

Documents to be delivered

1. Financial Accounts

- Data of hotel key performance metrics from the past five operating years
- Annual profit & loss statements (audited externally) for at least five years
- Current year to date profit & loss statements with past year comparisons
- Audited balance sheets and monthly P&Ls for the hotel's past five years
- Capital expenditure records and projections for required capex expenses
- Property tax verifications included new tax banding via value increases
- Forecast impact of future tax liabilities due to increased hotel cash flows
- Schedules for insurance coverage, including policy costs and expirations
- Copies of annual personal and real property tax bills for around five years

2. Engineering Diligence

Physical property factors, FF&E, technical and compliance issues:

- Architectural and engineering plans, markups and technical specifications
- All maintenance inspection reports, inc. health, fire, building and elevator
- Copies of all studies (recent appraisals, environmental, engineering reports)
- Lists of all hotel furniture, fittings, equipment, supplies and other inventory

3. Legal Validation Checks

Hotel contracts, permits and licenses:

- Property contracts, title searches, existing or potential claims, ownerships
- Implications of any hotel member alliance, franchise or management deals
- Review of tenant agreements, deposits, lease terms and owner usage rights
- Copies of design rights, business names, trademarks, copyrights and patents
- Mortgage documents for any mortgage currently encumbering the property
- Details and evidence of administrative or litigation threats or existing claims
- Ability to continue with suppliers (i.e. payment gateways, credit card payment)
- Intended transfer method for digital assets and IP Deed of Assignment needs

4. Operational Due Diligence

- Organizational chart and lists of management, staff, salaries and contracts
- Employee files and data (performance reviews, skill set data, role requirements)
- Historic and forward records of reservations and bookings inc. detailed insight
- Lists of service suppliers for continued procurement to all operational divisions

5. 'Digital' Due Diligence

Digital assets:

- Registration details of website domain names, app store and other accounts
- Lists of installed or SAAS (software-as-a-service) used to operate the hotel
- Validity of customer email databases (you can verify authenticity with sites)
- Lists of social media usernames and tripadvisor or review site accounts used
- Review of Google Analytics data to measure website traffic and visitor trends
- Copies of agreements with online travel agent distributors and tour operators

Mandato de Venta / Fees

En Inca, a de Mayo de 2018

REUNIDOS

De una parte, D. provisto de DNI nº, en representación de la mercantil con CIF , domiciliado en

- en lo sucesivo denominado **Vendedor** -

Y de otra parte, D. Gert Uwe Liebelt provisto de NIE nº X-7519843-Q, en representación de la mercantil European Invest Holding Group Laer S.A. (EIHG) con CIF A-07.920.556, domiciliado en Calle Sencelles 3, 07300 Inca, Spain/Illes Balears,

- en lo sucesivo denominados **EIHG** -

como mandatario para la venta de los activos:

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EXPONEN

El **Vendedor** autoriza a **EIHG** a administrar la venta de los activos antes mencionados del **Vendedor**. El **Vendedor** ha informado a **EIHG** que el precio de venta asciende a € (..... Euros).

El **Vendedor** otorga y autoriza al **EIHG** a ejercer como mandatario para la venta de los activos anteriormente mencionados, o cualquier otro negocio que pueda surgir entre **Vendedor** y el **Comprador**, comprometiéndose éste a realizar las negociaciones siempre a través del **EIHG** y abonando los mismos honorarios para cualquier operación.

D. provisto de DNI nº, en representación de la mercantil con CIF, domiciliado en

- en lo sucesivo denominado **Comprador** -

En el caso de que el **Comprador** más arriba mencionado presente una carta de interés (LOI) , el **Vendedor** se comprometen a dar un periodo de exclusiva Due Dilligence , por un plazo de dos meses y en el caso de que el **Comprador** presente una oferta en firme y una prueba de fondos, podrá prorrogarse el periodo Due Dilligence tres meses más.

Mandate of Sale / Recognition of Fees

Inca, ... of May 2018

PARTIES

On the one hand, Mr. provided with DNI nº, on behalf of the company with CIF , domiciled in

- hereinafter referred to as the **Seller** -

And on the other hand, Mr. Gert Uwe Liebelt provided with NIE No. X-7519843-Q, representing the European Invest Holding Group Laer S.A. (EIHG) with CIF A-07.920.556, domiciled at Calle Sencelles 3, 07300 Inca, Spain / Illes Balears,

- hereinafter referred to as **EIHG** -

as agent for the sale of following Seller's assets:

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BUSINESS PURPOSE

The **Seller** authorizes **EIHG** to manage the sale of **Seller's** aforementioned assets. The **Seller** has informed **EIHG** that the sale price amounts to € (..... Euros).

The **Seller** grants and authorizes **EIHG** to act as mandatory for the sale of the aforementioned assets, or any other business that may arise between the **Seller** and the **Buyer**, the latter agreeing to carry out the negotiations always through the **EIHG** and paying the same fees for any operation.

Mr. provided with DNI nº, on behalf of the company with CIF, domiciled in

- hereinafter referred to as the **Buyer** -

In the event that the above mentioned **Buyer** presents a letter of interest (LOI), the **Seller** commits to give an exclusive Due Dilligence period, for a period of two months and in the case that the **Buyer** submits a firm offer and a proof of funds, the Due Dilligence period may be extended for another three months.

Mandato de Venta / Fees

El **Vendedor**, se compromete que en el caso de que se realice la venta del mismo, por este u otro importe, a abonar los honorarios devengados por la intermediación, que será € más el IVA en rigor , a **EIHG** que este indique, mediante cheque bancario en la escritura de la compra venta, y/o en su defecto, en los mismos plazos y porcentajes en que se negocien los pagos entre **Comprador** y **Vendedor**, y siempre en cheques nominales independientes, previa presentación de factura.

En caso de incumplimiento de este documento, todas las partes se someten expresamente a los Juzgados y Tribunales de Palma de Mallorca.

Este contrato fue redactado en español e inglés. Y en esta conformidad, ambas Partes firman el presente contrato por duplicado y a un solo efecto en el lugar y fecha de encabezamiento de este escrito.

Leído, firmado y conforme.

D.

Vendedor

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EIHG

Mandate of Sale / Recognition of Fees

The **Seller**, undertakes that in the case of the sale of the same, for this or another amount, to pay the fees accrued by the intermediation, which will be € plus VAT strictly speaking, to **EIHG** that this indicates, by means of a bank check in the deed of sale, and / or failing that, in the same terms and percentages in which the payments between **Buyer** and **Seller** are negotiated, and always in independent nominal checks , upon presentation of the invoice.

In case of breach of this document, all parties expressly submit themselves to the Courts and Tribunals of Palma de Mallorca.

This contract was drawn up in Spanish and English. In this conformity, both parties have signed this agreement in duplicate on the place and date of heading of this writing.

Read, signed and agreeable.

D.

Vendedor

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EIHG