

**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 2 December 2022. First call at 09.00 hrs, second call at 09.30 hrs.

Meeting held at Hotel H10 Meloneras, San Bartolomé de Tirajana, Las Palmas.

Assistance and representations

- **Holiday Club Canarias Sales & Marketing S.L.U.**, holding 1,777 votes equivalent to that number of weeks (“*holdership rights*”), represented during the meeting by Mr. Miguel Juliá (also designated as “**HCCSM**”)
- **Holiday Club Canarias Resort Management S.L.U.**, acting as administrator of the Holders Association, representing holders holding 64 weeks (“*holdership rights*”) by way of proxies granted for such purpose, represented during the meeting by Ms. Ilona Kievits (also designated as “**HCCRM**”)
- **Holiday Club Canarias Vacation Club S.L.U.**, holding 564 votes equivalent to that number of weeks (“*holdership rights*”), represented during the meeting by Mr. Matthew Summers.
- **Mr. Keld Hvidbjerg** representing holders holding 242 weeks (“*holdership rights*”) by way of proxies granted for such purpose.
- **Ms. Ana Lise Astrand & Mr. Ake Runqvist** representing holders holding 122 weeks (“*holdership rights*”) by way of proxies granted for such purpose.
- **Mr. Roy Stovell & Mrs. Arlene Stovell**, representing holders holding 33 weeks (“*holdership rights*”).
- **Mr. Nils Braathen and Mrs. Helena Braathen**, representing holders holding 4 weeks (“*holdership rights*”).
- **Ms. Marina Starkey**, representing holders holding 2 weeks (“*holdership rights*”).
- **Mr. Hans Sunblad & Mrs. Agenta Sunblad**, representing holders holding 3 weeks (“*holdership rights*”).
- **Mr. Anthony Edwards & Mrs. Regina Edwards**, representing holders holding 6 weeks (“*holdership rights*”).

A list of attendants is prepared.

The meeting takes place together with the meetings of the Holders Association of Club Vista Amadores, Club Jardin Amadores, Club Sol Amadores and Club Playa Amadores although resolutions will be passed independently. This is in line with the decision passed in the meeting held on 2 December 2021 to have all meetings at the same time, and this was anticipated in the calling of the meeting. The casting of votes shall be done separately for each Club. For the purposes of the recording of the decisions, separate minutes will be prepared. All attendants agree to this procedure.

The meeting starts on time in the second call.

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 2 December 2021. 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. Ilona Kievits, representing Holiday Club Resort Management S.L.U. and for taking notes for the minutes.
4. Mr. Miguel Juliá, representing Holiday Club Canarias Sales & Marketing S.L.U.

Language of the meeting

In accordance with past practices, since all holders attending the 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 attendees are informed that all information for the meeting is available on the Internet where the holders can download the callings, minutes of the previous meeting, the statements of income and the budget proposal. The former webpage [www.hccanarias.com](http://www.hccanarias.com) remains operative and all documentation can also be accessed through <https://www.holidayclubcanarias.com/members/>.

Being present or represented holders holding a total number of **2,817** 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, 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 2022
3. Status of the reparation and renovation fund and of the uses given to the fund
4. Report of the Services Company on the 2021 Statement of Income and Expenditure
5. Report of the external auditor of the 2021 Statement of Income and Expenditure of the Association
6. Report on the repossession by developer of weeks of holders in default. Prorogation of the 2011 resolution
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 holders in 2023 and its approval.
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 2 December 2021 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).

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 Resort Management S.L.U. on the year 2022**

The Chairman highlights the annual challenges all over Europe after the COVID period, such as Brexit, the Ukraine war, the respective inflation in electricity, gas, and the general inflation of foods, petrol, basic needs, etc. The reason for addressing this at the start of the meeting is due to the increased budgeted costs, renovations, and the many questions that were put forward prior to the meeting.

The chairman suggests answering all questions that would normally be addressed at the end of the meeting now, to give fluidity to the meeting. All present agreed, but for the purpose of the minutes, these will be recorded as per the agenda.

The Chairman suggests answering all questions that would normally be addressed at the end of the meeting now, to give fluidity to the meeting. All present agree, but for the purpose of the minutes, these will be recorded as per the agenda.

### **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 2021, the available money in the bank account for the renovation fund was 63,180.60 Euros.

As per 2022 budget, the total contribution for the renovation fund was agreed to be 128,716.56 Euros. In accordance with the authorisation granted in last year meeting, the Services Company has used some of the available proceeds throughout 2022 to carry out investments. An amount of 127,856.84 Euros has been invested so far. Regarding the expenses shown in the status of the reparation and renovation fund of 2022, the costs are related mainly to monthly payback air conditioning investment, electricity appliances, electricity, upholstery, handrails (from reception area to block B), Wi-Fi investment, and others.

The information uploaded includes a report detailing the concepts, and the related invoices and amounts.

Accordingly, and subject to any further investment decision, the total amount that is available as of 30 November 2022 is 64,040.32 Euros.

Upon questions raised by some of the participants, Mr. Roberto Picón explains that:

- *That the main expenses relate to the change of air conditioning units. The investment was made by an external company (including all warranties and replacements) that is paid off monthly, with the last payment being in the year 2026.*
- *Part of the electricity was funded from the replacement fund, because of a considerable increase in electricity costs that were not budgeted for 2022.*
- *The cost for the installation of the Wi-Fi is spread over 5 years.*

No further questions are raised.

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 2023 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 2023 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 2021**

The Chairman explains to the holders that a Statement of Income and Expenditure for the whole year 2021 has been prepared and it has been uploaded in the webpage. Mr. Roberto Picón states that the Statement shows the total amount of actual expenses incurred in that period. The main conclusions of the Statement of Income are as follows:

- a) The budget approved in 2020 for year 2021 forecasted a total amount of expenses for 2021 of 1,919,083.78 Euros.
- b) The actual level of expenses to third parties amounted to 1,920,236.67 Euros.
- c) The actual level of collected maintenance fees in 2021 amounted to 1,579,391.25 Euros.
- d) The amount of uncollected maintenance fees of 2021 was 85,768.64 Euros.

- e) The extra income contributed to the club was 78,398.02 Euros.
- f) As result, there has been a deficit of 217,314.41 Euros.

Upon questions raised, Mr. Roberto Picón informs:

- That the Statement of Income and Expenditure includes in the post “Extra income”, is the income allocated to the budget for the of maintenance fees payable for the additional apartments.
- “Future weeks” refers to the anticipated costs for covering the use of weeks in subsequent years. HCCSM has accepted to put its weeks at the disposal of holders for their future use, in the understanding that the club covers the related maintenance fee of those weeks. HCCSM was entitled and has tried to use the deposited weeks (when possible, and subject to the resorts being open), and in those cases, the cost of the maintenance regarding future weeks will not need to be covered. But if the deposited weeks cannot be used, and the holders use future weeks in 2022, 2023 or 2024, then HCCSM would logically expect that the related maintenance fee costs are covered by the club. Therefore “Future weeks” refers to the estimate of maintenance fees linked to the number of weeks that holders will want to use in the future.
- “Refunds” refers to holders that could not use their week during COVID and did not want to use the weeks in the future, allowing them to opt for a 30% refund. The figure relates to monies that were refunded to holders that opted for a refund.

No further questions are raised.

The following comments, that do not require addressing, are made:

- Holders acknowledge the importance of keeping the clubs healthy and commercialization of the unsold weeks (majority in low season) is necessary, as if there is no influx of monies, the maintenance fee cannot be paid. It would be worse if HCC wouldn't take weeks back and just leave those weeks with unpaid maintenance, getting to the point where the maintenance would drastically increase, and specific services need to be stopped to enable the resort to survive.
- One of the holders highlights that it is important to guarantee that apartments that are not used can be rented out, and it needs to be looked at as a global picture.

The Chairman thanks the holders for the understanding of this.

No further comments are made.

A voting takes place, and all holders vote in favour of acknowledging the Statement of Income and Expenditure of 2021. No holder raises any objection or wants to abstain. Therefore, the following resolution is unanimously passed:

- ⇒ The Statement of Income and Expenditure of 2021 is acknowledged and approved.
- ⇒ The management and the services carried out by the Services Company are also approved.

The Chairman indicates that the deficit in the statement of income and expenditure of 2021 will be entirely assumed by the Administrator. Therefore, it is unanimously approved that:

- ⇒ The deficit of 2021 will not be carried forward to the 2023 budget and it will be fully assumed by the Administrator and Services Company.

## **5. Report of the external auditor of the Statement of Income and Expenditure of the Holders' Association for 2021**

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 2021. The report is in Spanish and English. A full copy is available in the web page <https://www.holidayclubcanarias.com/members/>

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 2021.
- 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. to allocate the expenses to the different resorts.
- d) The real Statement of Income and Expenditure of the club is in line with the accounting of Holiday Club Canarias Resort Management S.L.U.
- e) The amount of expenses allocated to the Club 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. Prorogation of the 2011 resolution**

Mr. Roberto Picón has prepared a report on the repossession of weeks of holders in default in the payment of maintenance fees. In 2022 there have been 171 weeks repossessed.

The report also includes the evolution of delinquency during the last years. Delinquency in 2012 reached 35.28% and it has been reduced during the next years. As an example: the percentage in 2018 was 2.75%, year 2019 was 2.06%, year 2020 was 9.29%, and year 2021 was 4,78%.

The increase of the bad debt in 2020 is highly likely to be due to the pandemic created by Covid-19 and the impact that it had on families and their budgets.

The Chairman requests that previous resolutions acknowledging repossessions by HCCSM against the payment of current year maintenance fees are renewed for future years, as readiness by HCCSM 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.

For the avoidance of doubt, Holiday Club Canarias Sales & Marketing S.L.U. has the right to do that but is under no obligation to carry out said repossessions.

## **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 2023 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 2023. The budget includes a grand total of 2,306,638.87 Euros, including an amount of 90,000.00 Euros 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 2023 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 increase by 15.43% in comparison to the maintenance fee payable under to the budget of 2022. Mr. Roberto Picón also shows the evolution of the maintenance fee during the last five years.

	2018	2019	2020	2021	2022	2023	Increase 2018 to 2023	Average 5 years
T1	312,74 €	320,74 €	334,64 €	307,44 €	327,83 €	378,43 €	65,69 €	13,14 €
T2	469,54 €	481,56 €	502,41 €	461,59 €	492,20 €	568,17 €	98,63 €	19,73 €
		2,56%	4,33%	-8,13%	6,63%	15,43%		

If 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 explains:

- **Staff** - Hotel unions in Spain agreed in November 2022 to an increase in the minimum wage. In the hotel sector this is a 3% increase that will be paid backdated to January 2022. In January 2023-2024-2025 the increase will be 2,5%.
- **Electricity** - The electricity costs are based on the consumption during 2022. The main consumption is during the summer season when the air conditioning is used. The cost per kW at the beginning of 2022 was 0,09€, and the cost over the past 6 months is 0,21€ per kW. The forecast is based on a downward trend in price per kW and is set for 2023 at 0,19€ per kW.
- **Telephone** - The costs relate to a bundle from Telefonica that includes all lines, maintenance, fiber optic lines into the rooms etc.
- **TV tax** - This is a Spanish tax that must be paid for having a TV in the rooms.
- **General costs** - General costs that affect all resorts are split by number of units and allocated to each resort.

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 2023 is approved.
- ⇒ 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 2023.
  - 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 2021, 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 2021, 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.U. was appointed in 2011 as administrator and manager of the Association to manage the resort and the Association.

Holiday Club Canarias Resort Management S.L.U. 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 and execute the new management and administration services agreement in the terms and conditions that he deems fit, appointing HCCRM 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 (by email) to the Administrator before this meeting:

##### 1) Questions submitted by Mr. Keld Hvidbjerg on behalf of OPCA Denmark

**Sunbeds** - The problem of blocking sunbeds at the pool with towels is a rapidly increasing problem that needs to be addressed. We would suggest buying large, nice towels to cover the sunbeds, this might solve the problem of hard sunbeds, the towels can be collected from the reception, against a deposit of €10. If the towels are used to block the sunbeds, and they are removed, then you lose your deposit of €10, of course clear

information must be given when handing over the towel. Because it must be resolved now, before it becomes a nuisance for the holders. There are not enough sun umbrellas by the pool.

*The Chairman informs that the blocking of sunbeds is a returning topic and difficult to manage, unless a staff holder is hired solely for this purpose, which would increase the costs with approx. 25.000€ per annum. The number of sun umbrellas at the pool will be looked at.*

**Security lock** - It is desired to have safety locks with a chain on the apartment front doors, so that small children cannot open the doors themselves.

*Mr. Roberto Picón mentions that he will see if this can legally be done, as in case of an emergency, it will be difficult to access the apartment.*

**Gym and their uses** - We have carried out a study, to see how much the gyms are used. Club Puerto Calma: out of 229 persons, **8 users = 3,5%**. Club Vista Amadores: out of 206 persons, **4 users = 1,9 %**. Club Sol Amadores: out of 219 persons, **1 user = 0,46%**. What do we need to have, and what is nice to have?

*Mr. Roberto Picón informs that most participants agree that the investment to equip the Club Puerto Calma gym properly is too high for such little use.*

**Wi-Fi** - There have been quite a few complaints about the new Wi-Fi, it drops out all the time and it runs slowly. What is the situation, has the problem been solved?

*All holders present at the meeting are very happy with the free Wi-Fi in Club Puerto Calma. A payment system for non-holders is being studied.*

**Railing at the entrance** - The railing into the flats, is it a problem with the spacing, that the ribs are now, can children fall through? What does the law say?

*The Chairman indicates that all safety measures are being complied to, and the railings adhere to the legal guidelines.*

**Children's pool** - There is a children's pool in the pool area, which can be difficult to see, especially when the sun is shining down on the pool. A railing or some form of bench must be made half.

*The Chairman indicates that all renovations and changes are subject to legal safety measures, and that the recent renovation of the pool adheres to the legal guidelines. However, a simple indication to increase visibility will be looked at.*

**Air conditioning** - Is the air conditioning about to wear out at Puerto Calma, is there a difference for building A and B?

*The Chairman admits that the AC in block A is working perfectly, but the AC in block B needs improvement. As this is a considerable investment, this will be done when possible.*

**Awnings** - Has the problem been solved with dirty awnings?

*Mr. Roberto Picón mentions that the awnings are cleaned when the apartment is not occupied. He recommends however, to close the awnings when not used, as due to the regular sand or dust in suspension in the atmosphere, they get dirty quickly.*

**Table on terraces** - There are missing adjustment screws under the legs of the tables on the terrace, when the maintenance people are informed, the answer is that it is wrong in all the apartments, but we will probably fix it, but it never happens.

*The Chairman indicates that the terrace tables will be revised and fixed when possible.*

**Railing at the park** - Is it possible to influence the municipality, regarding a railing from Puerto Calma down through the park to the tunnel, by making a joint call here from the general meeting, it could be a document here from the general meeting, which was signed by all the participants?

*Mr. Roberto Picón mentions two claims have been made during the past years. One in 2018 that was submitted as suggestion/complaint, and one recently in August 2022 as an official urbanistic claim. However, both claims still show as being processed. HCC will no further pursue any more claims or pressure to avoid the Town Hall sealing off the entire stairs so they can no longer be used. If the holders want to do a collection of signatures, HCC can aid to present this to the Town Hall.*

**Reintroduction of the maintenance program** - It is not only a great wish to get the maintenance program started again, it is a must, which can change unpaid maintenance. The holiday guests are coming now as before, so how soon can it be started again?

*The Chairman confirms that the free maintenance programme remains suspended for the foreseeable future. Should the necessity arise in the future, Holiday Club will study the possibility to reintroduce the programme.*

**Purchase of apartments** - Will Holiday Club offer to buy the apartments back from the holders again? Will one only receive them for free from the holders in the future? Will there be weeks that you do not want to receive? If there are weeks you do not want to receive, it will affect the holders in the long run, with unpaid maintenance, is it morally correct by Holiday Club?

*The Chairman informs that holders can list their weeks on the resale program as always. In all cases, Holiday Club deals with holders on a case-by-case basis to assist if they wish to terminate their contract.*

**Reduction of costs** - It is to be expected that Holiday Club tries to reduce all costs as much as possible, what do we need to have, and what is nice to have?

*The Chairman informs that we have currently seen a reduction of 10% in energy consumption by encouraging sustainability (recommendations to save water and electricity are available on the website and by notification card on the bathroom sink tops). Further costs savings are being looked at.*

**Hot tanks** - Are the hot water tanks about to wear out, in all the hotels?

*Mr. Roberto Picón mentions that the boilers installed in Club Puerto Calma and Club Sol Amadores are changed when necessary. The rest of the resorts do not have individual boilers but a centralized water system.*

**Welcome package** - There are several, who have expressed the content of the welcome package, the big wish is tea, coffee, milk, sugar, and water, but what has been the result of the welcome package? That's what the welcome package contained on Vista. what do we need to have, and what is nice to have?

*The Chairman confirms that the current welcome pack contains sachets of tea, coffee, sugar, and tins of milk, as well as one 1ltr bottle of still water. With regards to the request for the return of the bottle of red wine and to satisfy the holders that would like to be able to have some wine upon their arrival, we could give the option to those holders to purchase a bottle of wine at the reception for a trial period.*

**Kitchenware** - There is limited equipment in the kitchen, i.e., place mats for hot items were desirable. Large cutting boards, salad sets, plastic bowls with lids, shot glass, breadbasket, can opener. A manual for the Micro oven is missing. An update of the kitchen equipment in all the hotels. Proposals for updating are attached.

*Mr. Roberto Picón informs that all apartments are equipped with the necessary kitchen equipment and a can opener is available in all units. It is unfortunately not possible to satisfy everyone due to the variation in requirements of thousands of holders. The user manuals for new kitchen appliances could be left in one of the cupboard drawers, but cannot be replaced if worn, torn or get missing. If any help is required with the functionality of electrical appliances, the maintenance team can be contacted for help through the reception.*

**Solar cells** - With the new situation with electricity / gas prices, the interest in solar cells for power and for heat must be very large. What options do we have at the hotels?

*The Chairman indicates that the installation of solar panels has been studied internally, as well as by one of the Danish holders who is a solar panel installation engineer. However, the options are still being looked at, but the installation cost and profitability cannot be compared to other EU countries. For some resorts it will be challenging where to place them, such as Club Puerto Calma that has not sufficient space that can be used for the installation of solar panels. HCC's electrical engineer consultant confirmed that the space available could only provide between 20%-25% of the electricity.*

2) Questions submitted by Mrs. Janet Owens

I bought 2 apartments in Puerto Calma - 2 x twin beds and a sofa that converts to a double bed therefore sleeping 4 people ? why has both my apartments been converted to 2 X double beds without being asked?" this changes the whole dynamics for me - my son and 2 friends come to play golf now this will not be possible as you will expect 2 men to share a double bed? I also come every May with 2 friends again 2 of us will be expected to share a double bed? you have catered for married people only.... the new sofas are smaller and very hard when I came in May my friend on the sofa had a bad back after it. I am so disappointed I have been a holder for a long time and now may consider selling - I also get phone calls about being mis sold time shares well they say I have a case as my apartment will now sleep me and my friend not me and 2 friends and the same for my son.

*The Chairman informs that it is challenging to meet the requirements of every holder, and converting the double beds to single beds throughout all apartments will incur costs. The majority of holders indicated their satisfaction with the double bed.*

3) Questions submitted by Mr. Gosta Nilsson on behalf of OPCA Nordic

**Cost saving proposal** - This proposal contains proposals for measures that can be implemented at short notice without any large investments.

- 1) Remove all drying tumblers from all apartments with immediate effect and replace with drying racks for the balconies. Dismantling of tumble dryers can be carried out by our own staff at no extra cost. The cost of purchasing drying racks is negligible.
- 2) Install reduction nozzles on all water taps this measure will reduce the overall total water consumption and electricity or gas consumption for hot water. Example: The Altered: Nozzle Dome® is optimized for public areas where you need high efficiency but still with maximum savings. Our Dome® Technology creates a water dome that diffuses into a water spray. Giving you a full experience with only 0.4 L/Min or 96% savings. See examples of reduction Nozzles at this link <https://alteredcompany.com/sv>. This is an example of one of several suppliers in the market. Cost approx. 32 € / Unit + 10 min work.

*Mr. Roberto Picón informs that Club Puerto Calma does not have a tumble dryer in the rooms but agrees to install reduction nozzles on the water taps. He also commented that we have currently seen a reduction of 10% in energy consumption by encouraging sustainability (recommendations to save water and electricity are available on the website and by notification card on the bathroom sink tops). Further costs savings are being looked at.*

**Financial reporting routines proposal** - Proposes in general that the statutes of the respective Club be changed so that a partial result for January - September, i.e., three quarters, the same year as the holder meetings to take place will be available on the website of each resort prior to holders annual general meeting. This procedure would provide more relevant basis for assessing budgets for the following year after the holders' meetings have taken place. 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.

*The Chairman agrees to look at this point and try to have a summary of the first nine months available for next year's meeting.*

**Scandinavian TV channels** – Required, for example, Norwegian channels such as Nyhetskanalen TV2 and others Scandinavian TV channels. The reception of the Swedish TV channel TV4 does not work satisfactorily for long periods of time.

*The Chairman mentions that satellite systems can be installed in homes, but legally it is not possible to do this at hotels. However, now the Wi-Fi has improved, chrome casts or firesticks can be plugged into the TV.*

4) Questions submitted by Mr. Fellenius.

**Cost reduction** - For most people in Scandinavia and UK, 2023 will be the worst economical year in decades. People work desperately to reduce their cost. In Sweden, the families have already started to reduce their electricity use by 10% and the electric companies has reduced their fees. Most of the companies have started energy saving programs and decreased service staff in the public sector.

We, your guests, would like to help you reduce the costs in Holiday Club. We also expect that you as manager will run a Cost Reduction Program. This will create important goodwill! We believe that you should be prepared for the fact that a lot of people will not come back 2023 and some will leave the contract.

Your budget proposal with a 15% increase and the increase due to exchange rate EUR/SEK 10% will compound to 25% more cost in 2023. This is when most people already have money struggles. Your budget increase with 15% create a very negative goodwill and we hope you will shortly present another revised budget with a much lower increase.

**Saving advice** - You could make a sign with advice that you can place on the bench in front of the apartment doors:

Help us save the environment and energy cost!

- *If you use Air condition turn it off when you go out from the apartment*
- *Always fill the washing machine before starting.*
- *Turn off the fan and light when leaving the bathroom.*
- *Separate glass and metal waste*
- *The cleaning staff will come 2 times a week, but you can order extra time without cost.*

Tell your staff to always start the washing machine when full. My first week here they started the machine 2 times with only one plate and one glass! With this support from you we might save 10-20% energy.

*The Chairman mentions that the placing of the recycling bins in all resorts is very much appreciated, and we have currently seen a reduction of 10% in energy consumption by encouraging sustainability (recommendations to save water and electricity are available on the website and by notification card on the bathroom sink tops). Further costs savings are being looked at. With regards to the dishwasher, housekeeping has been instructed not to turn on the dishwasher if there are not enough dishes to wash.*

3) Questions submitted during the meeting:

**Meeting** - How much is the cost of the meeting facilities and where can the meeting documents be accessed?

*Mr. Roberto Picón informs that the cost is approx. 1.500€. The meeting documents are uploaded on hccanarias.com and can also be accessed on the website <https://www.holidayclubcanarias.com/members/>*

**Purchase of weeks** - A holder requested more info on the purchase of weeks.

*The Chairman informs that more information can be obtained from the onsite representative.*

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.

### 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.

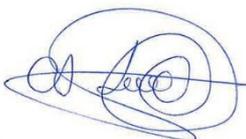
### 14. Approval of the Minutes

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 <https://www.holidayclubcanarias.com/members/> 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 <https://www.holidayclubcanarias.com/members/>

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, 2 December 2022 at 16:30 hrs.



**THE CHAIRMAN OF THE MEETING**  
Mr. Calvin Lucock



**THE SECRETARY OF THE MEETING**  
Mr. José Puente