2014. Since 2011 the collection efforts have materialised in a sharp decrease of holders not paying their maintenance fees, but in 2015 this trend has stopped. It is true that the delinquency had fallen to a reasonable ratio and it is difficult to achieve further material reductions in that percentage. The increase in 2015 may be due to different reasons but an important one to be mentioned is the bad advice given by claims companies that have recommended their clients not to pay maintenance fees when filing a claim. Many of these claims filed against the prior developer have been lost by the holders.

8. Presentation of the budget submitted by the services company Holiday Club Canarias Resort Management S.L.U. for rendering services to the resort and the unit Holders for year 2016 and its approval, as the case may be

Mr. Lucock asks Mr. Picón to present to the Holders the budget submitted by the services company Holiday Club Canarias Resort Management S.L.U. to the Holders Association to provide services to the Holders in 2016. The budget includes a grand total of 870.376,75 Euros. This budget proposal includes the total amount to be paid by all Holders of weeks to Holiday Club Canarias Resort Management S.L.U. as consideration for the services the company will provide during the year 2016 pursuant to the standards based on which have been prepared for the corresponding budgets.

Mr. Picón explains the budget to the Holders:

- It is underlined that the budget for ordinary expenses has slightly increased by 1.25%.
- 40.871,70 Euros are forecasted as the ordinary provision for the reparation and renovation fund. The reparation and renovation fund will be used for extraordinary expenditure, as the maintenance fee covers the maintaining of the resort and normal repairs.

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

The Chairman asks whether the attendees have any objection to the budget. No holder raises any objection to the budget or wants to abstain, all Holders show their conformity with the budget so that the budget is unanimously approved and the maintenance fees approved. Therefore the following resolution is passed:

- ⇒ The budget submitted by the administrator for 2016 is approved, with following additional measures:
- The services company will charge the total of the maintenance fees to the Holders, splitting the total of the budget among the Holders;
 - Payment of the maintenance fees shall be made before 31 January 2016;
 - Non payment of the maintenance fees on time will trigger a penalty as per the by-laws of the Holders Association.

9. Authorisation to release certain units out of the timeshare scheme and granting of powers to the Chairman for executing the release and fixing the new quotas applicable to those units

The Chairman explains that there are several units in the resort where no rotational enjoyment rights have been sold. Holiday Club Canarias Sales & Marketing S.L.U. has approached the administrator and requested to release certain of the units completely from the timeshare scheme, so that those units are no longer subject to the rotational enjoyment scheme.

The Chairman makes it very clear that the release from the timeshare scheme would only affect units where holders do not own any week. It is out of question to release units where holders have rotational enjoyment rights.

A debate starts between the attendees. Holders raise concerns about the impact that said release would have in their maintenance fees. The Chairman states that the apartments that are released would need obviously to contribute to the general costs and expenses of the resort. The yearly maintenance fee for those released apartments should be in line with the costs and services that they will enjoy (reception, common areas) and should exclude the costs and services that they would not enjoy (such as furniture, maintenance, cleaning, replacement, etc.). The holders of the apartments would then be directly responsible for paying certain costs such as utility bills, insurances, real estate tax, etc.

A voting takes place and the motion is unanimously accepted. Therefore the following resolution is passed:

- The Holders Association authorise the release of [4] of the units where no rotational enjoyment rights have been sold from the timeshare scheme, and to amend the quotas allocated to each apartment and consequently to each rotational enjoyment right in the Holders Association accordingly to the new situation after the above units are released.
- The Holders Association acknowledges that certain of the services available in the resort will not be used and consequently not used by the holders of units that are released. However those units shall continue being liable for contributing to the costs and services that they will continue enjoying. Those

units will be individually liable for their own costs (utility bills, furniture, maintenance, cleaning, real estate tax, replacement etc)

- The Holders Association grants powers of attorney to the Chairman Mr. Calvin Lucock, to the Vice-Chairman Mr. Roberto Picón and to the Secretary Mr. José Puente, so that any of them, acting on their own and on behalf of the Holders Association may take on behalf of the Holders Association any necessary step as to release units where no rotational enjoyment rights have been sold, and to amend the quotas of the Holders Association and of each of the apartments.
- For the above purposes, powers are granted to (i) appear before the relevant Spanish Administrative Authorities and make declarations and sign all necessary documents and to do whatever is necessary or appropriate in connection with the powers granted; (ii) arrange and sign all types of whatever public and private documents are required to exercise the powers conferred, to ratify, amend, extend or renew said documents, to rescind or cancel them; (iii) delegate all or any of the powers contained in this document in favour of any other attorney, and to withdraw any such delegation as he shall deem appropriate, to which effect the attorney may execute any private or public documents required.

10. Appointment and/or renewal as appropriate, of the Chairman of the Holders' Association

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

Mr. Calvin Lucock thanks all attendees for their support and confidence.

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

Mr. Roberto Picón is re-elected as Vice-Chairman of the Holders Association in the terms foreseen in the by-laws and in the Spanish Act on Condominiums ("*Ley de Propiedad Horizontal*").

Mr. Roberto Picón thanks all attendees for their support and confidence.

The Chairman states expressly his thanks for the services rendered by Mr. Roberto Picón as Vice-Chairman during 2015, which is confirmed by all attendees.

12. Appointment and/or renewal as appropriate, of the Secretary of the Holders' Association

Mr. José Puente is re-elected as Secretary of the Holders Association in the terms foreseen in the Spanish Act on Condominiums ("*Ley de Propiedad Horizontal*").

Mr. José Puente thanks all attendees for their support and confidence.

The Chairman states expressly his thanks for the services rendered by Mr. José Puente as Secretary during 2015, which is confirmed by all attendees.

13. Questions and answers

The Chairman introduces the questions and motions raised by holders that have been sent in writing to the Administrator before this meeting.

1. Questions posed by Mr. Lennart Karlsson

(a) *Documents to be included in the callings of the Holders meeting*

In item 12, point 1.1 of the agenda of the meeting of the Holders Association held in 2014, a proposal submitted by Mr. Lennart Karlsson was discussed by the Holders Meeting, though it was not approved.

Mr. Karlsson states that maybe his wording of the proposal submitted in 2014 was not clear enough. He meant that detailed contents of important proposals required to be taken by the Holders' Association should be sent to the holders together with the calling, so that attendees of the Holders' Association meeting and all holders as well could read the detailed proposal "at home" to be prepared for a meaningful discussion in the meeting.

He considers that it is not appropriate that agenda has just a "headline" and then the holders have to guess the context. He also adds that important proposals from holders, which could be designated "motions", also should be sent to all holders together with the calling. He understands however that every request or question from holders cannot be sent out in advance, the number has to be limited and the motions should be summarized. Mr. Karlsson once again suggests to the attendees to the Holders' meetings to request from the administrator to include relevant information in the callings.

The Chairman reminds Mr. Karlsson that his motion was not endorsed in 2014 meeting. It is not feasible to include in the envelope all information he demands since this would significantly increase the mailing expenses and the work involved in sending out the callings. The administrator has already done a big effort putting the relevant information available in internet. However he pays due consideration to what Mr. Karlsson says.

(b) *Defibrillators (heart-start machines)*

Mr. Karlsson points out that in last year's meeting of the Owners Association of Club Playa Amadores, Mr. Piepgrass raised a suggestion to have a defibrillator available at the resort. In the 2014 meeting of Club Playa Amadores, the administrator agreed to investigate Mr Piepgrass' wish regarding the possibility, costs and liabilities of having a Heart-Start machine in the reception to be operated by the receptionists, of course after having got the instructions needed. Mr. Lennart would like now to know the status and extend that petition to Club Sol Amadores.

Mr. Picón answers that the administrator has seriously looked into this issue and he is happy to inform the holders that there is already a contract signed with the hospital Clínica San Roque for providing the defibrillator and the training to the staff. The contract is signed but the hospital has not provided the training to the staff yet. As soon as the training is completed, the machine will be installed and operative. The contract covers the five resorts managed by the Services Company, namely Club Puerto Calma, Club Vista Amadores, Club Jardin Amadores, Club Playa Amadores and Club Sol

Amadores. Clínica San Roque will furnish two defibrillators and the Services Company will purchase the remainder; the costs will be proportionally split between the five resorts.

3. Internet connection and WiFi

Holders state that the internet connection available at the resort is poor and it should be improved. The Services Company acknowledges this concern by the holders. The fact that the resort is located in the far south of the island means that the access to the internet connections by the Telecom companies is more expensive. However this concern is shared by many holders and the Services Company agrees to look into options for providing more internet speed and improving the log-in process.

4. TV channels

Questions are asked about availability of channels. Mr Picón informs on the status. The Chairman explains the difficulties in obtaining the licenses for certain channels. Many channels can be watched in local restaurants and pubs that lack of the required TV license, but the resort cannot do that; any TV channel offered at the resort needs to be properly licensed. The Services Company agrees to look into options for providing at least one Finnish channel.

5. Questions posed by mail or email before the meeting

The Chairman reads loud questions posed by holders by mail or email before the meeting.

(a) *Implementation of a regular quality follow up*

Mr. Rolf Enquist and Mr. Gösta Nilsson have sent a proposal to implement a yearly procedure for a quality follow-up of the apartments. Their comments and proposals read as follows:

As years pass by, the apartments get worn. Repairs are made and worn out and broken things are exchanged. The result may vary, and there is a risk for a deterioration of the standard. Sporadic remarks and proposals are made sometimes by committed holders.

Organizations similar to ours apply a "quality follow-up / a quality audit" to guarantee the correct level of standard and quality and in order to be in agreement at the point at which it has to be done at an estimated cost.

By a planned quality follow-up the holders should feel assured that things are taken care of and they do not need to unnecessarily occupy the maintenance personnel.

This procedure will be an important and necessary tool and will satisfy the requirements stated in "Ley 2/2013 de Renovación y Modernización Turística de Canarias".

And they suggest the implementation of the following procedure:

- (i) *The quality follow-up to be made yearly before the "holders meeting" by a representative from the holders together with a representative from the maintenance company. It is performed as an "audit by walking around".*

- (ii) *The auditors prepare for each resort an auditor's report covering important observations and corrective actions proposed.*
- (iii) *Follow up of budget and issue a financial status report. As a basis for the work the auditors should use a) "Top 10 list" digested from the evaluation by the visitors of the apartments b) The list of inventories of the apartment. c) Financial status report regarding budget for maintenance and running cost, * By random a smaller number (5 pcs) of apartments at each resort is picked out and exposed to the follow-up. On the spot the auditors shall agree on their observations and proposed corrective actions and the minutes filled in before leaving the resort.*
- (iv) *The auditors shall prepare for each resort an auditor's report covering important observations and corrective actions proposed.*
- (v) *Auditors report should be presented at the annual holders meeting and a decision should be taken by the meeting.*

The Chairman welcomes the proposal and thinks that this is a good initiative by Mr. Rolf Enquist and Mr. Gösta Nilsson. The idea is commented with the attending holders. It is furthermore suggested that this issue is put on the agenda for next year and holders have the opportunity to vote on it, as it probably have costs involved.

All the holders thus unanimously request that no decision is taken now as regards this proposal and that this proposal is included as an item of the Agenda for the Holders' Meeting of 2016.

(b) Quality Assurance

Mr. Hans Olav Knagenhjelm has sent a mail with several comments under the topic Quality Assurance. His comments are as follows:

"The quality of the services to the holders has improved greatly after Holiday Club Canarias Resort Management S.L.U. took over the management. However from the comments he has received from holders there are areas that still can be improved:

1. *Communications between holders and management such as:*
 - a. *From earlier experiences we recommend that weekly get-together meetings be restarted only as a one hour informal information exchange. Too few holders are present at the annual meeting.*
 - b. *Start up an information window on HCC home page –short updated notes on activities affecting the holders*
 - c. *Initiate – ONE ENTRY handling major questions from holders such as:*
 - i. *Holdershship*
 - ii. *Invoices*
 - iii. *Late arrival disputes*
2. *Services at the resort:*

- a. *All complaints and activities are logged on the computer by the reception i.e. available for analysis. It would be helpful at the annual meeting to have general summary of the trend of the complaints and corrective actions.*
 - b. *Many are dissatisfied with the TV programs available today.*
 - c. *WiFi does not have enough capacity at present. In addition there are difficulties receiving signal in some of the apartments.*
3. *The following/question/proposal should be taken up in the holders' meeting regarding Internet.*

A large number of holders have reported that the speed of the internet of MAXIMUM 0,5 Mbps typical speed 0,2-0,4 Mbps is not sufficient even for sending emails, in fact most people cannot even log on at this speed.

He understands that this is due to hardware restrictions on the optical fiber link into Club Playa Amadores. This is at the moment 100 Mbps, 30% of this is shared between Club Playa Amadores, Club Vista Amadores, Club Jardín Amadores and Club Sol Amadores. ie 30 Mbps. With appr 130 apartments sharing this speed it is obvious that this cannot work.

He understands that the administrator has an offer from Telefonica to change the hardware enabling up to 1 Gbps on this line.

Mr. Knagenhjelm urges to install this hardware and to guarantee a minimum speed of 2Mbps for each apartment. Higher speeds can be available for a fee.

Mr. Knagenhjelm suggests an increase of the maintenance fee of up to 10€/week to achieve this. The running cost should be visible in the budget.

Improvement of the channels on TV which are at the moment coming from IPTV should then also be improved. Eurosport channel in English should be available. At the moment Eurosport is not available."

The Chairman welcomes Mr. Knagenhjelm's comments. He believes that many of his comments regarding internet, TV channels and the weekly get-together meetings have been addressed before. He confirms that the administrator will continue looking into alternatives in order to fix things that may not work well and improve the holiday experience of all the holders.

Regarding the weekly holders meetings, the question is why the previous holders meetings sponsored by the sales & marketing company do no longer take place. The Chairman explains that this kind of holders meetings will not be re-instated as this was a drinking get-together and sales & marketing company aimed at selling more weeks to holders. He thinks that any such approach to clients should take place in a more professional way, rather than in a drinking event.

(c) *Questions and remarks posed by Mr. Oldeberg*

Mr. Oldenberg has sent an email with following questions and remarks:

- 1) *Beds- The beds are too hard. It should be available an extra mattress topper in the same size of the bed.*
- 2) *TV-Channels- There should be more Nordic and Swedish channels. The broadcasts have poor quality as well.*
- 3) *Internet- The WiFi is too slow.*
- 4) *Holiday Club Reps- On their first visit to their apartment they were overwhelmed with the rep.*

The Chairman addresses the questions. Regarding the beds, he states that the toppers for mattresses will be looked at. Regarding the questions on TV channels and internet, they have already been discussed before.

(d) Callings in Finnish

Various holders have asked that the callings be prepared in Finnish as well. The Chairman states that it was agreed some years ago to send the callings in four languages in order to cover languages that the bulk of the holders speak. Holiday Club Canarias Resort Management S.L.U. is an affiliate of a Finnish group and of course we have a due consideration to that language. However if we open the door to Finnish other nationalities will start demanding translations into their own languages and this will have a cost and time impact. The text of the callings can always be Google-translated by each holder, using for this any of the four languages used for the callings, and the Chairman believes that the translations provided are quite good to almost all languages of holders. Therefore the administrator will keep the current policy. All attending holders acknowledge and agree to this.

No other holder raises any other objection or remark.

The Chairman expressly thanks the persons attending the meeting for giving up part of their holidays and spending the time at this meeting deciding issues which affect all holders, and he particularly thanks the representatives from OPCA Sweden and Denmark and Mr. Nils Braathen for attending on this Friday the meetings of the remaining association after the long day had on Thursday.

14. Granting of powers to remedy the resolutions passed, as the case may be

The Secretary explains that it is convenient to foresee the possibility that the above resolutions may need to be remedied, provided it is always in the necessary terms as to implement the resolutions passed not to change them. Therefore the following resolution is passed:

- The Holders Association grants powers of attorney to the Chairman Mr. Calvin Lucock, to the Vice-Chairman Mr. Roberto Picón and to the Secretary Mr. José Puente, so that any other, acting on their own and on behalf of the Holders Association may take on behalf of the Holders Association any necessary step as to remedy and cure any of the resolutions passed in this meeting, provided no change such remedy or cure does not alter the sense of the resolution.

- For the above purposes, powers are granted to (i) appear before the relevant Spanish Administrative Authorities and make declarations and sign all necessary documents and to do whatever is necessary or appropriate in connection with the powers granted; (ii) arrange and sign all types of whatever public and private documents are required to exercise the powers conferred, to ratify, amend, extend or renew said documents, to rescind or cancel them; (iii) delegate all or any of the powers contained in this document in favour of any other attorney, and to withdraw any such delegation as he shall deem appropriate, to which effect the attorney may execute any private or public documents required.

15. 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.

These minutes will be uploaded to the webpage www.hccanarias.com and will be made available to all holders. In accordance with Spanish law, all holders that have not attended in person to the meeting are informed that, in line with previous years, they have the right to express within 30 days their discrepancy as regards any of the resolutions passed in this meeting once the minutes with the wording of resolutions are available. If they wish to raise any discrepancy with the voting they should remit it in writing by post, providing proof of remittal, to the attention of the Secretary of the Holders' Association of Club Sol Amadores – Tenerife nº 11 – 35130 Mogán - Spain. If no written discrepancy is received within a period of 30 days as from 18th December 2015, it will be considered that they agree and consent to the resolutions passed and their relevant votes will be counted as part of the votes voting in the same sense as the resolution passed in the meeting. If any written discrepancy is sent, this will be reflected in an addendum to the minutes that will be uploaded in the webpage www.hccanarias.com.

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 Holders 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 meeting was closed on Friday, 4th December 2015 at 14:00 hrs.



THE CHAIRMAN OF THE MEETING

Mr. Calvin Lucock



THE SECRETARY OF THE MEETING

Mr. José Puente