

2008 CONTRACT

1. Definitions

1.1. Parties

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

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

1.1.3 **Third party or QDLSA** means the third party of this contract, 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 that CGQL was incorporated.

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.

1.2.3. **Transaction** – means the contract entered into by all the parties and duly signed on the 22nd February 1994.

1.2.4. **Promissory Contract** – means the contract between all the parties with regard to CGQL premises and duly signed on the 11th. March 1996..

1.2.5. **Clarification Agreement** – means the contract between all the parties and duly signed on the 16th. June 1998.

1.2.6. **2008 Contract** – means this present document.

1.2.7. **Agreement** – means the six above referred documents, Contract, Arbitration, Transaction, Promissory Contract, Clarification Agreement and 2008 Contract which together constitute the whole of the permanent regulations in force between the parties.

2. Identification of the Parties

2.1. CGQL

CGQL or the first party, is Clube do Golfe da Quinta do Lago, a sports association without lucrative purposes, having as purpose facilitating the development of golfing activities to its members, with tax number 501 516 891 and registered office at Cabeçados, parish of Almancil, county of Loulé, represented in this act by Ian McIntosh Henderson and David Morley, so authorized by its Executive Board of Directors.

2.2 SGQL

SGQL or the second party, is Sociedade do Golfe da Quinta do Lago, S.A. with head office at Quinta do

Lago, parish of Almancil, county of Loulé, with the tax number 500 415 749, represented in this act by its directors John Ryall and Paulo Jorge Viegas.

2.3 QDLSA

QDLSA or the third party is Quinta do Lago S.A. with head office at Quinta do Lago in the parish of Almancil, county of Loulé, with the tax number 500 219 176. QDLSA was formally named Sociedade de Planeamento e Desenvolvimento da Quinta do Lago, S.A.(usually referred to as Planal S.A.) and under which name was a party to the five documents described in 1.2 above and referred to as Contract, Arbitration, Transaction, Promissory Contract and Clarification Agreement. QDLSA is represented in this act by its Directors, Denis O'Brien and John Ryall.

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 QDLSA on the other side, is composed of six documents, the Contract, the Arbitration, the Transaction, the Promissory Contract, the Clarification Agreement and the 2008 Contract, all recognized to be valid and in force, except for the Promissory Contract, which will be automatically terminated in the terms foreseen in Clause 4.2 hereunder.

3.1.1.1 Where a stipulation in any of the above mentioned documents contradicts or changes a stipulation in any other document within the Agreement, the latest one is the rule in force.

3.1.2 CGQL, SGQL and QDLSA are bound to transfer their obligations under the Agreement to any entities with whom they may contract (whether by sale or lease of assets or any other arrangement), including disclosure of the Agreement between the parties, to ensure that at all times the rights of any parties under the referred Agreement are protected.

4. New Clubhouse

4.1. SGQL will arrange, at its entire expense, subject to the maximum amount set out in 4.5 below, the construction of a new Clubhouse on the approximate site of the existing CGQL clubhouse (hereinafter as "Clubhouse"). Ownership of such Clubhouse will be of SGQL.

4.2. The new Clubhouse will comprise not less than 900 square meters or more than 920 square metres of covered area plus a basement area as large as possible but not more than 578 square metres. In addition, non-covered areas such as car parks, buggy parks, terraces, courtyards, putting green, access paths and vehicle and pedestrian access entrances plus appropriate green areas and

gardens will be defined by SGQL, after consulting and agreeing with CGQL. All the foregoing will be for the exclusive use and occupation by CGQL. These premises will be deemed to be the overall area to be ceded to CGQL under a "commodatum" agreement/contract and CGQL will end the occupation of its existing clubhouse. On signing this "commodatum" agreement/contract the existing "Promissory Contract" will be automatically terminated and cease any effects whatsoever.

4.3. This facility is recognized as being accessory to the sporting activities of CGQL and its Members

4.4. The design of the new Clubhouse and ancillary areas will be finalized with the full involvement of CGQL, and SGQL shall consult CGQL in order to discuss and agree the final architectural design, before the plans are submitted for local authority approval. CGQL will have 2 representatives on the Project Team, which will monitor all aspects of the new clubhouse from additional technical design work, specification details, the tendering phase and subsequent construction until completion and handing over of the building to CGQL.

4.5. SGQL will spend up to 1.8 million Euros plus a contingency factor of up to 15% in respect of the architectural and construction costs of the new Clubhouse.

4.6. If construction of the new Clubhouse has not commenced before 31st. December 2009 by fault of QDLSA or SGQL, unless otherwise agreed by all parties in writing, this 2008 Contract will be automatically terminated and cease any effects whatsoever and CGQL's rights and obligations revert on the 1st. January 2010 to those provided by the Contract, the Arbitration, the Transaction, the Promissory Contract and the Clarification Agreement.

4.7. If the new Clubhouse does not proceed by fault of QDLSA or SGQL, they undertake to fully support CGQL in its own Clubhouse development.

5. Temporary Premises

5.1. In order to facilitate continuous golfing and associated social and administrative activities during the demolition and new construction phases, QDLSA and SGQL will, at their entire expense, arrange temporary premises for use by CGQL. These premises will offer sufficient accommodation to allow CGQL's normal activities to function.

5.2. CGQL will vacate their existing premises and move to the temporary premises when they are in a state and condition satisfactory to the use and purpose of such facilities. Some of the furniture, fittings

and effects in CGQL's current premises may be utilized in the temporary premises.

5.3. SGQL will be responsible for the insurance of the temporary premises, maintenance of the external and internal fabric of the building and the cost of utilities and security.

6. Payments Due

6.1 The parties hereto agree to alter and amend the payments currently made by CGQL to SGQL and accordingly clause 4.3 and Appendix A of the Transaction are hereby terminated and cease any effects whatsoever, except for clause 4.3.2.4, which maintains whole validity. Payments will now be made in accordance with this 2008 Contract.

6.2. As from the 1st. January 2009, a new basis of payment is established as follows.

6.2.1. For the use of the golf course and all facilities complimentary to the golfing activity, CGQL shall pay to SGQL an annual monetary sum, accrued of any taxes legally due.

6.2.2. This sum shall be calculated by multiplying the total number of adult members (defined as being all Member Title Holders and their spouse/partner members) by the Average Adult Member Payment for each year from 2009 through to 2011, according to the figures set out in Appendix 1 annexed to this 2008 Contract, and thereafter annually adjusted by inflation.

6.3. The parties hereto acknowledge that QDLSA exercised their rights under the Agreement by a letter to CGQL dated 23rd. February 1995 stipulating that henceforth, members who acquired a Member Title on or after 23rd. February 1995 would pay an increased sum annually for themselves and other playing members attached to such Title, as set out in the said letter. Members who acquired their Title prior to 23rd. February 1995 would not be affected by the said letter.

6.4. In computing the annual payments listed in Appendix 1 the parties agree and declare that the differential payments of members described in the Clarification Agreement and in Clause 4.3.2.3 of the Transaction have been fully and correctly incorporated.

6.5. In order to allow SGQL to invoice CGQL for the annual sum due from 2009 onwards, CGQL will send to SGQL, not later than 15th. March each year, an updated list of all paid up adult members

6.6. SGQL will then prepare a corresponding invoice in accordance with the payments set out in Appendix A and present it to CGQL by the 23rd. March each year.

6.7. Payment of the invoice shall be made by CGQL not later than the 31st March every year.

6.8. Members that have not paid their subscriptions on time shall have their playing rights suspended by CGQL until they pay their subscriptions with the late payment charge added,

6.9. On the 15th day of June, September and December every year CGQL shall provide SGQL with a list of the members and spouses/partners 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 late payment charge, in order to allow SGQL to invoice CGQL and receive the corresponding payment.

6.10. The revised payment structure comes into force on the 1st January 2009 and payments will be accessed and made in accordance with the procedure set out in Clauses 6.5 to 6.10 above, subject to construction having commenced on the new Clubhouse.

6.11. If construction of the new Clubhouse has not commenced by 1st January 2009, a sum of money, amounting to the difference between the sum payable according to the Transaction – Appendix A and that payable according to the 2008 Contract – Appendix 1, will be retained by CGQL in a special account until construction commences, when it will be paid to SGQL forthwith. If construction of the new Clubhouse has not commenced by 31st December 2009, by fault of QDLSA or SGQL, the obligation to pay the monies retained ceases. For the avoidance of doubts, the sum payable according to the Transaction – Appendix A shall continue to be due. When CGQL takes possession of the new Clubhouse, the further sums payable according to the 2008 Contract will no longer be subject to any retention.

7. Starting Times

7.1 SGQL currently guarantees to CGQL the exclusive use of starting times in accordance with clause 4.4 and Appendix C of the Transaction.

7.2. In addition to those times, (which already include provision for 30 minutes of added times in 6 peak periods), SGQL hereby guarantees an additional 30 minutes of starting times each day for four weeks also in peak periods. The exact dates of these four weeks will be agreed each year by CGQL and SGQL and will include the spring half term, CGQL's AGM week, Easter, and the October half term.

7.3 The parties hereto agree that Appendix C attached to the Transaction is hereby revoked and replaced by Appendix 2 attached to this 2008 Contract.

7.4 If at any time, the Executive Board of CGQL consider that there are allocated starting times which are surplus to the club's requirements on any given day, these times will be released for use by SGQL, without any changes in the price paid by CGQL. Notification of such release will be in writing. CGQL will liaise continuously with SGQL on this subject, but the decision to release allocated starting times belongs exclusively to CGQL.

8. Member Titles

8.1. Qualifying Properties

8.1.1. QDLSA may sell a Member Title to any owner of a freehold property within Quinta do Lago resort complex. Specifically, ownership for a fraction of the year, or timeshare, does not qualify.

8.1.2. When a qualifying freehold property is owned by a corporation, or is jointly owned, an individual may be nominated for purchase of a Member Title, subject to such person demonstrating to the satisfaction of QDLSA that he or she has a beneficial interest in the ownership of the property concerned.

8.1.3. Applications for purchase of a Member Title by a person who does not own or have a beneficial ownership interest in a qualifying property, may only be approved with the joint consent of QDLSA and CGQL.

8.2 Additional Starting Times

8.2.1 Clause 4.5.1.2 of the Transaction specifies how the number of Member Titles may be increased to a maximum of 550 Titles. The parties hereto now agree to vary this clause in the manner following.

8.2.2 When there exists 451 active Member Titles, QDLSA and SGQL will allocate one additional Starting Time to CGQL. Thereafter, a further additional Starting Time will be issued when there exists 463 active Member Titles, increasing in this manner of an additional Starting Time for every 12 additional Member Titles until an absolute limit is reached of 550 Member Titles and an additional 9 Starting Times have been allocated.

8.2.3 For the avoidance of doubt, the maximum possible number of daily Starting Times to be allocated under the Agreement will be when 550 Member Titles are active and Easter falls in April. In those circumstances 7 hours and 12 minutes, or 53 Starting Times per day, are allocated.

9. Transfer of Member Titles

9.1.1. Clause 4.5.3 of the Transaction describes the procedure by which Member Titles may be sold. The parties hereto agree a variation in this Clause as follows.

9.1.2. The waiting list as at 31st March 2008 will be fully cleared in accordance with the procedure set

out in Clause 4.5.3. of the Transaction and will not receive any more Titles then the ones that were included at 31st March 2008.

9.1.3. On the 1st. April 2008 a New Waiting List has been commenced. When the waiting list defined in Clause 9.1.2 above is cleared and the relevant Member Titles have been sold, the Titles on the New Waiting List will be sold in the proper chronological order.

9.1.4. Member Titles on the New Waiting List will continue to incur liability for annual subscriptions even though the owner may not wish to use his /her membership rights.

9.1.5. When 2 Member Titles have been sold from the New Waiting List, QDLSA may issue a new Member Title. Whilst and when there exists Titles to sell on the New Waiting List this sequence of 2 from the waiting list, then the issue of a new Member Title by QDLSA, continues until there are 550 Member Titles in existence.

9.1.6. When 550 Member Titles are in issue, QDLSA will hand over to CGQL control of all Member Title transfers. The transfer commission referred to in Clause 4.5.3.5 of the Transaction will then be retained by CGQL, who at their entire discretion may then amend the commission levied.

9.1.7. From the 1st. April 2008 the maximum commission charge referred to in clause 4.5.3.5 of the Transaction above retained by QDLSA for the sale of Member Titles from the New Waiting List is reduced from 20% to 15% of the selling price.

10. Miscellaneous

10.1 Cash Fund

10.1.1 Clause 5.4 of the Transaction specifies that CGQL and QDLSA will each contribute monies annually for course and infrastructure improvements.

10.1.2 With effect from 1st January 2009 the parties hereto agree that Clause 5.4 of the Transaction is revoked and parties hereby declare that there will be no compensation whatsoever regarding the amounts that have been previously deposited.

10.2. Transfer to Outside Membership

CGQL Members who have held continuous membership for ten years through the ownership of a qualifying property may, at their instigation, move to Outside Membership. The request to do so must be, in the first instance, by letter to CGQL enclosing the Member Title.

10.3. New Clubhouse Furnishings

SGQL will contribute the sum of 100,000 Euros towards the furnishing of the new Clubhouse such sum will be deemed to include the reimbursement to CGQL of architectural costs and other expenses incurred in previously designing a separate Clubhouse.

10.4. New Clubhouse Running Costs

Until the number of active Member Titles reaches 550 or for a period of 5 years after completion of the Clubhouse (whichever comes first), SGQL will assume responsibility for the cost of all fixtures and fittings and of all costs relating to the new Clubhouse, namely insurance costs, costs of utilities and security and maintenance of the external and internal fabric of the building. On the attainment of one of these events CGQL will bear that responsibility.

11. Disputes

11.1 Any dispute, controversy or claim arising out of, relating to or in connection with this agreement, including any question regarding its existence, validity or termination, shall be resolved by arbitration in accordance with the Arbitration Rules set in Law 31/86.

11.2. The arbitrator's decision shall be final and legally binding and judgment may be entered thereon.

11.3. The Arbitral Tribunal shall consist of three arbitrators; CGQL shall appoint an arbitrator, SGQL shall appoint the other arbitrator, and the two arbitrators so appointed shall agree on a Chairman. If no agreement can be reached regarding the appointment of the Chairman, the Portuguese Golf Federation (Federação Portuguesa de Golfe) shall be asked to appoint the Chairman.

11.4. Each party shall be responsible for its share of the arbitration fees in accordance with the applicable Rules of Arbitration, but the final decision shall establish the guilt share of the costs to be endured in the end of the Arbitration.

12. Governing Law

This contract shall be governed by Portuguese law.

Signed on or before Friday 28th November 2008 by:

Ian Henderson, David Morley, (Witnessed by John Dwyer)

For and on behalf of CGQL:-

John Ryall, Paulo Viegas

For and on behalf of SGQL:-

Denis O'Brien, John Ryall

For and on behalf of QDLA:-

2008 CONTRACT - APPENDIX 1
Annual payments due correspond to the number of Adult Members with the initial base figures as below

Adult Members	Year	Payment	Average Adult Member Payment
615	2008	€621,000	€1,009.76
615	2009	€724,675	€1178.33
615	2010	€828,200	€1,346.67
615	2011	€931,000	€1513.82
615	2012	€931,000 + inflation	€1513.82 + inflation

In 2012 and subsequent years the Adult Member payment will be updated annually and automatically according to the Inflation Index supplied by the National Statistics Institute

NOTE

The figures for the payment per adult member to SGQL as shown above are based on the contractual requirements of the Clarification Agreement dated 16 June 1998 and clause 6.3 of this 2008 Contract and it is understood that CGQL will continue to collect annual subscriptions from its Members based on these documents.

2008 CONTRACT - APPENDIX 2
(was Appendix C in the Transaction)

No. of member certificates	Hours of starting times			
	Winter Hrs:Mins	Summer Hrs:Mins	Winter Peak Period Hrs:Mins	Summer Peak Periods Hrs:Mins
Up to 400	4:00	4:30	4:30	5:00
401 to 450	4:30	5:00	5:00	5:30
451	4:38	5:08	5:08	5:38
463	4:46	5:16	5:16	5:46
475	4:54	5:24	5:24	5:54
487	5:02	5:32	5:32	6:02
499	5:10	5:40	5:40	6:10
511	5:18	5:48	5:48	6:18
523	5:26	5:56	5:56	6:26
535	5:34	6:04	6:04	6:34
547	5:42	6:12	6:12	6:42
550	5:42	6:12	6:12	6:42

In addition to the above schedule an additional 30 minutes of starting times will be allocated each day for four weeks in four of the peak periods with the exact dates to be agreed each year by CGQL and SGQL.

DEFINITIONS

Winter :- All times except those defined as "summer" .

Summer :- Last week in March through the end of August and last week in September and first two weeks in December.

Peak Periods :- 3 midterm breaks - approx. 20/2 to 27/2 *

- approx. 20/10 to 27/10 *

- approx. 23/5 to 30/5

Xmas - 24/12 to 6/1 *

Easter - one week starting Easter Sunday

(*winter peak periods)