

## AGREEMENT FOR SALE OF MEMBERSHIP OF A COMPANY

THIS AGREEMENT is made the 27 day of January two thousand and thirteen (2013)  
BETWEEN

- (1) Dunas Beach Resort LDA ("the Founder Member") whose registered office is at Dunas Beach Resort, ZDTI of Algodoeiro, Sal, Cape Verde;
- (2) Jeffrey Warren Woithe, of Australian nationality, resident of 3 Hanley Court, Great Yarmouth, NR30 5XB, United Kingdom, title holder of passport no. N6689588, issued on \_\_\_\_\_, by the \_\_\_\_\_ and Rowanmoor Trustees Limited, a company incorporated under the number 01846413, with head office at Rowanmoor House, 46-50 Castle Street, Salisbury, SP1 3TS United Kingdom, acting in the capacity of trustees of the Hanley 1950 Limited Pension Scheme, (hereinafter jointly referred to as "the Purchaser"); and
- (3) The Resort Group PLC, a company existing and operating under the laws of Gibraltar, registered with the Gibraltar Registrar of Companies number 98967, whose head office is at 23 Ocean Village Promenade, Ocean Village, Gibraltar ("TRG")

NOW IT IS AGREED as follows:

### 1. Definitions and Background

#### 1.1 In this Agreement the following definitions are used:

"Administrator": Fractional Administration Solutions Limited, of PO Box 5, Willow House, Oldfield Road, Heswall, Wirral, United Kingdom, CH60 0FW;

"Company": Dunas Beach Apartment 154 Limited, a company incorporated under the laws of England and Wales, with registered office at PO Box 5, Willow House, Oldfield Road, Heswall, Wirral, United Kingdom, CH60 0FW;

"Completion": as defined in clause 4 below;

"Developer": Dunas Beach Resort LDA. with registered office at Dunas Beach Resort, ZDTI of Algodoeiro, Sal, Cape Verde, taxpayer number 253 147 778, registered with the Companies Registry Office of Sal under number 2269;

"Manager": Beach Resorts Management Company, Sociedade Unipessoal, S.A. with registered office at Dunas Beach Resort, ZDTI of Algodoeiro, Island of Sal, Cape Verde;

"Property": Apartment 244 on the Resort, with an area of 86.82 square metres;

"Purchase Price": as defined in clause 3.1 below;

"Resort": the Dunas Beach Resort situated at Sal Island, Cape Verde comprising a building development plot of an area of 147,266 m<sup>2</sup>, described at the Land Registry Office of Sal, and recorded under entry number 5334 on page 93 v, of Book B - 15 (including the completed unit comprising the Property).

- 1.2 The Company has entered into a Property Purchase and Sale Promissory Agreement with the Developer under which the Developer has agreed to sell and the Company has agreed to buy the Property. The Company has also entered into a contract with the Developer under which the Developer will complete the Property in accordance with the Plan and Specification of Works as set out in the Second Schedule hereto.
- 1.3 Legal ownership of the Property will vest in the Company and the Company's legal ownership of the Property shall be registered at the Land Registry in Sal prior to Completion.
- 1.4 The Purchaser wishes to become a member of the Company and to own (in common with others) the beneficial interest in the Property. The Founder Member wishes to procure admission of the Purchaser to membership of the Company and has the power to procure such membership.
- 1.4 The Purchaser, together with other parties who have or will become members of the Company, shall have no rights of occupation of the Property.
- 1.5 The Resort is composed of hotel suites, apartments and villas to be constituted under strata title, making a total of 1249 units.
- 1.6 The Resort includes all necessary infrastructures and basic services – such as roads, pathways, car parking, green zones, water, sewerage, electrical, telephone and cable television networks – and the Company will have the use of and the right to connect to such infrastructures and services.
- 1.9 The Property will be unfurnished. Any necessary furnishing, fixtures and fittings will be owned, supplied and maintained by the Manager to enable the Property to form part of the hotel rental.
- 1.10 The Company has entered into a Property Management Agreement with the Manager (a copy of which is attached as the Third Schedule hereto) whereby the Manager shall provide property management and tourist management services required for the maintenance of a high quality standard at the Property and setting out the definition and form of dividing the respective costs and the method of payment for such costs.
- 1.11 The Company is incorporated in England as a private company limited by guarantee and its corporate compliance and taxation matters will be managed and administered by the Administrator (which expression shall include any subsidiary or associate of the Administrator) under a Company Administration Agreement.

## 2. Membership

The Purchaser agrees to apply for membership of the Company and to pay the Purchase Price.

## 3. Consideration

- 3.1 The price for membership shall be twenty one thousand, five hundred pounds (£21,500.00) ("the Purchase Price") and shall be paid on signature of this Agreement.



- 3.2 The Purchaser shall be entitled to receive a special discount in the Purchase Price which shall be granted through a payment of monies corresponding to 7 per cent of the Purchase Price stated in clause 3.1 above per annum, which sum shall for the avoidance of doubt amount to one thousand, five hundred and five pounds (£1,505.00) per annum, such sum to be payable pro rata monthly in arrears from the date of payment of the Purchase Price in accordance with clause 3.1 above until the earlier of (i) the date of delivery to the Company of the keys of the Property and (ii) the date which is four years from receipt by the Founder Member of the Purchase Price. For the avoidance of doubt payment of the discount shall be made to the Purchaser in its capacity as pension scheme trustee and the Purchaser agrees that the payment shall be applied solely for the purposes of the pension scheme.

4. **Completion**

Completion ("Completion") shall mean the date on which a written certification has been served upon the Purchaser by the Founder Member to the effect that:

- a) The construction of the Property has been completed in accordance with the Second Schedule hereto; and
- b) Legal title to the Property has been conveyed to the Company.

5. **The Founder Member's warranties**

- 5.1 The Founder Member hereby warrants to the Purchaser as at the date of this Agreement and as at Completion:-

- 5.1:1 that the Company was incorporated on 11 September 2012 and remains in good standing under the laws of England, being registered under Number 8209189;
- 5.1:2 that the Company is a company limited by guarantee with a maximum of 11 Members including the Founder Member;
- 5.1:3 that the Founder Member has power to procure the membership of the Company by the Purchaser free from all liens and encumbrances;
- 5.1:4 that the Company has no unpaid or unsettled liabilities and it is not in dispute with any tax authorities, local authorities or neighbours and is not party to any litigation, arbitration or other proceedings and no notice of the same has been received by the Company, the Founder Member (its subsidiaries or associates) or is anticipated, nor is any litigation threatened against the Company;
- 5.1:5 that the Company has no employees;
- 5.1:6 that the only asset that the Company has or shall have is the legal title to the Property; that the Company has or shall have good legal title to the Property; and that the title to the Property is or shall be free of all liens, charges and encumbrances, other than those arising as a result of the Resort's touristic

nature and also of all those expressly contained in the present agreement and all its Annexes (unless written authorisation has been given by all members of the Company, including the Founder Member, to obtain mortgage funding);

- 5.1:7 that the Company is not in breach of any of its obligations concerning the Property and that all local authority taxes in respect of the Property have been paid;
- 5.1:8 that the Statutory Books of the Company are fully up to date and the Company has filed all necessary returns at the relevant Companies Registry and complied with all legislation relating to it;
- 5.1:9 that there are no outstanding management charges or company registry charges in England in respect of the Company;
- 5.1:10 that the Company is not legally bound to make payments to any Director or employees or former Directors or former employees of the Company by way of compensation or as a contribution or by way of bonus, gratuity or otherwise;
- 5.1:11 that no guarantees have been given by or in respect of the Company;
- 5.1:12 that the Property is not subject to any covenants, restrictions or conditions and is not subject to any directions (made or proposed to be made) by any competent authority which affects or will adversely affect the use or continued use of the Property or any part of it; and
- 5.1:13 that all covenants, restrictions and conditions in all directions and orders made by any competent authority affecting the Property have been observed and performed.

**6. Purchaser's undertakings**

The Purchaser undertakes:

- 6.1 to take such steps as may be required to become a member of the Company; and
- 6.2 to comply with the provisions of the Company's Memorandum and Articles of Association as a code to govern relations between the members and the proper administration of the Company.

**7. THE Founder Member's obligation to procure**

Within 14 days after payment in full of the Purchase Price the Founder Member shall procure that there is delivered by the Administrator to the Purchaser:-

- 7.1 a certificate of membership of the Company in respect of the Purchaser;  
and upon request:
- 7.2 a copy of the Company's Memorandum and Articles of Association;
- 7.3 the Directors' warranty that the Company has not traded other than to acquire the Property;



- 7.4 the Directors' warranty that legal title to the Property has been conveyed to the Company; and
- 7.5 an extract from the Company's registers of directors and members.

8. **Directors**

Upon registration of the tenth membership of the Company (excluding the Founder Member) the Company Directors named in the Fourth Schedule ("the Directors") shall continue to act unless the Administrator shall change.

9. **Secretary**

The Company Secretary named in the Fourth Schedule ("the Secretary") shall be responsible for the internal regulation of the Company including compliance with the formal matters contained in this Agreement. The Secretary shall continue to act unless the Administrator shall change.

10. **Notices**

- 10.1 Any notice under this Agreement to the Founder Member shall be sent to the Founder Member c/o The Resort Group, Unit 12A, Melbourne Business Court, Millennium Way, Pride Park, Derby, DE24 8LZ, United Kingdom.
- 10.2 Any notice under this Agreement to any party other than the Founder Member shall be sent to the recipient by first class prepaid post or airmail at his last known address or in the case of a company to its registered office or its principal business address.
- 10.3 Where a notice is sent by post service of the notice shall be deemed to be effected by properly addressing and posting a letter containing the notice and to have been effective on the fifth working day after posting.

11. **Governing law**

This Agreement is governed by the laws of England and the courts of England shall have non-exclusive jurisdiction.

12. **Commitment**

- 12.1 In the event that the beneficiary of the Hanley 1950 Limited Pension Scheme, before having made any drawdown from the Pension Scheme,
- a. dies;
  - b. comes to suffer from an irreversible illness for which there is no known cure and that, without life-sustaining procedures, has a prognosis of death in the near future or a state of permanent unconsciousness from which recovery is unlikely; or
  - c. comes to suffer from an injury which impairs the physical and/or mental ability to perform his/her normal work for the remainder of his/her life to which is attributed a degree of permanent disability higher than 50%,
- then the Founder Member and/or TRG agrees as follows:

- i) (where the facts mentioned in a, b or c above are verified prior to the signature of the public deed of purchase and sale of the Property), to terminate this Agreement and to return all amounts paid (less the costs that the Founder Member incurred with the execution of this Agreement) to the Purchaser, or
- ii) (where the facts mentioned in a, b or c above are verified after the signature of the public deed of purchase and sale of the Property), to find a buyer to acquire the membership of the Company within 6 months counting from the receipt of the notification mentioned in clause 12.2 below, for the price and conditions mentioned in clause 3 above; or where the Founder Member and TRG are not able to find a new buyer within such period of 6 months, to repurchase the membership of the Company from the Purchaser for the price and conditions mentioned in clause 3 above (less the costs of such sale and repurchase).

12.2. The commitment undertaken in clause 12.1 above shall become effective with the receipt of a notification sent by the representative of the pension scheme, made by registered letter with acknowledgement of receipt. This notification must include all elements necessary for the Founder Member and TRG to confirm and accept the verification of the conditions mentioned in clause 12.1 above.

12.3 For the avoidance of doubt, the special discount mentioned in clause 3.2 above shall cease to apply on termination of this Agreement under clause 12.1 i) above or completion of a sale or repurchase under clause 12.1 ii) above.

### 13. Limitation of Liability

13.1 Subject to clause 13.3 below, all covenants made by the Purchaser in this Agreement are made in its capacity as trustee of the **Hanley 1950 Limited Pension Scheme** but not so far as to incur any personal liability. No covenant shall be implied in this Agreement so as to render the Purchaser personally liable for payment of any sums due (or interest on those sums) under this Agreement nor shall such sums constitute a debt recoverable against them personally.

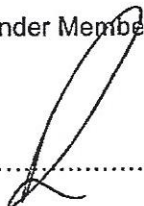
13.2 Subject to clause 13.3 below, any covenant to pay or discharge any monies due under or as a result of this Agreement or to perform any obligations shall only extend to an obligation to pay out funds and assets of the relevant pension scheme and the income from it so far as the same may be in their hands or under their control.

13.3 Where a Member Trustee is a party to this Agreement in the event that the Purchaser fails to pay the Purchase Price at the time and in the manner set out in this Agreement as a consequence of the funds and assets of the relevant pension scheme being insufficient, the Member Trustee shall pay the outstanding amounts to the Founder Member in place of the Purchaser.

IN WITNESS of which the parties have executed this Agreement on the date first written above.


Signed in UK on the 21 of November of 2013

Signed by the Founder Member

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Signed in UK on the 21 of November of 2013

Signed by The Resort Group PLC

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Signed in UK on the 1 of Nov of 2013

Signed by the Purchaser

X James X

Signed on the 21 day of January of 2013

Signed by [Purchaser]

.....  
  
Authorised Signature

.....  
  
Authorised Signature

SIGNED FOR AND ON BEHALF OF  
ROWANMOOR TRUSTEES LIMITED

