

**Ordinary General Assembly of the  
Association of Club Puerto Calma**  
(“Comunidad del Complejo de Apartamentos Club Puerto Calma”)

An Ordinary General Assembly of the Holders of Rights Association of Club Puerto Calma (“**Holders Association**”) is held on 27 November 2020. First call at 09.00 hrs, second call at 09.30 hrs.

Meeting held at Aqui Restaurant, Holiday Club Playa Amadores, Avenida Ministra Anna Lindh 1, 35130 Mogán.

Assistance and representations

- **Holiday Club Canarias Sales & Marketing S.L.U.**, holding 1703 votes equivalent to that number of weeks (“*co-Holdership shares*”), represented during the meeting by Ms. Claudia Esplá (also designated as “**HCC SM**”)
- **Holiday Club Canarias Resort Management S.L.U.**, acting as administrator of the Holders Association, representing holders holding 82 weeks (“*holdership rights*”) by way of proxies granted for such purpose, represented during the meeting by Mr. Roberto Picón (also designated as “**HCC RM**”)
- **Holiday Club Canarias Vacation Club S.L.U.**, holding 147 votes equivalent to that number of weeks (“*co-Holdership shares*”), represented during the meeting by Mr. Matthew Summers.
- **Mr. Bjarne Gregersen and Mr. Keld Hviberg** representing holders holding 227 weeks (“*holdership rights*”) by way of proxies granted for such purpose.
- **Mr. Gösta Nilsson** representing holders holding 88 weeks (“*holdership rights*”) by way of proxies granted for such purpose. He participates by videoconference.
- **Mr. Roy Stovel**, representing holders holding 29 weeks (“*holdership rights*”) by way of proxies granted for such purpose. He participates by videoconference.

A list of attendants is prepared.

Due to the measures and restrictions because of Covid-19, the physical attendance to the meeting has been limited. The Spanish Government declared as of 25 October 2020 the state of alarm limiting social gatherings in all Spain to 6 persons. The regulation of the General Secretary of the Government of Canary Islands of 8 October 2020 specifically applicable for the Canary Islands recommends that social gatherings are limited to 10 persons.

Due to the COVID restrictions and limited assistance, it was agreed to have the meetings of all clubs at same time. The meeting takes place together with the meeting of the Holders Association of Club Vista Amadores, Club Playa Amadores, Club Sol Amadores and Club Playa Amadores although resolutions will be passed independently. The casting of votes has been done separately for each Club. However, for the purposes of the recording of the decisions, separate minutes will be prepared. All attendants agree to this procedure.

In order to provide information to holders that were interested in participating but because of the situation cannot do so, a live streaming has been organised to take place after the meeting where a summary of the issues discussed, and decisions taken will be given.

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 Puerto Calma held on 28 November 2019. This is acknowledged by all attendants.

The Chairman introduces other participants in the meeting to the attendees:

1. Mr. Roberto Picón, Vice-chairman
2. Mr. Matthew Summers, representing Holiday Club Canarias Vacation Club S.L.U.
3. Ms. Claudia Esplá, representing Holiday Club Canarias Sales and Marketing S.L.U.
4. Ms Ilona Kiervitz, for the minutes.

#### Language of the meeting

In accordance with past practices, since all of the holders attending this meeting speak English, it is agreed that the meeting will be held in English. All attendees confirm that they are fine in having the meeting in English.

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.

The Secretary explains the attendees that all information for the meeting is available at [www.hccanarias.com](http://www.hccanarias.com) where the holders can download the calling, minutes of the previous meeting, the statements of income and expenditure to be reviewed, a copy of the audit and the budget proposal.

Being present or represented holders holding a total number of **2276** 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. on the year 2020
3. Status of the reparation and renovation fund and of the uses given to the fund
4. Report of the Services Company on the 2019 Statement of Income and Expenditure
5. Report of the external auditor of the 2019 Statement of Income and Expenditure of the Association
6. Report on the repossession by developer of weeks of members in default. Prorogation of the 2011 resolution
7. Presentation of the budget submitted by the services company Holiday Club Canarias Resort Management S.L. for rendering services to the resort and members in 2021 and its approval, as the case may be
8. Appointment and/or renewal as appropriate, of the Chairman of the Association
9. Appointment and/or renewal as appropriate, of the Vice-chairman of the Association
10. Appointment and/or renewal as appropriate, of the Secretary of the Association
11. Appointment and/or renewal as appropriate, of the Administrator and Services Company
12. Questions and answers
13. Granting of powers to implement and to remedy the resolutions passed, as the case may be

## RESOLUTIONS

### 1. Minutes of the previous General Meeting

The Chairman explains that the Minutes of the General Meeting held on 28 November 2019 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](http://www.hccanarias.com).

The Chairman states that the Minutes were prepared duly after the meeting and they were uploaded on to the webpage on due time. No questions or concerns are raised.

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 or remarks to the minutes are made. 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 2019

In the meeting it is agreed to address agenda items "Report from the Administrator on 2019" and the "Budget" towards the end of the meeting, together with the respective questions submitted by the participants by e-mail or through their representative towards the end of the meeting. For the purposes of the minutes the relevant content is included in this item of the Agenda.

The Chairman updates on the developments of year 2020. The Chairman addresses the following issues:

#### (a) Covid-19

The Chairman updates on what has happened in the resort as a consequence Covid-19.

Following the news of the Covid-19 outbreak in China and subsequent punctual cases in different countries of Europe no-one imagined what would happen. First case in Spain was detected in La Gomera in the Canary Islands (early February) but it was a foreign tourist that had had contact in his country of origin to a person coming from China. Thereafter the outbreak in Italy anticipated a worrying scenario but still no one anticipated the big impact that this was going to have.

Spain announced a full strict and severe lockdown on 14 March 2020 and hotel operations were stopped on 19 March 2020. All hotel clients were requested to leave hotels. At the time there was an important number of clients at the club so it was necessary to arrange everything until they could return to their countries. HCC decided to close one by one the resorts and move the remaining clients to other clubs until the last one could be closed.

As a consequence of the closing of the clubs, HCC had to make decisions with staff, people were sent on temporary leaves or holidays until there was a better understanding of the situation. Subsequently employees were sent into temporary unemployment.

Spain started in early May with gradually easing the lockdown in phases.

Playa Amadores opened on 14 May with restricted services and usage which was extended to Sol Amadores and to Puerto Calma in July and August.

At the beginning there were many doubts as regards operational activities: what treatment was necessary to bedlinen and other cloths, and to any other items in contact with people, how to interact with clients, etc. It was also a fact that most clients did not want to have any interaction with employees. In the light of this we introduced deed cleaning actions between every stay at an apartment but we reduced the level of services during the stay. Furthermore, we implemented special treatments procedures and protocols to deal with the new situation, paying attention to the new Spanish regulations,

The second wave hit Spain in midsummer. After having been open for two months, markets died again, so it was necessary to close Puerto Calma, keeping Playa Amadores and Sol Amadores.

As of the date of this meeting all Spanish borders are open again, but the majority of EU countries are partially on lockdown with recommendation not to travel and majority does not want to travel given such restrictions for self-isolation etc. It is a fact that the pandemic is affecting countries in waves so no all countries are affected in the same manner at the same time, but being a tourist destination, the Canary Islands are dependant not only on what happens in the Canary Islands themselves but also on what happens in the country of origin.

Today everyone is allowed to come here but hardly anyone is coming. Furthermore, Canary Islands are implementing right now a PCR test requirement for anyone wishing to travel.

In order to deal with this situation, all club members that were entitled to use a week since 14 March 2020 until today have been given a credit to use their week/s in 2021. This basically implies that HCC will have to find a place and try to accommodate clients in the future against its own available weeks. This measure was welcomed by all members. It is worth noticing that no questions were raised in this regard until an agreement was signed with the Red Cross in mid-September 2020 for accommodating immigrants, program that is funded by the Spanish Ministry of Interior.

It is worth noticing that the influx of immigrants from Africa through the Canary Islands has increased in 2020 in comparison with prior years although there were high numbers as well in the past and it was never noticed. The levels of immigrants arriving 2020 are well below for instance of the numbers of 2006. This year however this fact is being noticed and published in papers because the increase in the numbers from 2019 to 2020 goes together with a standstill of the economic activity and a nearly lockdown of borders and ordinary travels.

(b) Red Cross

Increased number of immigrants and Covid-19 restrictions and the need to have quarantines where persons need to be isolated led to a scenario where the usual lodging facilities for immigrants were not sufficient. The travel restrictions imply too that immigrants cannot be easily re-distributed to other facilities in Spain. Due to the fact that the tourist resorts are closed, authorities thought that immigrants could be accommodated in those resorts on a temporary basis until a more convenient solution is found.

HCC was approached by Red Cross and as mentioned above a contract was signed in mid-September for lodging immigrants in Club Puerto Calma and Club Vista Amadores. This is a temporary contract for only four months (although Red Cross may request to extend it).

Any client with a week in Club Puerto Calma and Club Vista Amadores wishing to use it this period of time has been granted accommodation in Club Playa Amadores and Club Sol Amadores, so no client has been deprived of his holidays.

This topic on Red Cross will be further addressed in the section on questions.

(c) Opening of the resorts

Uncertainty prevails and it is difficult to anticipate when normality will come. There have been re-openings and need to close again and it is likely that this will continue during 2021. It is therefore impossible to anticipate when the club will be open and operational during year 2021.

As of today the following resorts are open for club members: Club Playa Amadores and Club Sol Amadores, Occupancy of this two resorts in November has been 57.61% and the bookings for December as of today show an occupancy of 68.95%.

(d) Energy consumption (follow up with the question submitted by OPCA Nordic in 2019)

This topic was raised by OPCA Nordic in 2019 and it was agreed to follow up in 2020. However, the reality is that 2020 has been a year marked by the Covid-19 pandemic and the closure of the club so little could be done in this respect.

Mr. Lucock further makes further reference to the questions submitted by some 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 devoted for further questions.

### **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 2019, the available money in the bank account for the renovation fund was exhausted, showing thus a deficit of 60,668.11 Euros. Regarding the reparation fund 2019 it was explained the capital expenditure allocated in the fund to the air conditioning works in Block B. It was explained that the fund covered the cost related to civil works and electricity and that the cooling units and the rest of the equipment was financed by external company with a payback in 10 years.

As per 2020 budget, the total contribution for the renovation fund was agreed to be 159,237.48 Euros. In accordance with the authorisation granted in last year meeting, the Services Company has used some of the available proceeds throughout 2020 to carry out investments. An amount of 42,222.98 Euros has been invested so far. Regarding the expenses shown in the status of the reparation and renovation fund of 2020, the majority of costs are related to monthly payback of air conditioning investment.

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 2020 is estimated at 56,346.39 Euros.

In the 2021 meeting an update as regards the use of the renovation fund will be provided, if applicable.

No questions were raised by the participants in this regard.

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 2021 and 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 2021 and future years 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 2019**

The Chairman explains to the holders that a Statement of Income and Expenditure for the whole year 2019 has been prepared. Mr. Roberto Picón explains the Statement and the total amount of actual expenses incurred in that period. The Statement of Income and Expenditure is shown in the screen. The main conclusions are as follows:

- (a) The budget approved in 2018 for year 2019 forecasted a total amount of expenses for 2019 of 1,874,161.70 Euros.
- (b) The actual level of expenses to third parties amounted to 1,822,230.39 Euros.
- (c) The actual level of collected maintenance fees in 2019 amounted to 1,834,670.99 Euros.
- (d) The amount of uncollected maintenance fees of 2019 was 38,551.58 Euros.
- (e) The extra income contributed to the club was 31,753.26 Euros.
- (f) As result, there has been a surplus of 45,132.99 Euros. Mr. Picón explains that the surplus has been taken as a positive figure in the budget for 2021.

It was explained that the Statement of Income and Expenditure includes in the post "Extra income" the income allocated to the budget for the of maintenance fees payable for the new apartments.

No further questions were raised.

A voting takes place, and all holders vote in favour of acknowledging the Statement of Income and Expenditure of 2019. No holder raises any objection or wants to abstain. Therefore, the following resolution is unanimously passed:

- ⇒ The Statement of Income and Expenditure of 2019 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 2019**

The Chairman introduces this point of the agenda and explained the audit analysis carried out by the auditor RSM Gassó. The audit analysis is referred to year 2019. The report is shown on the screen in Spanish and English. A full copy is available in the web page [www.hccanarias.com](http://www.hccanarias.com).

It is explained 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 2019;
- (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 Puerto Calma is in line with the accounting of Holiday Club Canarias Resort Management S.L.U.;
- (e) The amount of expenses allocated to Club Puerto Calma 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 Chairman explains the amount of costs and asks the attendants whether they consider that there is a need to continue with the audit or not. After a short discussion on the issue, it was agreed by all attendees to continue with the audit.

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. Prorogation of the 2011 resolution**

The Chairman asks Mr. Roberto Picón to explain the measures carried out during 2020 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 2020. In 2020 there have been 9 weeks repossessed.

Mr Picón shows on the screen the evolution of delinquency during the last 9 years. Delinquency in 2012 reached 35.28%, the percentage for 2017 was 5.44%, for 2018 was 2.75%, for 2019 was 2.06% and the actual percentage for this year 2020 is 10.15%.

The Chairman adds that there has been generally a decrease in bad debt in the last years in comparison with previous years, except in the current year. This increase is likely to be due to the pandemic created by Covid-19 and the impact that it may have had on families and their budgets. Contacts have been had with persons in arrears and it is a fact that some of them are struggling and simply not able to pay.

Mr. Stovel wonders whether the maintenance fee is paid in January and February. Mr. Lucock answered that the reality is that some people pay it in that period but others delay the payment some time.

Mr. Gregersen asks whether it will be possible to recoup the outstanding maintenance fees. Mr. Picón says that it is difficult to forecast what will happen in 2021 due to recent Covid-19 situation.

Mr. Stovel asks whether it is possible for a member to purchase any repossession week. Mr Lucock answers that it is certainly possible. Anyone interested can contact HCC for that.

The Chairman requests that previous resolutions acknowledging repossessions by HCC SM against the payment of current year maintenance fees are renewed for future years, as readiness by HCC SM to continue repossessing is strictly subject to this condition.

The Chairman requests that the 2011 resolution is extended for subsequent years in the event of 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 for the year when the repossession takes place.

**7. 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 in 2021 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 2021. The budget includes a grand total of 1,919,083.78 Euros, no including any amount as bad debt provision. 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 2021 pursuant to the standards based on which have been prepared for the corresponding budgets.

Mr. Picón explains the budget to the Holders. The outcome of the budget is that the maintenance fee payable by the Holders will decrease by 8.13% in comparison to the maintenance fee payable under to the budget of 2020. Mr. Roberto Picón shows also the evolution of the maintenance fee during the last years. The outcome is that the maintenance fee payable for 2021 will be lower that the maintenance fee paid for any year since 2017.

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 comments to the budget. A debate is open on the budget. Mr. Picón explains the main challenges faced to prepare the budget for 2021:

1. We do not know how next year will be regarding the recovering of tourism.
2. What to do with the clients that have not been able to come in 2020.
3. An analysis of what the running costs would have been during a 6-month closure.

Although there has been a reduction in staff costs and utilities supplies (electric, gas and water), there are certain running costs that still need to be paid during closure times, including among others the following e.g. maintenance staff, security, fixed electric costs, monthly instalments, real estate and local tax, approx. 25% social security for staff in temporary unemployment.

Mr. Stovel states that in his opinion it is possible accept the budget as it is and allow the management to work on the cost saving for the next year.

The question on potential savings is addressed. The Chairman analyses possible savings and how this should be distributed between Holders. He wonders why would someone that actually uses the week in 2021, get a reduction in maintenance fees. It is a fact that there will be clients coming to the resort in 2021 and that there are many members that have deposited their week with RCI (in exchange for a week elsewhere or in any other year) or rented the week out to someone else. The key question is how to give the credit of any savings to the members that do not use their week. Furthermore, HCC offers the opportunity to members that cannot

use their week in 2020 to use it in 2021, so effectively any savings would be outbalanced by an increased use by those that enjoy their week in 2021. And the same principle applies going forward.

There is another angle to this question. There are certainly running costs that could be saved by the resort if it is closed. At the same time if all resorts are closed, no one could use them and all weeks during those periods will be lost.

The Secretary explains that it is necessary to find a solution and a middle ground. There is undoubtedly a great benefit to have five resorts that offer synergies and mean that occupancy can be adjusted to the number of persons actually interested in coming, so there is no need to have five resorts open with an occupancy of say 5% each, but rather it would be better to have just one resort with an occupancy of 25%. This allows to reach a critical mass to make sense to open the resort and grants the opportunity to be able to be open and accommodate those clients that can travel or that are willing to travel. At the same time allows to adjust the number of resorts open to the actual demand. In a year like 2021 when it is not known what will happen, this will prove to be an instrument to adjusting costs to real necessities. But there is a need that the resorts that are closed contribute somehow to the costs of the resorts that are open.

The analysis of the use of the weeks during 2020 takes the debate to the discussion on the contract with Red Cross.

Mr. Hviberg says that in his opinion, if a client cannot come and does not authorise the use of his/her week for other purposes, that client should be compensated. Mr. Summers explains that everyone has been contacted in order to know whether they wanted to come to the club and use their week, and if they were not coming, they were granted the option to deposit their week for use in the next year. Mr. Hviberg understands that there have been some cases where this did not happen in this way and he will indicate the names of the exceptions. Mr. Summers answers that upon receipt of the names he will follow up to see the circumstances. [*Note: as of the date of these minutes, no indication on those exceptions has been received.*]

The Chairman explains that HCC offered back in March 2020 to the members that could not use their weeks due to the lockdown and the travel restrictions the credit of use for 2021 so that they enjoyed since March 2020 that possibility. This was a measure taken in the light of the circumstances, but it should be clear that it will be to the burden of HCC, since HCC will have to use its own weeks in 2021 to provide accommodation to those clients. It was clear that the week in 2020 was left to be used by HCC as it would deem fit -since it was not going to be used- but clearly this was of no real advantage since the resort was closed and if open, there has been no real demand due to the pandemic. Every member was happy with that arrangement and obviously no one raised any objection or comment. HCC had to look for opportunities for dealing with these weeks and in September HCC found a partial solution, which was temporary by nature, which was the contract with Red Cross. This however has only been in place since October 2020 but it means that during six months (March-September) the resorts were either fully closed or partially open in summer and the activity was very low. There was no real income during the lockdown period but still there were running costs. The Chairman further mentions that credit shall be given to existing staff and that some of them have been working on hard conditions, being available to work on demand. On the other side, we are fortunate that we can keep some of them working.

The Chairman however thinks that this arrangement for 2020 might need to be rethought in 2021. In March 2020 everyone thought that the pandemic would be for a relatively short period and that in summer things would return to normality. Now in end November 2020 we are realising that this is not the case and that there is still a long journey until things are back to normal. We should think what to offer to (i) clients that deposited in 2020 for use in 2021 but cannot use their week in 2021 because of restrictions; (ii) clients that in 2021 do

not want or cannot use their ordinary 2021 week and they are no longer interested in depositing it for subsequent years. Furthermore, there is a limited number of available weeks so if clients deposit their weeks of 2020 and of 2021 for use thereafter, there will not be sufficient weeks for all. The sales company will put its inventory to its disposal but is still a limited inventory. The Secretary mentions that there needs to be a limit to the accumulation of weeks as it is not feasible to honour the use of these weeks.

Therefore, an alternative arrangement is needed. Mr. Lucock introduces then the concept that if the members cannot use (due to restrictions) in 2021 the weeks that they have deposited in 2020, a certain refund of the maintenance fee should be possible. He understands that it should be the choice of each client and only for clients that have not been able to use the week due to the restrictions. There is a need to find a solution that makes sense.

Mr. Gregersen questions what happens to no shows and whether upon a client not showing up at the reception on the arrival date, the apartment can be used for other purposes. It was explained that said week cannot be used for other purposes, since client can show up the next day or the day after. This actually happens regularly -even before Covid-19- that clients not always arrive on the scheduled arrival date. And this has been particularly true during the pandemic, due to flights cancellations or delays or travel restrictions.

Mr. Gregersen asks whether it is legal for HCC to use the week of a client in one resort if that client is given accommodation in another resort. The Secretary answers that if a client owning one week in one resort is accommodated in another resort in exchange, the member waives its right of use in the first resort for the right of use in the second resort; therefore, in his opinion, HCC is entitled to use the week in the first resort as it deems fit, since it has given an equivalent week in exchange.

Mr. Gösta Nilsson reckons that we can discuss this forever, but he understand that we need to concentrate on the budget 2021 and on the specific draft submitted and analyse the actual costs of running resorts etc.

The Chairman recommends not budgeting upon the assumption that the resort will remain closed. It is necessary to budget as if the resort would be open during the whole year, and if this is finally not the case, then a decision on the surplus should be taken. It was agreed by all participants to look at the budget assuming the resorts will be open.

Mr. Stovel asks about reservations for 2021 and Mr. Lucock answers that we start seeing normality in reservations as from February 2021, but it will very much depend on how the pandemic evolves. Mr. Lucock expects to have resorts open in February but does not know with what occupancy.

And supposing the resorts open in February, the members in January 2021 can opt for the same offer to move the weeks or receive proportional refund of running costs. Past January it is no possible to accumulate the liability, therefore it was agreed that every client until the 31st of January 2021 will be able to deposit the week for use by the end of 2023.

The specific amounts of the budget are then analysed. Mr. Picón shows the Current budget has the same level of expenditure in line with last year, with a reduction in the annual fee, and if restrictions remain, part of fixed costs will reduce but on the other side, if the pandemic continues it is expected that delinquency will increase.

The expenses associated with WiFi are addressed. It is commented that the service level of WiFi is not good. The Chairman acknowledges that the WiFi service is still not optimal. He mentions that he requested a proposal from an external IT engineer to evaluate the entire system and provide recommendations for a

complete and functional coverage and he received the proposal with a 12.500 Euros quote. Mr. Juliá is invited to join the debate.

The Chairman informs the attendees that he has agreed to go ahead with the evaluation and prepay the respective costs that will be included in the costs of the enhancement of the WIFI once the installation is done. Mr Juliá informed that the installation cost of fibre optic will amount to 48,000 Euros per year during a term of five years for all 5 Clubs, but this does not include the costs for civil works for passing the cables and any deviations or additional pipelines that might be needed arise if cables cannot be passed through the available installation.

It is further agreed that budget is based on all resorts being open on the 1st of January and a partial refund will be instrumented for those members during 2021 that cannot use their week. It is agreed that this partial refund will be calculated on the basis of the actual savings of 2021.

No holder raises any objection to the specific terms budget or wants to abstain. All holders show their conformity with the budget so that the budget is unanimously approved and the maintenance fees to be paid by each holder are approved.

Therefore, the following resolution is unanimously passed:

- ⇒ The budget submitted by the Services Company and Administrator for 2021 is approved
- ⇒ Budget 2021 has been prepared on the assumption that there will be an opening date on the 1st of February for all resorts.
- ⇒ If the resorts do not open during the whole year there will be a surplus for the time the resorts were closed.
- ⇒ Once the surplus is known, members that do not use their week in 2021 due to all club resorts being closed will be entitled either to a partial refund or will be granted the ability to carry the 2021 week forward and use until end 2023. A decision on this will be taken in the next meeting.
- ⇒ A calculation will be made of the refund and it will be discussed with the attendees to this meeting.
- ⇒ Clients will need to inform by the 31st of March if either to carry over the week/s or opt for the partial refund.
- ⇒ Following additional measures are agreed:
  - 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 14<sup>th</sup> February 2021;
  - Non-payment of the maintenance fees on time will trigger a penalty as per the by-laws of the Holders Association.

#### **8. Appointment and/or renewal as appropriate, of the Chairman of the Holders' Association**

Mr. Calvin Lucock is unanimously 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.

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

Mr. Roberto Picón is unanimously 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 2020, which is confirmed by all attendees.

#### **10. Appointment and/or renewal as appropriate, of the Secretary of the Holders' Association**

Mr. José Puente is unanimously 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 2020, which is confirmed by all attendees.

#### **11. Appointment and/or renewal as appropriate, of the Administrator and Services Company**

It is explained that Holiday Club Canarias Resort Management S.L. was appointed in 2011 as administrator and manager of the Association in order to manage the resort and the Association.

Holiday Club Canarias Resort Management S.L. is unanimously re-elected as **Administrator** of the Holders Association in the terms foreseen in the Spanish Act on Condominiums ("*Ley de Propiedad Horizontal*"), and as **Services Company** of the resort in the terms foreseen in the Spanish Act on Timeshare ("*Ley 4/2012 de Aprovechamiento por Turnos*").

As part of this item of the Agenda, the Chairman addresses to the attendants the convenience to renew the existing contract between the Association and the Services Company, on the same terms as until now. The idea is to extend the duration for another term equal to the one that is about to lapse. All attendants express their agreement to the motion and therefore following decision is unanimously passed:

- ⇒ It is agreed to renew the management and administration services agreement with the Services Company under which it renders services to the Association and performs as the Administrator of the Club.
- ⇒ Renewal shall be in the same terms as per the existing contract and for a new term equal to the one that is about to lapse.
- ⇒ Full powers are granted to the Chairman to enter into and execute the new management and administration services agreement in the terms and conditions that he deems fit, appointing HCC RM as manager and administrator, and any other executory, additional, informative, complementary or rectifying documents, both private and public. For such 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, extend or renew said document, 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.
- ⇒ Powers of attorney are granted to the Chairman, Vice-chairman and the Administrator so that any of them on behalf of the Holders Association may submit the new management and administration

agreement to the Land Property Registry and effect the necessary declarations as regards the identity of the services company.

## **12. 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. Questions have been posed by several holders including Mr. Gregersen (acting as Chairman of OPCA Denmark and representing several holders), Mr. Nilsson (acting for several holders through OPCA Nordic), Mr Johnson, Mr. Deyer, Mr. Stacey, Mr. Bowyer and some other holders. Many of the questions refer to similar issues so for the purposes of answering them they are grouped by topics. The questions and answers were as follows. The Chairman addresses the questions and provides the answers unless otherwise stated.

### **a) Opening and re-opening of the club**

Following questions have been posed:

- 1) When is Holiday Club going to inform members of timeframe for the re-opening of the Puerto Calma resort?
- 2) For those members who opt to be accommodated in an alternative resort, when will Holiday Club inform them of the location of that resort? This is particularly important for those with weeks in the early months of the year.

Answers: it has already been explained that the opening and re-opening of the club is subject to pandemic impact and particularly to travel bans and restrictions. The clubs are being reopen as soon as there is sufficient number of confirmed bookings that justify it. Since summer time the number of bookings has been very low. On site attendees have been able to see how empty the clubs are and how empty the island is. It is shocking to see that there are almost no tourists and shops and restaurants are consequently closed in the south of the island.

Accommodation of holders in 2021 will also be dependant on when the clients are willing to come and on when flights resume normally. It is very difficult to anticipate what will happen.

We accept any reservation that clients would like to make and as indicated before there is an increasing number of reservations for February 2021 so if any client would like to make use of their deposited week of 2020 in 2021 they are welcome to come any time. As long as there is demand we will have at least one resort open to accommodate them. Obviously, if the numbers are high, additional clubs will be open.

### **b) Red Cross and lodging of immigrants**

Following questions have been posed:

- 1) Is Puerto Calma remaining closed due to refugees staying there, or is it due to a very small number of confirmed bookings from now and into 2021?
- 2) We suggest finding a way to compensate members for the weeks they have not been able to use due to the shutdown. The offer from HCC to exchange for weeks during the summer period is not acceptable as our members do not travel during that period and there are no available

apartments in the October - March period. When HCC then, sensibly enough, rents out to the Red Cross without the commitment of the members, it is only fair that the profits also benefit the members. Therefore, we propose that the income from the Red Cross be divided according to the percentage of holdship of rented apartments, which is distributed equally among all the members. Therefore, it is important that it is disclosed how many weeks are privately owned and how many HCC members (proposal by OPCA Denmark)

- 3) We propose that, when the 2020 accounts are completed, the savings that have been made on maintenance costs and the rental income from the Red Cross will be shared among all members of all resorts, thereby reducing annual maintenance. (proposal by OPCA Denmark)
- 4) We anticipate and expect that when the last refugee leaves Puerto Calma and Vista Amadores, the entire hotel and all the rooms must be thoroughly cleaned, and carpets, furniture etc. that have been damaged will be replaced and that the bill will be sent to the Red Cross! (proposal by OPCA Denmark)
- 5) Regarding the collaboration with the Red Cross and local Government, is the arrangement to provide accommodation for an indefinite period? We are aware that migrants have been arriving on Gran Canaria for some years, and it seems unlikely that their need for accommodation will reduce. If they have to leave, where can they go? (question by Mr. Bowyer)
- 6) Also, on the subject of migrant accommodation we were led to believe it would only involve small numbers. How many floors are being used, how many people are they talking about, and are they mainly small families? (question by Mr. Bowyer)
- 7) We were also led to understand that the Authorities would be making a contribution towards the cost of housing the migrants, which would reduce our maintenance charges. Why does this payment not show on the Budget statement? (question by Mr. Bowyer)
- 8) Is the decision to make available apartments other than those of the members legal? Do we not own our own weeks at the resort, where we have purchased? We were told that our apartment in Vista was not available, but that one in Playa Amadores had been allocated to us, Why. This was despite the fact that we had told them 3 months before, that we would not need the apartment. Was it to legalize the use of our apartment on Vista for illegal immigrants?
- 9) Why were members of holiday club not consulted prior to allowing the asylum seekers to stay in the members apartments? (Question from Mr. Johnson)
- 10) At the members meeting in 2020, the members committee should report on the main features of the agreement regarding the rental of apartments in Puerto Calma and Vista Amadores to the Red Cross for emigrants / asylum seekers. Specific questions:
  - a. How long the agreement with the Red Cross applies and when is the rental period planned to end?
  - b. Who is the contractor part for rental to the Red Cross is that Club Puerto Calma, Holiday Club Canarias Sales & Marketing S.L.U or Holiday Club Canarias Resort Management S.L.U.?
  - c. How will the income from the rental be reported to the members?  
(questions posed by OPCA Nordic)

All the above questions are jointly answered as follows:

- 1) This issue has already been discussed at length during the meeting.
- 2) Red Cross approached us in September and explained that the immigrants influx was creating an emergency situation and they needed to look for a temporary solution to lodge the immigrants in places where they could be quarantined until a more permanent accommodation is organised by authorities. Red Cross contacted several hotels and requested whether they could provide the accommodation in short notice. The contract with Red Cross was signed in September.
- 3) The existing agreement with the Red Cross is currently valid until 31 December 2020. As of today, we do not know whether Red Cross will be interested in extending it or no.
- 4) Contract with Red Cross was signed by HCC Vacation Club.
- 5) The rental income will not be reported to the members as the right of use given to Red Cross relates to weeks that either belong to HCC or that have been deposited by clients for use in 2021. In other words, HCC had already agreed well before the contract with Red Cross was signed to accept that clients that could not use their weeks in 2020 would deposit their weeks with HCC and HCC would give them accommodation in 2021. Therefore we understand that the right to use or not the weeks in 2020 is with HCC.
- 6) It is a fact that the resort was closed before the contract was signed. Unfortunately, there was no demand since clients could not or wish not to travel. The resort could open only because of the contract with Red Cross. Otherwise, the resort would have remained closed.
- 7) It should be noted that HCC is not only providing accommodation but also food to immigrants.
- 8) Resort and apartments will be thoroughly cleaned, and any damaged items will be replaced at no cost for the Club.

**c) Information provided to members**

- 1) The information about the operation of the HCC resorts has been deficient to the members, we request better information about which resort are closed and open for the members, in addition it would have been valuable if Holiday Club Canarias informs about any contracts that are signed where HCC lease the entire resort to a customer for example, the Red Cross. The members request a predetermined monthly / weekly information instead of seasonal random newsletters. The newsletters should also contain financial information that is of greater importance to the members maintenance fee, as well as significant changes in the future plans for the business, for example if the resort is closed for housing so that the members cannot use their weeks according to contract with HCC. We believe that Holiday Club Canarias has a responsibility to provide accurate information to its members, so that they do not have to search for information on social media such as Facebook and the like, which often leads to errors and misconceptions (comments by OPCA Nordic)
- 2) Why were emails not answered during lockdown? Every other business we know had facilities to do this. Surely our maintenance covers services like this.

Following answers were given:

- 1) The Chairman accepts the critic and agrees that communication should be improved.
- 2) During the strict lockdown in March and April 2020, communication could have been more efficient but were working with skeleton staff to finish year-end closing and uncertainty of future due to COVID.

**d) Statement of income and expenses of 2020**

- 1) Will the final audited accounts for 2020 be transparent so that members can accurately assess the running costs and income for the resort compared to other years when it was fully operational? Can they also expect a significant reduction in maintenance costs for 2022 in the event that there is an increased surplus for 2020? (question by OPCA Denmark)
- 2) What has happened to the maintenance money paid last year, given that during lockdown there were no wages paid to staff and there were no bills to pay?

Following answers were given:

- 1) Yes, statement of income and expenses of 2020 will be audited. It will be closed as of 31 December 2020 and thereafter it will be audited, as usually. Attention will be paid to any possible surplus but it shall be noted that while there was no operation in several months, there were running costs payable anyhow and the level of expenses during the period when the resort was open was comparatively higher due to the Covid-19 measures that needed to be implemented.
- 2) During the meeting today we have discussed about the difficulty in granting a balanced credit to the members, since some of them have used the weeks and most of them have deposited the weeks for use in the future so effectively they have been able to obtain something in exchange.
- 3) Nevertheless it is a fair request to analyse any potential surplus and that this benefits members. We have already discussed in the meeting today that there should be a partial refund to members. Once the potential amount is known, it will be communicated to the attendees and to all members.

**e) Services and operational issues affected by Covid-19. Level of services**

- 1) Can the Holiday Club give a brief outline of proposed changes to the operation of the resort due to COVID 19 Government regulations to minimise the spread of the virus?
- 2) When Playa re-opened, why were staff not brought back to work? Only a skeleton staff was available and so the service which we had paid for with our maintenance was not available. There was minimal cleaning of apartments and limited cover of reception.

Following answers were given:

- 1) Following measures were implemented: social distancing was requested, deep cleaning was carried out between each stay of a client, during the stay of clients room cleaning was reduced so that there would be little contact, all bedlinen and cloths were sent to the laundry where protocols and new chemical products have been also put on place.
- 2) It is a fact that when the resorts reopened, there was some lack of information on measures and protocols to be followed. Although the apparent services to clients might have looked as reduced, it was a fact that there was more work linked to precautionary measures, constant deep cleaning of common areas and of apartments during change over, management of used linen, etc.

- 3) In the reopening the services were limited during the first two weeks and then gradually increased.

**f) Use of facilities and general questions on operational issues**

- 1) We lack guidelines for the use of the various HC resorts. May all members freely use all HCC facilities, such as the pool area and gym, or only Vista and Jardin have a natural context?

Answer: No they cannot.

- 2) How are the rules of parking at Jardin and Vista? Are Vista members allowed to park at Jardin?

Answer: No they cannot park.

- 3) How do we solve the problem of blocking sunbeds with towels? Many people do that early in the morning, and many do not use them until much later. Is it not possible to do as they do on the PC, where there is no access to the pool area until a certain time (9.30)? (question by OPCA Denmark)

Answer: Only possible solution would be to put signage up but it is impossible to control who blocks sunbeds or not.

- 4) We want clarification on whether HCC plans to go back to the possibility of avoiding payment of the annual maintenance, and then let HCC use the weeks. (question by OPCA Denmark)

- 5) We want clarification on whether HCC plans to reintroduce the resale programme, so it again will be possible to sell the apartments to and through HCC? (proposal by OPCA Denmark)

Answer: Yes. Plan is to go back to the prior situation and offer the resale programme but we do not know when.

- 6) We propose that the renovation at Jardin be postponed until 2023 instead of 2021. The project is not finished and has not been approved by the Committee adopted at the members' meeting. (proposal by OPCA Denmark)

Answer: It has already been agreed to postpone the renovation and it has not been discussed today. We can decide in 2021 annual meeting what to do.

- 7) We propose that the renovation of Playa be postponed until at the earliest 2024 instead of 2022 (proposal by OPCA Denmark)

Answer: Valid comment. We can decide in 2021 annual meeting what to do.

- 8) We suggest that it will be possible to move unused weeks from 2020 to 2022, - without extra payment. (proposal by OPCA Denmark)

Answer: This has already been discussed during the meeting. Thank you for the proposal.

- 9) As new rules/requirements have now emerged for interpretation, will HCC be helpful with the removal of deeds by the notary. (proposal by OPCA Denmark)

Answer: It shall be noted that the removal of the deeds requires a process involving notarial powers of attorney, notarial deed, application for Spanish tax numbers and registration with the Land Registry. It was agreed that the issue will be analysed by HCC and with the help of the Secretary a procedure may be implemented.

- 10) Could we reduce the lifeguard costs by reducing the days attendance and move on the "animation service"? (Question by Mr. Deyer)

Answer: Lifeguard services can be reduced only if the pool is closed, but the presence of a lifeguard is obligatory due to the size of the resort and the size of the pool.

- 11) Do you plan to have more French TV channel? This is always an issue as you do not have many "French" travellers in Gran Canaria. Difficult also to get French newspaper. Is it something you can improve? (Question by Mr. Deyer)

Answer: Unfortunately this depends on the actual supply of channels by the TV operators. If it were possible, HCC would have French TV channels.

#### **g) Budget 2021**

- 1) Regarding the budget for 2021, bearing in mind the fact Puerto Calma was closed for a few months, why was there no apparent saving shown against the 2020 figures? (question by Mr. Bowyer)
- 2) Will there be a reduction in next years maintenance to reflect the money saved during lockdown and that acquired from the Red Cross to house the illegal immigrants?
- 3) When we stayed in the HC apartment in July, the cleaning and facilities were greatly reduced. This reduction will reduce the cleaning costs for the maintenance year, so can we expect a credit or will it be reflected in next year's maintenance costs? (Question from Mr. Johnson)
- 4) Will a detailed account be issued for this year and projection for 2021. (Question from Mr. Johnson)
- 5) Would like a reduction in the annual maintenance fess considered and explained due to resort closure? (Question from Mr Stacey)
- 6) Due to the current Corona pandemic, all facilities have been closed for shorter or longer periods by 2020 for various reasons. The closure of the facilities has led to staff being laid off. Consequently, operating costs have been significantly reduced for some of the facilities and to a lesser extent for some. All in all, this has led to a significant reduction in the budgeted costs for 2020. Due to the above, we demand the following. Before the members meetings in 2020, there should be a partial result for January-September 2020 be presented by the members' committee at all members' meetings. With respect to changed / reduced costs so far in 2020 as a result of the pandemic can we the members do not approve the budget that has been presented to the members meetings as they are largely copies of the budget for 2019. (comments and questions submitted by OPCA Nordic)

Following answers were given:

- 1) The impact of Covid-19 in 2021 and potential closures of the clubs have been discussed in the agenda item on budget. It is a fact that there might be savings if the resorts are closed. This will be taken into consideration and partial refunds will be organised. We refer to the discussion held in item 7.

#### **h) Deposit of weeks of 2020 for use in 2021**

- 1) Why was the rule changed that if 3-month notice was given that an apartment was not going to be used, the maintenance charge for the following year would be waived? We gave such notice within the time by email. The email was not answered but after lockdown had ended we were told that the rule no longer existed and we would lose those weeks because we had not paid the 100 euro deposit to deposit the weeks for future use.

Answer: Although it is true that a 100 Euro fee was initially requested when the impact and duration of the Covid-19 was thought to be short, this fee was later suppressed retroactively. The 100 Euro fee was refunded to the members that initially paid it and the fee I still being refunded. It should be noted that this fee was the standard fee requested for week exchanges during a normal time, and this was the background for requesting it in the very beginning, since that was the standard. But when we realised that the impact was longer, it was decided to suppress it for the deposits of weeks of 2020.

#### **i) Organisation of 2020 holders meeting**

- 1) Can the meeting allow members access via video conferencing as travel is difficult and not consistent for all countries making suitable date for everyone almost impossible. If this is now allowed, can you advise the reasons for this? (Question from Mr. Johnson)

Answer: Consultation with each individual client is not realistic and possible. A webinar with no interaction was be considered but 200 to 300 people in a zoom meeting is not practical and impossible to have an interactive meeting. For that reason it was decided to hold a meeting with persons representing as many members as possible and then to have a subsequent live streaming open to everyone where the points of debate and decisions would be explained and opportunity to raise questions would be giving. This livestream intervention will take place after this meeting.

#### **j) Reporting**

- 1) Proposals for changed of routines for financial reporting routines. Proposes in general that the statutes of the respective Club be changed so that a partial result for January - September, ie three quarters, the same year as the members' meetings to take place will be available on the website of each resort prior to members annual general meeting. This procedure provides a much more relevant basis for assessing budgets for the following year after the members' meetings have taken place. Final results should be clear and available on the website of each resort no later than March 31, i.e. during the first quarter, the year after the financial year. (proposal submitted by OPCA Nordic)

Answer: The proposal submitted for the change of routines in financial reporting makes sense and should not be a problem. It will be studied in detail and see what is feasible to be implemented.

All attendees acknowledge the questions and the answers given.

The Chairman expressly thanks the holders 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 Denmark, OPCA Nordic and Mr. Roy Stovel for their contributions to the meeting.

The Chairman would like to send a special message to Mr. Nils Braathen who regularly participates in these meetings and could not do it today.

### **13. 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 unanimously 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 appear before a Spanish Notary and grant a public deed raising these resolutions to public deed and submitting them for registration to the Land Property Registry.
- 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.

### **14. Approval of the Minutes**

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

These minutes will be uploaded into the webpage [www.hccanarias.com](http://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 that they receive a copy of the minutes with the wording of resolutions. If they wish to raise any discrepancy with the voting they should remit it in writing by registered mail (or any other mean that provides proof of remittal) to the attention of the Secretary of the Holders' Association of Club Puerto Calma at the email address [customerservices@hccanarias.com](mailto:customerservices@hccanarias.com). If no written discrepancy is received within a period of 30 days, 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

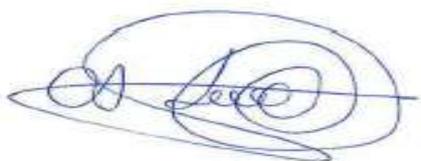
as the resolution passed in the meeting. If any written discrepancy is sent, this will be reflected in an addendum to the minutes that will be uploaded in the webpage [www.hccanarias.com](http://www.hccanarias.com).

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.

Attendants via videoconference leave the meeting.

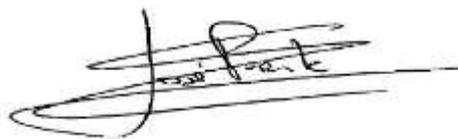
The meeting was closed on Friday, 27 November 2020 at 14:00.

Final note: After the formal meeting a video presentation was openly held by the Chairman to explain to holders the issues discussed in the meeting and the agreements reached. Any holder that wished to participate was entitled to do so. This video presentation lasted two hours.



**THE CHAIRMAN OF THE MEETING**

Mr. Calvin Lucock



**THE SECRETARY OF THE MEETING**

Mr. José Puente