

## TRANSACTION

(with explanatory notes)

### 1 DEFINITIONS

#### **1.1 Parties**

1.1.1 *First party or CGQL*, means the first party of this transaction identified below.

1.1.2 *Second party or SGQL*, means the second party of this transaction, identified below.

1. *Third party or PLANAL*<sup>1</sup>, means the third party of this transaction,

2. identified below.

#### **1.2 Documents**

1.2.1 *Contract* – means the contract with no date, which has been signed between all the parties on the 7th May 1984, the same date when *CGQL* was incorporated, and which is attached to this *transaction*.

1.2.2 *Arbitration* – means the decision issued by the Arbitration court, in Lisbon, on the 4th May, 1989, with regard to the dispute between all the parties, and which is attached to this *transaction*.

1.2.3 *Transaction* – means this present document.

1.2.4 *Agreement* – means the three above referred documents: *contract*, *arbitration* and *transaction*, which constitute the whole of the regulations in force between the parties.

#### **1.3 Sundry**

1.3.1 *Golf course* – except when differently indicated, means the golf courses designated as A, B, C and D<sup>2</sup> at Quinta do Lago, Almancil, Loulé

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<sup>1</sup> The name of the company Planal SA was formally changed to Quinta do Lago SA (QdeLSA) in 1998.

<sup>2</sup> The courses have been variously redenominated over successive years. From 1996 to 2003 the A&D courses were designated as a continuous 18 hole course and named Ria Formosa. The B&C courses were similarly joined as an 18 hole course and called Quinta do Lago. In 2003 these names were changed to Quinta do Lago North and Quinta do Lago South respectively. The starting Tees are therefore Quinta do Lago South, holes 1 & 10, and Quinta do Lago

- 1.3.2 *Member* – means a person who has a *member title* and has joined the *CGQL*, and whose membership has not been terminated.
- 1.3.2.1 *Inside members*<sup>3</sup> – means the *members* that have acquired their *member titles* in view of their position as owners of a freehold property at Quinta do Lago.
- 1.3.2.2 *Outside members* – means all the other *members*.

1.3.3 *Members course* – means the *golf course* of 18 holes reserved each day, during a certain time for the *members* to play.

1.3.4 *Member titles* – means the certificates of membership which allow any person to become a *member* of *CGQL*.

1.3.5 *Starting time* – means the period during which games can be started during the day.

- 1.3.5.1 In this *transaction* the above expression means the period during which a game of 18 holes can be started from one starting point. .../Page 2
- 1.3.5.2 Games usually start at 8 minutes intervals<sup>4</sup> but for the purposes of this *agreement* all parties agree that within the *starting times* allowed, *CGQL* may decide to reduce those intervals to a minimum of 6 minutes.<sup>5</sup>

## **2 IDENTIFICATION OF THE PARTIES**

### **2.1 *CGQL***

2.1.1 *CGQL*, or the first party, is CLUBE DO GOLFE DA QUINTA DO LAGO, a sports association, with tax number 501 516 891 and registered office at Cabeçados, parish of Almancil, county of Loulé, represented in this act by its Board of Directors.

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North holes 1 & 9.

3 This is the first mention of a difference between 'inside' and 'outside' members. Although there had been a difference from the very beginning of the club when the original members who owned a plot in Quinta do Lago received a 50% discount on the nominal value of a certificate (then at \$4000), this had never been recognised in a contract, and the conditions of title ownership had previously been the same for both types of certificate holder.

4 The arbitrators, who were not golfers themselves, ruled on the validity of 8 minute intervals. It should be noted that 8 divides into 60 giving a remainder. Whereas the agreements talk in 'hours' the practicality is in 8 minute start times.

5 The limitation on the number of starts is simply that if you overfill a golf course then play will slow down to the extent of exceeding the time allowed for 9 holes which is 2 hours and 14 minutes (see Arbitration).

## 2.2 SGQL

2.2.1 SGQL, or the second party, is SOCIEDADE DO GOLFE DA QUINTA DO LAGO, S.A.<sup>6</sup>, with head Office at Quinta do Lago, parish of Almancil, county of Loulé, with the tax number 500 415 749, and the stock capital of 8.000.000\$00, registered at the Loulé Commercial Registry Office under number 359, represented in this act by its directors José Humberto Mendonça de Sousa and the attorney Domingos Antonio Martins da Silva.

## 2.3 PLANAL

2.3.1 PLANAL, or the third party, PLANAL – SOCIEDADE DE PLANEAMENTO E DESENVOLVIMENTO DA QUINTA DO LAGO, S.A.<sup>7</sup>, with head office at Quinta do Lago, parish of Almancil, county of Loulé, with the tax number 500 219 176, and the stock capital of 1.000.000\$00, registered at the Loulé Commercial Registry Office under number 723, represented in this act by its directors Domingos António Martins da Silva and José Humberto Mendonça de Sousa.

## 3 AGREEMENT

### 3.1 Generalities

3.1.1 The *Agreement* which rules the relations, rights and obligations between *CGQL* on one side and SGQL and PLANAL on the other side, is constituted by three documents: the *contract*, the *arbitration* and the *transaction*, all recognized to be valid and in force.<sup>8</sup> .../Page 3

- 3.1.1.1 Where a stipulation of any of the above mentioned documents does contradict or change a stipulation of any other, the latest one is the rule in force.

3.1.2 SGQL and PLANAL are bound to transfer their obligations under the *Agreement* to any outside entities with whom they may contract (whether by sale

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6 SGQL is the golf course operating company. At the time of this Transaction it was owned by Rupert Horner and Associates. Since then it was purchased by PGA European Tour Courses PLC in 1996, which was in turn purchased by companies ultimately in the ownership of Denis O'Brien in 2004, who was, at the time, the owner of Quinta do Lago SA.

7 PLANAL or Quinta do Lago SA is the owner and developer of the resort of Quinta do Lago. At the time of this Transaction it was owned by Rupert Horner and Associates. In 1998 it was purchased by Denis O'Brien.

8 The original contract of 1984 was only for 20 years.

or lease of assets or any other arrangement) to ensure at all times the rights of *CGQL* under the referred *Agreement*.

## **4 ALTERATIONS TO THE CONTRACT**

### **4.1 General**

4.1.1 All the parties recognize as valid and in force the *contract* with no date signed on the 7th May 1984 between all of them, SGQL and PLANAL giving up and revoking as of the date when it was issued, the letter of cancellation thereof sent to *CGQL* on the 19th of September, 1989.

### **4.2 Expiry Clause**

4.2.1 SGQL and PLANAL recognize the fundamental importance of *CGQL*, for the protection of the sporting interests of freehold property owners at Quinta do Lago regarding the game of golf and for the promotion of this sporting activity at Quinta do Lago as stated in clause one of the *contract* and agree to revoke the expiry clause written under number 15 of the *contract*, substituting the referred clause by the following: "This contract is valid as long as *CGQL* remains in existence<sup>9</sup> and any alterations to the same must be made in writing and signed by all the parties."

### **4.3 Payments due**

4.3.1 With effect from the 31st December 1993, clause 13 of the *contract* is hereby revoked.

4.3.2 As from the 1st January 1994 onwards, a new basis of payment is established as follows<sup>10</sup>:

- 4.3.2.1 For the use of the *golf course* and the Clubhouse and for the services inherent to their maintenance and operation, *CGQL* shall pay to SGQL or PLANAL an annual sum, to be calculated in accordance with the criteria laid down in Appendix A attached hereto. .../Page 4

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<sup>9</sup> This clause is commonly referred as the 'perpetuity clause'.

<sup>10</sup> Reference should be made to the 2008 Contract wherein the conditions of payment have been further changed to the extent of revoking this clause (4.2) in its entirety.

- 4.3.2.2 The figures contained in Appendix A refer to January 1994 and shall be updated annually and automatically according to the inflation index supplied by the National Statistics Institute.
- 4.3.2.3 Without prejudice of the above, PLANAL may increase the payments due by *members* who buy their *member title* from Planal, after the date of signing of this *transaction*, as well as their spouses and juniors, by determining an extra charge which will be added to the values due according to number 1) above.
  - 4.3.2.3.1 This extra charge will refer to the year when the certificate is sold and shall be informed to the purchaser of the certificate, as part of the sale conditions and notified to *CGQL* as soon as the sale is completed.
  - 4.3.2.3.2 The amount of the extra charge will be updated every year by the same rate applicable to the normal charge referred to in 1) and 2) above.
- 4.3.2.4 In the event of an increase in the costs of maintenance and or services inherent to the premises placed at *CGQL*'s disposal, caused by other reasons than inflation, *SGQL* or *PLANAL* may request a revision of the figures of Appendix A above referred, which shall be decided by agreement of all the parties.
- 4.3.2.5 In order to allow *SGQL* to invoice *CGQL* for the annual sum due, the first party will send to the second, not later than the 15th March each year, an updated list of all the *members*, their spouses and juniors inscribed as players in the Club, with paid up subscriptions.
- 4.3.2.6 *SGQL* shall than prepare the corresponding invoice, and present it to *CGQL* within eight days following receipt of the above mentioned list.
- 4.3.2.7 The payment of the invoice shall be made by *CGQL* not later than the 31st of March every year.
- 4.3.2.8 *Members* that have not paid their subscriptions on time shall have their playing rights suspended by *CGQL* until they pay their subscriptions with the legal interest rate added.

- 4.3.2.9 On the 15th of June, September and December every year *CGQL* shall provide *SGQL* with a list of the *members*, spouses and children that have paid their subscriptions between the day when the last information was issued and the day before issuing the new information, including the amount of interest charged, in order to allow *SGQL* to invoice *CGQL* and receive the corresponding payment.

4.3.3 *SGQL* and *PLANAL* declare they have nothing to receive from *CGQL* with regard to the amounts the first party is due to pay, under the terms of the *contract* or *arbitration* up to the date hereof, the only exception being made to the contributions which have still not been paid by *members* and which may be paid after this date.<sup>11</sup> .../Page 5

- 4.3.3.1 Appendix B attached hereto is a list of the *members* with unpaid subscriptions at the date of signing.

4.3.4 *Members* who may have put their *member titles* for sale on the waiting list<sup>12</sup> may or may not pay their subscription to *CGQL*<sup>13</sup>, but in the latter case will be suspended from membership.

- 4.3.4.1 If a *member* dies with the full exercise of his/her membership rights and in case the subscription keeps being paid, the person who inherits the *member title* may succeed in the exercise of the membership rights of the deceased until the sale of the title takes place in case the title was already inscribed for sale at the waiting list or it is put up for sale in the referred list within three months after the *member's* death.
- 4.3.4.2 The exercise of membership rights by the person who has inherited the title will last until the sale takes place but the sale can not be refused if an offer is placed for the price established by *Planal* for the sale of new *member titles*.

#### 4.4 *Starting times*<sup>14</sup>

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11 This provision is no longer valid and is superceded by Clause 6 of the 2008 Contract.

12 The 'Waiting List' is explained in part in the 1984 Contract and in greater detail in this Transaction 4.5.3, and further amended by the 2008 Contract.

13 This provision has been superceded by the 2008 Contract, although 4.3.4.1. and 4.3.4.2. are still valid.

14 Starting times are added to in the 2008 Contract.

4.4.1 SGQL and PLANAL guarantee to *CGQL* the use of the following *starting times*:

- 4.4.1.1 Four hours of *starting times* every day.
- 4.4.1.2 During the last week in March, the whole of April, May, June, July and August, the last week in September and first two weeks in October, the *starting times* period allowed to the first party will be increased by half an hour, on *CGQL* giving SGQL and PLANAL one weeks notice of its requirement;
- 4.4.1.3 SGQL and PLANAL will guarantee the availability of additional periods of *starting time* to allow the use of the *members course* for up to five hours per day, for a maximum of six weeks per year, during the following specified peak periods: Mid Term breaks – approximately February 20th to 27th and October 20th to 27th; December 24th to January 6th, Easter (1 week starting on Easter Day) and May 1st to 7th, on *CGQL* giving SGQL and PLANAL two months notice of its requirement regarding the above mentioned Mid Term breaks;
- 4.4.1.4 On top of the *starting times* already defined, additional times as needed by *CGQL* will be made available during Gala Week and other special events that may be agreed between the parties on the basis of best endeavours. .../Page 6

4.4.2. The *starting times* defined in this *transaction* will be provided from one or two starting points of the same course, in order to allow 18 hole games to start and be completed in daylight.

4.4.3 SGQL shall determine the course on which the *starting times* stipulated in this *transaction* will be provided according to the following rules:

- 4.4.3.1 a fair system of rotation on the use of courses A, B, C and D by *CGQL* will be maintained;
- 4.4.3.2 reasonable efforts will be made to try and provide all the *starting times* due each day on one block;

- 4.4.3.3 *CGQL* shall be informed of the courses and times determined with two months notice.

4.4.4 The use of the *golf course* according to the *starting times* hereby fixed will be exclusive<sup>15</sup>, with the only limitations set out in the *arbitration*.

- 4.4.4.1 All parties agree to cooperate in allowing SGQL to use any *starting times* not required by players under *CGQL* rights.
- 4.4.4.2 If and when required by *CGQL*, Planal agrees to negotiate in good faith the sale of additional *starting times* to those listed in the *transaction* subject to availability and contractual commitments.

4.4.5 For reasonable maintenance purposes only, *CGQL* will release to SGQL a proportional amount of the *starting times* lost as a result of the required maintenance in relation to the total *starting times* available per day at the *golf courses*, on SGQL giving the secretary/manager of *CGQL* not less than thirty days notice of its requirement.

## 4.5 *Member titles*

4.5.1 Number of *member titles* – clause 4 of the *contract* will read as follows:

- 4.5.1.1 “The parties recognize that the aims of *CGQL* can only be attained in respect to the practice of golf, with a limited number of *members*. The number of *member titles* to be issued will, in the first instance, be limited to 400, but may be increased, subject to the provision of additional *starting time* as detailed in this clause (numbers below). .../Page 7
- 4.5.1.2 “The number of *member titles* can be enlarged if and when SGQL and PLANAL provide extra *starting times* to *CGQL*<sup>16</sup>, in addition to the total amount of *starting times* above defined, so that every additional half an hour of daily *starting times* will allow 50 new *member titles* to be issued up to a maximum number of 550 *member titles*, as indicated in the schedule attached (Appendix C).

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<sup>15</sup> The word 'exclusive' is picked up from the Arbitration Award.

<sup>16</sup> It is important to note that the registration of extra certificates is dependant upon the provision of extra start times. (ie the Club will not sign any further certificates over 450 unless the extra start times are provided). There are further amendments to the provisions of extra starting times for extra certificates issued over 450 in the 2008 Contract.



- 4.5.1.2.1 If the number of *members* falls below 250 for any reason outside the control of the parties hereto, *CGQL* and *PLANAL* will discuss and agree a mechanism to hand back *starting times* not needed so that *SGQL* may sell such times to competent golfers holding current handicap certificates.
- 4.5.1.3 It is the intention of the third party to limit the number of *outside members* to the number currently existing. However, *PLANAL* may increase this figure if it is satisfied that there are sufficient titles still available for Quinta do Lago property owners.
- 4.5.1.4 Once *CGQL* reaches 400 *members* and only for the purpose of accounting for any extra *starting times* due according to the terms of the above numbers in this clause, the *members* whose rights may have been suspended for lack of payment of the respective subscription as well as honorary *members* do not count.
  - 4.5.1.4.1 Any extra *starting time* due in accordance to this clause will be made available for the trimesters starting on the 1st of January, April, July and October in correspondence to the number of *members* with paid up subscriptions indicated by *CGQL* to *SGQL* in the latest information provided each trimester for purposes of invoicing for the annual sum due.

4.5.2 Transfer of *Member titles* – The *member titles* are personal and can only be transferred by *members* with full use of their membership rights in accordance with the following conditions:

- 4.5.2.1 *Inside members*
  - 4.5.2.1.1 Transfer between spouses can be made without restriction and is free of charge; registration of the transfer by *CGQL* and *PLANAL* will be made following receipt of the corresponding declaration signed by both spouses or evidence of the transfer by inheritance. .../Page 8
  - 4.5.2.1.2 *Member titles* can be transferred along with the ownership of the property at Quinta do Lago owned by the *member*, to the new owner of that property. Registration of the transfer by *CGQL* and *PLANAL* will be

made following notification of the certificate's transfer signed by the previous owner if alive, and against evidence of the property's transfer.<sup>17</sup>

- 4.5.2.1.2.1 Any *member* who ceases to be the owner of a freehold property at Quinta do Lago will automatically lose the right to membership and has to put his or her certificate on the waiting list for sale. Any such *member* may retain membership until the certificate is sold if he/she continues paying the yearly subscription due.

- 4.5.2.2 *Outside members*

- 4.5.2.2.1 Transfer between spouses can be made with no restriction and is free of charge; registration of the transfer by *CGQL* and *PLANAL* will be made following receipt of the corresponding declaration signed by both spouses or evidence of the transfer by inheritance.

4.5.3 In all other circumstances, transfers of the *member titles* can only take place through *PLANAL* under the following conditions:

- 4.5.3.1 The certificate to be transferred must be handed to *CGQL*<sup>18</sup>;
- 4.5.3.2 *CGQL* will organize a “waiting list” of the *member titles* received for transfer, according to the dates on which they have been received.
- 4.5.3.3 *CGQL* will inform *PLANAL* at least every three months of the contents of the “waiting list”.
- 4.5.3.4 The *member titles* in the “waiting list” will be sold by the *PLANAL* to any new applicant for membership and no new certificates can be issued by *PLANAL* whilst there is any remaining *member title* in the waiting list unless the respective owner has refused to sell for the price for which the new certificate is being sold.<sup>19</sup>

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17 Although this clause is still valid, QdeLSA and CGQL have found that leaving the onus on the new owner of the title to register means that a number of titles go 'missing', as the new owner is not aware of his obligation to register. In fact the clause makes no mention of an obligation on the part of a new title holder to register this title.

18 Note that the Waiting List only exists for transfers 'in all other circumstances.'

19 This provision is changed in the 2008 Contract.

- 4.5.3.5 PLANAL will have the right to charge a maximum commission of 20% on the transfer of a *member title*, under this section.

4.5.4 Up to the 6th May 2004, transfer of *member titles* acquired prior to the date of signing of this *transaction* is subject to the previous contract regulations.<sup>20</sup>

.../Page 9

## **5 SUNDRY**

### **5.1 New benefits**

5.1.1 PLANAL agree to grant to *CGQL*, free of charge and for as long as the first party remains in existence, surface rights on an area suitable to build and install its social premises, on land adjacent to the present Clubhouse and office.

5.1.2 PLANAL will also make available, free of charge, additional land for the installation of a buggy car park for *members*, near the present car-parking area.

5.1.3 PLANAL will pay 10.000.000\$00 towards the costs of improving the operating facilities of first party, as determined by *CGQL* directors.

- 5.1.3.1 The referred amount will be handed to *CGQL* in instalments of up to 5.000.000\$00 during the year 1994 and up to the same amount during 1995, against invoices issued in the name of PLANAL and referring to costs of putting into effect the works aimed to improve the premises and facilities being used by *CGQL*.

### **5.2 Rights of *CGQL***

5.2.1 *SGQL* and PLANAL recognize *CGQL* has the right to the free use of an office, either the one now in use or a new one, of which the location and other conditions are not inferior to the existing one.<sup>21</sup>

### **5.3 Rights of the *members***

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<sup>20</sup> This clause was amended in as much as it refers to the rules permitting certificates to be taken outside, by a letter signed between the parties in 2004 and the contents of that letter then encapsulated into the 2008 Contract.

<sup>21</sup> Provision of the office was within the new clubhouse.

5.3.1 SGQL and PLANAL recognize the following rights of the members (spouses and juniors included<sup>22</sup>) of *CGQL*:

- 5.3.1.1 Access to the *golf courses* outside the time reserved for *CGQL*, according to availability, free of charge.
- 5.3.1.2 Access to the *golf courses* by *member's* guests, duly accompanied by members, with a discount of 50% of the public<sup>23</sup> green fee.
- 5.3.1.3 Discount of 25% for buggy hire.
- 5.3.1.4 Free access to the driving range, with no discount on the hire of balls.
- 5.3.1.5 Use of the private car-parks located near the Clubhouse, which area will be extended if necessary.
  - 5.3.1.5.1 The extension of the private car-park area will be considered necessary when it will become difficult to accommodate the *member's* cars within the existing private car-park area, during the playing hours granted to *CGQL*. .../Page 10

## 5.4 Cash Fund <sup>24</sup>

5.4.1 All parties endorse the objective that the *golf courses* should be maintained to the highest possible quality and SGQL and PLANAL accept that this objective has not been achieved consistently in the past.

5.4.2 SGQL and PLANAL undertake to implement the necessary steps required to achieve the objective outlined in the previous number.

5.4.3 All parties endorse the objective of improving the *golf course* and the associated facilities and recognize the need in the long term to replace and improve the infrastructure associated thereto.

5.4.4 Hence, *CGQL* and PLANAL agree to create a cash fund to which they shall contribute with the amount of 5.000.000 escudos each.

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22 Members in this instance refers to all people who pay an annual subscription to play golf against a Member's Title.

23 Assumed to be the rack rate 'green fee'.

24 The Cash Fund is abolished as of 31<sup>st</sup> December 2009

5.4.5 The fund shall be kept in a separate Bank account to be opened for this purpose by each of the first and third parties who, every year, in April, shall deposit a similar contribution, unless a different amount will be agreed between them.

- 5.4.5.1 Both *CGQL* and *PLANAL* are entitled to receive confirmation of the balance deposit on the fund account kept by the other, during the month of April every year, as well as to receive copies of the movements in the referred account whenever required.

5.4.6 Any interest accrued to the referred Bank accounts will be part of the fund.

5.4.7 The expenditures to be made from the fund will depend on the approval of both *CGQL* and *PLANAL* who must decide and agree on the capital projects to be undertaken with the resources available, and will always be made by *CGQL* and *PLANAL* in equal shares.

5.4.8 Under no circumstances shall the fund be used for the ordinary maintenance of the *golf courses*.

## 5.5 Miscellaneous

5.5.1 *PLANAL* will assist *CGQL* in seeking to obtain reciprocal arrangements with other local golf courses.

5.5.2 *SGQL* and *PLANAL* agree to support the concept of the *members'* course in order to allow *CGQL* to have effective intervention in the establishment of the rules and regulations in force on the referred course and will endeavour the implementation of the said rules and regulations where and when applicable.

.../Page 11

- 5.5.2.1 As soon as the *transaction* is signed, representatives of all parties will draw up mutually agreed rules and regulations governing the use and operation of the *members'* course and procedures designed to ensure implementation of these rules and regulations.<sup>25</sup>

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<sup>25</sup> These rules and regulations form the Club Rule Book (last published in 2003)

- 5.5.2.1.1 Where and when applicable and with the necessary adjustments the said rules and regulations shall direct the conduct of all golf played at Quinta do Lago.

5.5.3 All the parties agree to create and install a consulting committee in which they will be proportionally represented, for the purpose of advising SGQL's directors and ensuring high standards of operation and maintenance of the *golf courses*.

- 5.5.3.1 In order to ensure high standards of operation and maintenance of the *golf courses*, the relevant opinions and recommendations of the consulting committee will be fully and promptly taken into consideration by SGQL's directors. If and when the latter feel they cannot follow the committee's recommendations they shall so inform the consulting committee at once giving their reasons. Furthermore, if they disagree with the position taken by the representatives of *CGQL* within the committee they will without delay give their reasons in writing.

5.5.4 All the parties undertake to negotiate a special regime for other special kinds of Club *Members*, namely the "social members".

## **6 COURT ACTIONS**<sup>26</sup>

### **6.1 Present situation**

6.1.1 The parties have been in dispute over various aspects of the *contract* in the recent years, and this dispute has originated the following legal actions still pending:

- 6.1.1.1 Executive action n2 3.540 of the 2nd section of the 13th Lisbon Civil Court and respective process of opposition (embargo);
- 6.1.1.2 Ordinary declarative action n2 208/89 of the 1st Section of the 2nd Faro Civil Court;

### **6.2 Withdrawal**

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<sup>26</sup> This clause is no longer valid as it referred specifically to the cases in court at the time of the signing of the Transaction. None of the cases remain open.

6.2.1 By means of the present *transaction*, all the parties withdraw from their applications to the court made in the above listed actions, and agree to rule the rights and obligations in dispute according to the dispositions hereof.

### 6.3 Court Costs .../Page 12

6.3.1 The costs in debt to the court will be shared in two equal parts by *CGQL* on one side and *SGQL* and *PLANAL* on the other side.

6.3.2 Following the signature of the present *transaction* any of the parties is entitled to send copies of the same to the courts with applications to terminate all the pending court cases, under the terms hereof.

## **7 FINAL DISPOSITIONS**

### **7.1 General new agreement**

7.1.1 The parties undertake to use their best endeavours to negotiate a new agreement that will substitute, in total, all the present regulations of their relationship and shall respect the main principles and rights already established for each one of the parties involved.

7.1.2 The parties commit themselves to use their best endeavours to pursue and create the necessary arrangements to enable *CGQL* to have the full use and administration of an 18 hole *golf course* each day.

Loulé, 22nd February 1994

### **SIGNATURES**

*CGQL*            Maria Isabel de Pina, J.W. Feldpausch, O.B. Hemmens

*SGQL*            José Humberto Mendonca de Sousa, Rupert Horner

*PLANAL*        Domingos da Silva, Rupert Horner