

CELA EVIAN

COMMERCIAL LEASE with HOTEL-STYLE SERVICES

**GENERAL CONDITIONS**

*Regulated by Decree N°53-960, 30th September 1953.*

The undersigned, hereafter named, have drawn up this agreement, being an agreement to be used for rental in a tourist property, with hotel-style services. During the course of this agreement, certain terms will have particular meaning:

- **THE OWNER/ LESSOR** whose name is shown in the “**SPECIAL CONDITIONS**” (block printed “**OWNER LESSOR**”) will mean the owner, or owners in the case of there being more than one, who will jointly take on the obligations for which they are responsible, together, between them, without this joint and several liability being repeated each time.

Hereafter named: **THE LESSOR, on the one part**

**And,**

- “**THE LESSEE**”: **SARL CELA EVIAN**, represented by its management company, **SAS GT VACANCES (CELA Group)**, itself represented by M. Jean GARSOU, who will designate the lessee, or lessees in the case of there being more than one, who will jointly take on the obligations for which they are responsible and together between them, without this joint and several liability being repeated each time.

Hereafter called the **MANAGEMENT COMPANY** or **LESSEE** on the other part,

- **The PROPERTY** designates the property and the property rights which are the subject of this “**LEASING AGREEMENT with HOTEL-LIKE SERVICES**”

**THE FOLLOWING IS FIXED AND AGREED:**

**Article 1-LEASING AGREEMENT**

The LESSOR gives a rental lease in the form of a commercial lease, in accordance with Decree N°53-960 of 30 September 1953 and with the provisions of the wording by which it was added to and modified, in particular by those of Law n° 65-356 of 12 May 1965, to the **MANAGEMENT COMPANY** who accept the **PROPERTY** as it is with all of its rights and dependencies, with no exception or reserve and without it being necessary to describe it further.

**Article 2- SUSPENSIVE CONDITIONS**

This leasing agreement will come fully into effect when the following suspensive conditions are met:

- Signature by the LESSOR of the notarised contract for sale for future completion relating to the Lot, which is the subject of this lease
- Completion of the construction destined for leasing.
- Payment of the whole of the price designated in the notarised contract.

Completion will be effected by means of the counter receipt for the lot which is the subject of the lease, bringing together the Builder or his representative and the LESSEE or his representatives.

**Article 3 – TERM OF THE LEASE**

**3.1** This lease will take effect the day after the opening to the LESSEE’s clients, furnished and equipped (in the context of apartments sold furnished as well as the common areas completed and in conformity with Hotel-style use.

**3.2**-The lease runs for a period of 11 years and 11 complete months, running consecutively from the day of its taking effect.

The Lease will not be cancellable by any of the parties before the expiry of these eleven years.

The party wishing to end the lease at the expiry of the 11 years will give notice to the other by extrajudicial agreement or by registered letter at least six months before the due date of expiry of the lease. At the same time, the lease may be renewed by common agreement for a term of 11 years.

**Article 4 – DESCRIPTION OF THE PROPERTY THE SUBJECT OF THE HOTEL-STYLE LEASE**

In a high standard property for tourist and hotel-style accommodation on land which is registered: AT 692-693-694- 695-696-697-698-699 27-32-297, the property and property rights as follows:  
APARTMENT N° (please see “SPECIAL CONDITIONS” in “DESCRIPTION OF THE PROPERTY”)

**Article 5 – FUTURE USE OF THE PREMISES**

The PROPERTY here leased will be used exclusively by the MANAGEMENT COMPANY in the carrying out of his business of renting of tourist premises with Hotel-style services, as defined in the context of rents subject to reduced rate VAT.  
Altogether, the PROPERTY leased forms an indivisible commercial lease for the whole.

In conformity with the clauses of Articles 35-1 to 35-6 of the Decree of 30<sup>th</sup> September 1953, the MANAGEMENT COMPANY, within the conditions prescribed by the said Articles, will have the right to add to the activities provided for above, activities that are related or complementary and to request the LESSOR’s authorisation to carry out, in the premises leased, one or more activities that are not provided for in this lease.

So as to guarantee the Lessor’s taxation position, the lessee agrees to let the apartment ensuring to offer to his clients the common services (3 out of 4) of a Hotel-style nature, which are:

- Reception and reception area
- Breakfast
- Laundry and provision of linen
- Maintenance and cleaning of the apartments

In order to provide investors with the benefit of a tax status giving right in particular to reimbursement of VAT, in conformity with Article 261 D 4° of the Tax Code.

**Article – 6 OBLIGATIONS OF THE LESSEE**

This lease is, respectively, agreed and accepted under the following requirements and conditions that the MANAGEMENT COMPANY undertakes to carry out, that is:

**6.1 – CONDITION OF THE PREMISES:** It will accept the premises in the condition in which it finds them at the time of taking possession.

**6.2 – MAINTENANCE AND REPAIR** It will maintain them in good condition and undertake all work required to bring them into conformity with Hotel-style services. The whole will be constantly maintained in a clean state.

**6.3 – IMPROVEMENTS:** All work, decoration or improvement whatsoever carried out by the MANAGEMENT COMPANY will remain, at the end of the lease, the property of the LESSOR, without indemnity.

**6.4 – USE OF THE PREMISES** The MANAGEMENT COMPANY will take good, responsible care of the premises, conforming to the regulations of the property and do nothing which may disturb the peace or disturb the quiet enjoyment of the other occupants, in particular it will take all precautions to avoid all noises and odours and the introduction of harmful animals, conforming strictly to the requirements of all regulations, security orders, sanitary rules, and observe all rules of hygiene and health.

It will not fix on the façade of the premises rented any notice or sign whatsoever other than a sign with the Company’s name and the nature of its business, in accordance with custom, but at his own entire responsibility.

**6.5 – CHARGES AND SUNDRY TAXES:** The MANAGEMENT COMPANY will represent the LESSOR before any public or private body; file or sign all vouchers, agreements or contracts; request the delivery of any certificate or any other requirement for the managed property; pay taxes and contributions on time, and at any request from the LESSOR will give proof of them and particularly at the end of the lease before any removal of furniture furnishings or merchandise.

**6.6 – INSURANCE** It will make all claims on insurances in case of fire; it will insure for and maintain fire insurance during the term of the lease with a solvent company for his private property; the equipment and the merchandise of his business, as well as leasing risks, neighbours’ claims, water damage and all other risks. It will show proof of the existence of this insurance and the payment of the premiums on any request by the OWNER LESSOR.

**6.7 – RECOVERY OF CHARGES:** In case of difficulties and in default of payment, it will exercise all legal proceedings, make demands, summons, subpoena, before any legal tribunal or administrative board. More generally, do all that the MANAGEMENT COMPANY deems necessary in the context of his work.

**6.8 – MODIFICATION OF THE LESSEE COMPANY STATUTES** In the case of the MANAGEMENT COMPANY being a company and in the case of a modification to its statutes, it will notify the LESSOR in the month of the modification, the change that has appeared, under the penalty of cancellation of these contracts, if the LESSOR thinks fit.

**6.9 – JOINT AND INDIVISIBLE LIABILITY** The obligations resulting from this lease, for the MANAGEMENT COMPANY will be, for all of its heirs, successors in title and in law and for all persons requiring payment or on execution, a joint and indivisible liability.

In the case of notifications (registered letter, extra judiciary agreements etc) become necessary, the cost of it will be paid by those for whom the cost is borne.

Moreover all transfers or sublets will take place using a rent at least equal to that fixed in “SPECIAL CONDITIONS”

payable to the LESSOR. These transfers or sublets will be entered into, at risk of being nul and void, by legal contract.

Legal in the terms of this agreement to which the LESSOR will be called and to whom an executed copy will be given without cost.

**6.10 – HANDBACK OF THE KEYS** It will hand back the keys to the premises on the day that the lease finishes or the day of removal if this precedes, notwithstanding any so-called period of grace, of usage or of tolerance.

The handing back of the keys or their acceptance by the owner will not affect in any way his rights to obtain the costs of recovery of any nature which the lessee has in accordance with the law and the clauses and conditions of the lease.

**6.11 – DEMOLITION:** If, by chance, by “force majeure” or any other cause, the property is demolished or declared unhealthy, this lease will be cancelled in law, without indemnity to the LESSOR.

**6.12 POWER OF ATTORNEY** The MANAGEMENT COMPANY accepts by this lease to represent the LESSOR as his representative and in their common interest, throughout the term of the lease, in accordance with Article 7-1,7-2 and the said lease in its entirety.

In this role, the MANAGEMENT COMPANY will represent the LESSOR (non-exclusive list)

- At the General Meetings of the Co-owners,

- Before any body representing public or private law
  - With the builder for acceptance of the building and at the signature of the legal statement for the return of the keys.
- It will carry out all that it believes necessary for the proper exercise of its duties

#### **Article 7 – LESSOR'S OBLIGATIONS**

**7-1 –POWER OF ATTORNEY** The LESSOR expressly accepts, by the signature of this lease, to give a Power of Attorney to the MANAGEMENT COMPANY in their common interest, throughout the term of the lease. By virtue of this Power of Attorney, the LESSOR will at no time question the LESSEE's responsibility.

Any revocation of the Power of Attorney will be by mutual consent.

#### **7 – 2 FURNITURE**

The furniture comprises the whole of the furniture.

It is the property of the LESSOR, who agrees to leave it on the premises and accepts to change it all every seven years.

To do this, within the context of the proxy which he has granted to the MANAGEMENT COMPANY, the LESSOR agrees at the end of each seven year period following the coming into effect of the lease, to repay the MANAGEMENT COMPANY in full, the expenses taken on by the LESSEE to maintain the furniture in conformity with the requirements of the customers and of the demands of quality and standard. It is agreed that the invoice for the new furniture will be for an amount which conforms, all other things being equal, to that corresponding to the standard and quality of services provided to the customer, within the initial budget indexed by 2% per annum and in no way will be greater than 18% of the initial amount.

**7 – 3 – CHARGES AND TAXES** The LESSOR will take to his account all of the taxes which would normally be for the account of the owners, and, in particular the whole of the property tax (*Taxe Foncière*) as well as those parts of the co-ownership charges not taken on by the LESSEE, in conformity with the Decree of 87-712 of 26 August 1987.

**7-4 – CO-OWNERSHIP CHARGES** The large costs for the improvement of the whole property and work for accommodation for the co-proprietors will be to the account of the LESSOR in accordance with Article 606 of the *Code Civile*.

**7 – 5** The LESSOR authorises the LESSEE to have the free use of the property leased in the context of the exercise of his business as defined in this lease and to freely hand over his lease to any company carrying out the same business as the LESSEE as defined in Article 5. With the requirement to remain jointly bound and to guarantee the payment of rents and charges to the assignee or the assignees

**7 -6** The LESSOR agrees not to carry on, directly or indirectly in the property that makes up the leased premises, any business, and in particular, any business similar to that of the MANAGEMENT COMPANY and he further agrees not to let to anybody whomsoever, the whole or part of the same property for identical business purposes to those of the MANAGEMENT COMPANY

#### **Article 8 - RENT**

This lease is agreed and accepted with a rent subject to VAT at the rate in use at the time of payment.

The annual rent before tax is fixed at the sum laid down in the "SPECIAL CONDITIONS" (see within "LEASING CONDITIONS) that the MANAGEMENT COMPANY agrees to pay in the form described in "LEASING CONDITIONS" at his place of domicile or any other place that he indicates.

The payment of rent will be quarterly at the end of the quarter, within 10 days following the due dates for payment of 31 March, 30 June, 30 September and 31 December.

In the case of non sublet of the PROPERTY, resulting from:

- Either the appearance of decennial problems effectively prohibiting an effective rental.
- Or the happening of exceptional and serious circumstances (burning down of the building for example...)

There would result from this the non-payment of rent, defined above, which will be suspended and the amount of which may be compensated for in part or in total up to the end of the period of disturbance of use of the property (the rents restarting in the month following the end of the disturbance of use of the property) to the amount of the indemnities paid by the Loss of Business insurance taken out by the lessee in the case where the damage happening at the start of the suspension of payment of rent gives rise to an indemnity in the lessee's favour.

#### **Article 9 – RENT REVISION**

Any rent revision will be frozen during the first three years following the lease coming into effect. At the end of the first quarterly period, the rent will be reviewed relative to the variations in the Index of the cost of construction, published quarterly by National Institute of Statistics and Economic Information ( the *INSEE*), with, as a base Index, the latest Index of the cost of construction known at the time of hand-over and the Index of the same quarter of each of the years reviewed. The rent will be limited to two thirds of the variation in the latest Index known at that date, of the cost of construction published by the INSEE, limited to 1% per annum.

In the event of the end of publication or the disappearance of the chosen Index before the expiry of the lease, and if a new index is published with a view to be a substitute to that in effect at the time, the rent will, legally, be indexed on the new Index and the transition between the old and the new will be made using the requisite connecting coefficient.

### **Article 10 – HOLIDAY CREDIT**

**10 – 1** In conformity with the “SPECIAL CONDITIONS”, the LESSOR will benefit from a holiday credit which will not be invoiced to him, but which he will declare in compliance with the regulations. The holiday credit will be exclusively reserved for the LESSOR who will not transfer it to a third party without the required agreement of the MANAGEMENT COMPANY, who reserve the right to refuse any person not mentioned at the time of the request for agreement.

The value of the holiday credit will correspond to an exact number of points which will be the exchange value per period. An annually updated schedule will be sent to you. The Lessor may use these credits at his convenience outside of the high season periods, which will be defined in the annual schedule. In the event that there are insufficient credits it will be possible to make them up in cash.

These credits will be usable in any of the dwellings in the CELA catalogue.

Holiday credits cannot be transferred from one year to another in the event of non-use.

#### **Rules for the use of holiday credits**

##### **10-2-1 Reservation of periods:**

Holidays are of a minimum of one week and start on a Saturday from 1700 hours and finish on the following Saturday at 1000 hours according to availability and the opening periods of the properties.

The LESSOR will, each year, notify the MANAGEMENT COMPANY of the dates on which he intends to exercise his right of occupation.

- Before 31st March for the summer season holidays.

- Before the 30<sup>th</sup> September for the winter season.

Reservations will be subject to administrative costs, costs of occupation and costs of change of property according to the tariffs in force.

##### **10 – 2 – 2 Use of Holiday Credits:**

During the opening period laid down each year by the MANAGEMENT COMPANY, the LESSOR will benefit, along with the other renters of the LESSEE, services supplied to the customers by the LESSEE.

The LESSOR will also benefit, according to the tariffs in force, from the other services offered by the LESSEE to his renters. The whole of the services will be precisely defined each year and brought to the LESSOR's attention, it being understood that the type and the choice' of these services may be modified according to the needs or use of the LESSEE.

During the period of occupation, the LESSOR will be subject to the same obligations as any other renter in the property, in particular as far as the internal rules and damages which might be caused to the fixtures and fittings put at his disposal, are concerned.

The LESSOR will pay all of the services invoiced by the LESSEE in the context of the additional services, which may be used by the LESSOR during his stay (linen, telephone, internet, cleaning costs or repairs due by him as a result of his occupation and set out in the inventory required for the functioning of the residence.

### **Article 11 – ELECTION FOR DOMICILE**

For the execution of these contracts and their pursuit, the LESSEE elects his domicile in the premises rented, and the LESSOR at his place of domicile or head office mentioned above.

### **Article 12 – RESOLUTIVE CLAUSE**

In the event of default by the lessee in the execution of any one of these clauses, charges or conditions of this lease, or of his not paying exactly on the due date any one amount of rent, charges or accessories, this lease, if the LESSOR thinks fit, is cancelled in law and without any legal formality, one month after a simple execution of a compliance order or a simple demand for payment containing a declaration by the said LESSOR of his intention to use this clause, and it remaining without response during this time, notwithstanding any deposit or later genuine payment.

In case of dispute, which might arise between them, the jurisdiction of the Commercial Court (*Tribunal de Commerce*) at Perpignan where the head office of the MANAGEMENT COMPANY is, will be the sole competent authority to decide the litigation between the parties

CELA EVIAN

COMMERCIAL LEASE with HOTEL-STYLE SERVICES

SPECIAL CONDITIONS

OWNER/LESSOR

Last name:	Last name:
First name:	First name:
Profession:	Profession
Address:	
Telephone No: <i>Home:</i>	<i>Mobile 'phone:</i>
<i>Professional</i>	
E-Mail or Fax:	

PROPERTY:

DESCRIPTION OF THE PROPERTY:

PROPERTY:	N°:	TYPE:	PARKING:

LENGTH OF LEASE

11 years and 11 months from the date of completion.

LEASE CONDITIONS:

Return guaranteed by 11 years and 11 month lease

ANNUAL RENT OF: €Net of Tax, first year

*Rent starts from the first day of the month following the commencement of the lease.*

Signed at:

Date:

MANAGEMENT COMPANY:

SARL CELA BALCONS DE RECOIN  
"Lu et Approuvé" ("Read and Agreed")

LESSOR:

Signature, preceded by, handwritten  
« "Lu et Approuvé" ("Read and Agreed")

## GENERAL DESCRIPTION

### *Les Terrasses du Léman*

**Both the buildings and exterior improvements will comply with current standards and regulations. The building specifications will be drawn up by Design and Engineering Consultants.**

**STRUCTURE:** The structure of the buildings and their foundations will be built using traditional building techniques *in poured concrete or concrete blocks*

**OUTSIDE JOINERY/CLOSINGS** Will be in PVC or aluminium according to their sizes and be fitted with double-glazing. The closures will be rolling shutters.

**SEALING:** Sealing will be by traditional procedures based on bituminous products.

**PARTITION WALLS:** Partition walls will be in plaster-based manufactured products using PLACOSTYL or PLACOPLAN methods. The interior dividing walls of the apartments will be 5 cm thick. A special finish will be applied to walls exposed to damp (bathrooms, WC)

**INSIDE FITTINGS:** Entry doors will be locked by magnetic card. Internal doors will be Isoplane.

**FLOOR COVERINGS:** The apartments will be tiled with solid or flexible floor-tiles

**WALL COVERINGS:** The walls will be painted and the ceilings will receive a sprayed textured finish. The bathrooms, kitchen and WCs will be part-tiled.

**ELECTRICITY:** Each apartment will have a fuse board. Metering will be for the whole building.

**PLUMBING:** The water supply pipes will be built into the floor slab. Hot water will be supplied by a storage water heater or by a communal system. Drain-pipes will be grouped together in specified vertical housings.

**HEATING:** The apartments will have communal electric heating or a hot water system, with a towel rail in the bathrooms.

**VENTILATION:** The apartments will be provided with a communal ventilation system (*VMC*) ensuring circulation of fresh air. The system will be humidity-controlled.

**TELEVISION/TELEPHONE/INTERNET:** The apartments will be provided with a television network, and internet access allowing for telephone communication. A television will be installed for each apartment in the lounge.

**FURNITURE:** The apartments will be furnished with storage space in the form of cupboards and wardrobes. The beds will be in the form of single and/or double beds according to the size of the apartment. Furniture for the lounge, with a sofa, coffee-table, and sideboard.

**FITTINGS:** The kitchen will have a sink, dish-washer, electric hotplates, oven, and refrigerator. The bathroom will have a shower and/or a bath, on-surface washbasin and cupboard.

## RESERVATION CONTRACT

### Article 1 Parties to the Contract

Between:

SENSELLA PROMOTION SAS having a capital of 80,000 euros, whose head office is at MAURIN-LATTES (34970), 364 avenue Paysagère, registered at the Companies Registry at Montpellier, number 501 446 306

Hereafter represented by:

SNC EVIAN INVESTISSEMENT. Situated at 364 avenue Paysagère 34970 MAURIN-LATTES

Represented by Monsieur Philippe MEDUS

Hereafter called the "Grantor" on the one part, and

Acquirer
Name
First Name:
Date and Place of Birth
Nationality
Profession
Address:

Joint-acquirer
Name
First Name:
Date and Place of Birth
Nationality
Profession
Address:

Hereafter known as the "Grantee" on the other part,

The conditions under which the property detailed hereafter are agreed and fixed, according to current legal requirements.

### Article 2 Description of the Property Reserved

The Grantor confers to the Grantee, who accepts, the power to acquire, in the legal context of a sale for future completion, the property described hereafter, in conformity with the plans and the general description annexed to this contract.

Programme:

**Résidence "LES TERRASSES DU LEMAN"  
Impasse de GAVOT 74 500 EVIAN LES BAINS**

Lot N°	TYPE:	Floor	Area of Habitation

This property is to be managed as a Tourist Hotel comprising, besides the accommodation, service areas (reception...)

When it is finished the property will contain 136 apartments with parking.

It will be run by commercial lease, by SARL CELA EVIAN, carrying on business under the name GT VACANCES, SAS with a capital of 250,000€ and whose head office is at Canet (66), Malibu Village, route de Perpignan, registered at the companies Registry (RCS) at Perpignan, n°420 544 975, as a Tourist Building for touring guests to whom will be offered, in addition to accommodation, a variety of services in accordance with the regulations.

The apartments in this property are for sale for future completion, in accordance with Articles L261-1 and following, of the Domestic Building Code (*Code de la Construction et de l'Habitation*) with a formal agreement by the acquirer to rent for a minimum period of eleven years.

### Article 3 Timetable

The Sales Contract will be drawn up by **Maître PUJOL**, Notary at **Nice** and will be for signature at the latest one year from the signature of this contract.

Except in the case of bad weather, strikes, business failure or any other event constituting *force majeure*, the date for completion is fixed for the **4<sup>th</sup> Quarter 2009**

### Article 4 Price

The agreed sale price is accepted by the parties as being fixed and definitive, at

LOT N° APPT	PROPERTY PRICE Ex Tax	FURNITURE Ex Tax	TOTAL PRICE Ex Tax	VAT	TOTAL PRICE Inc TAX
<b>TOTAL</b>					

**It is specified that the price will be increased by the total of the costs detailed below.**

Provision for the Cost of Drawing up Contract  
Provision for Loan Costs  
Provision for Bank Costs

The Amount of Bridging Interest  
Cost of Reclaiming VAT

### Article 5 Furniture

SARL CELA EVIAN, the management company, retained to manage the Tourist Residence, will install the furniture and equipment for fitting out the property, sold for an all-inclusive sum

The Grantee contracts to acquire the furniture from the company detailed above by signing the order here attached. The payment of the definitive invoice, set back to the time when final details are known, will take place at that same date, as agreed by the Grantee.

LES TERRASSES DU LÉMAN

Paraphé 3

The Amount for the Furniture is fixed at:

LOT N° APPT	AMOUNT FOR FURNITURE Ex Tax	VAT	AMOUNT FOR FURNITURE Inc TAX
<b>TOTAL</b>			

**Article 6 Payment**

In case of completion, the price will be payable related to the progress of building work as follows/

FINANCING INC TAX
<b><u>Property:</u></b>
5% on signature of the sales contract
5% upon clearing and levelling
20% during foundations
5% on completion of foundations
30% upon the completion of the walls
5% upon roofing
20% upon completion of external fixings
5% on completion
5% on Hand-over

FINANCING INC TAX
<b><u>Furniture and Fittings:</u></b>
100% on contract

In the case of change in the rate of VAT, the sale price will be varied up or down automatically in line with the change.

**Article 7 Financing**

- Provided personally: .....
- Amount of financing: .....

If the loan or loans are not obtained within 4 months from the date of this contract, the Grantor may insist upon cancellation, by notifying the Grantee of his decision.

**Article 8 Transfer of Ownership**

The transfer of Ownership in the property at the different stages of completion is subject to signature of the Sales Contract

Possession by the Grantee is conditional upon completion of the property and the complete payment of the stipulated price.

For reasons of safety, the Grantee agrees not to visit the reserved property unless accompanied by a person authorised to that effect by the Grantor

Relating to a transaction subject to the requirements of Article D of the General Income Tax Code (*CGI*), the whole property will be the subject of acceptance by the manager. The Grantee may, if he wishes, take part in the acceptance process and give his observations and reserves. He may also delegate to the manager his right to carry out the acceptance.

**Article 9 Special Conditions relating to the renting and to the repayment of VAT**

Articles 261-D-4°a et 261-D- 4°c Income Tax Law (*Code Général des Impôts*)

This reservation is made in a residence subject to the requirements of Article 261 D-4 of the Taxation Law (*Code Général des Impôts*)

This fiscal system allows for charge to VAT and recovery of VAT by the acquirer.

The Grantee, at the same time as his acquisition of the property, agrees to the terms of a commercial lease, agreeing to the hire of the furnished premises identified above to SARL CELA EVIAN, manager of the Tourist Residence, registered at the Companies Registry (*Registre de Commerce et des Sociétés*) and offering, in addition to the accommodation certain services in conformity with the regulations

The Grantee is informed that he has the facility of conferring all powers to the company that will be notified to him by the Grantor so as to carry out in his name, with the taxation authorities to whom he is answerable, the necessary processes to reclaim TVA on these transactions.

The Grantee will supply to the authorised administration all proofs and necessary properly drawn up fiscal records within 8 days of his being requested.

**Article 10 Withdrawal Option**

Benefiting from the dual possibilities of withdrawal set out in the Consumer Code (*Codes de La Consommation*) (Article L121-25) and of the Housing Construction Code (*Construction et de l'habitation*) (Article L.271-1), the Grantee may withdraw and cancel his agreement at any time between the signing of this agreement and the expiry of 7 days, counted from the day after the first presentation of the Registered Letter by which the Grantor notifies him of this contract signed by his legal representative.

The renunciation is to be notified to the Grantor by Registered Letter, otherwise by means of the detachable Withdrawal Form, attached to this contract

**Article 11 Documents to attach**

This contract, to be valid, must be accompanied by the following documents:

- A Copy of an Identity Paper (*passport, residence permit*)
- A copy the last Income Tax Return
- A copy of the family record book (*birth certificate, marriage certificate*)
- An Order for the Furniture
- The Commercial Lease

**Documents notified by Registered post with this contract:**

1. Plan of the property reserved
2. A General Description as required by Article R 261-25 of the Building and Housing Code (*Code de le Construction et de l'Habitation*)
3. The text of Articles L. 271-1,L. 272-2,R. 261-25 to R 261-31 of the Building and Housing Code, and L. 121-23 to L 121-26 of the Consumer Code

**With 2 copies:**

- The first, to be notified by the Grantor to the Grantee, after signature and by Registered Post
- The second being kept by the Grantee.

Additionally, an unsigned copy of the contract is to be given at the time of signing to the Grantee.

At.....Dated.....

The Grantee  
For **EVIAN INVESTISSEMENT.**

The Grantor

## Legal Provisions

### ***1 - Article R 261-25 à R 261-33 – L 271-1 et L 271-2 of the Construction and Housing Code (Code de la construction et de l'habitation) :***

**Article R261-25-** The preliminary contract must show the approximate habitable area of the property, which is the subject of the contract, the number of main rooms and details of the service rooms, outbuildings and passageways. If it relates to part of a building, the contract should detail the position of this part in the building.

The quality of construction is sufficiently detailed by a technical summary indicating the type and quality of the materials and fittings. If the contract relates to part of a building, this technical notice should also contain the common fittings, which are for the use of that part of the building sold.

This technical notice is to be attached to the contract.

**Article R261-26 —** (Decree n° 85-828 of 28 July 1985 art. 2 Official journal of 3 August 1985)

The contract will also show:

The projected sale price, or, otherwise, the method of its calculation within the limits and conditions laid out in the Articles L. 261-11-1 and R. 261-15;

The date when the sale might be concluded;

If there are any, the loans that the Grantee declares that he requires the Grantor to obtain or whose benefit he will transfer to him and detailing the amount of these loans, the conditions attaching and the name of the lender.

**Article R261-27-**The preliminary contract is to be made in writing; a copy is to be sent to the Lessee before any money is deposited. It is obligatory that it details the requirements of the Articles R. 261-28 to R 261-3.

**Article R261-28-** The amount of the Guarantee deposit will not exceed 5% Of the projected sale price if the timescale for completion of the sale is not greater than one year; the percentage is limited to 2% If this timescale does not exceed two years No deposit can be required if the timescale exceeds two years.

**Article R261-29-** The Guarantee deposit is to be placed in a special open account in the name of the Grantee in a bank or establishment so authorised, or with a notary. The Reserve deposits for the various properties making up a building or a same group of buildings may be grouped together in one special account carrying a separate heading for each Grantee.

**Article R261-30 –** The grantor will notify the grantee of the draft Sale Contract at least one month before the date of signature of this contract.

**Article R261-31 –** The guarantee deposit is refunded, without retention or penalty, to the Grantee:

a) if the Sale Contract is not completed by the seller in the timescale required by the preliminary contract;

b) if the sales price exceeds by more than 5% the projected price, otherwise revised in accordance with the requirements of the preliminary contract. This is the case whatever the other causes for the increase in price, even if they are due to increase in the strength of the building or an improvement in its quality;

If the loan or loans provided for in the preliminary contract are not obtained or transferred or if their amount is less than 10% provided for in the said contract;

If any one of fittings provided for in the preliminary contract will not be provided;

If the building, or part of the building, being the subject of this contract, shows in its strength or quality of work provided for in the contract a reduction in value greater than 10%. 100.

In the case provided for in this Article, the Grantee may notify his requirement to be reimbursed to the seller and to the deposit-holder by registered letter.

Conditional upon proof by the claimant of his right to repayment, the reimbursement will be made within a maximum timescale of three months from the date of the request.

**Article R261 – 32 –** Future sales or sales of a property to be built in the future are provided for in the first paragraph of Article L. 261-9 are those which would have been completed before 6 January 1967 in conformity with the requirements of Articles 1602-2 and 1603-3 of the Civil Code (*code civil*), set out in Articles L 261-2- and L. 261-3 of this Code.

**Article R261-33 –** For the application of the second paragraph of Article L. 261-21, the seller may evidence the start of work by any means and in particular by an architect's Certificate.

**Article L271-1 —** (Decree n° 90-1129 of 19 December 1990 art. Official Journal of 22 December 1990 in force at 1<sup>st</sup> December 1991)(Law N° 2000-1208 of 13 December 2000 Art. Official Journal of 14 December 2000 in force at 1<sup>st</sup> June 2001)

Any private agreement having as its object the construction or acquisition of a property for habitation, the subscription for shares giving rights to the enjoyment or ownership of property for habitation or the sale of property to be constructed or for rent-for ownership of the property, any non-professional acquirer may withdraw within a timescale of seven days from the day after delivery of the letter notifying him of the agreement.

This agreement is to be notified to the acquirer by registered letter or by any other means, giving equivalent guarantees for defining the date of receipt or delivery. The right of withdrawal is exercised in the same way.

When any of the agreements mentioned in the first paragraph is drawn up in proper legal form, a non-professional acquirer has reflection period of seven days from the receipt or delivery of a draft contract by the same means as those provided for the timescale for withdrawal as set out in the first paragraph. In no case will the legal contract be signed during this period of seven days.

When the contract setting out or acting as the agreement is preceded by a preliminary contract or a synallagmatic (*or reciprocal*) or unilateral undertaking, the requirements above will only apply to that contract or that undertaking.

**Article L271-2 —** (Decree n° 2000-1208 of 13 December 2000 art. Official Journal of 14 December 2000 in force at 1st June 2001)

Ordnance n° 2000-916 of 19 September 2000, Art. Official Journal of 22 December 2000 in force at 1<sup>st</sup> January 2002)

From the completion of a contract mentioned in Article L. nothing will be receivable from the non-professional acquirer, directly or indirectly, whether for a payment of whatever sort or in whatever form before the expiry of the withdrawal period, unless there are express legislative requirements to the contrary, provided for, in particular for contracts having for their object the purchase or construction of a new building for habitation, the subscription for shares giving authority to enjoyment or in ownership of a building for habitation and the preliminary sales contracts of the buildings to be constructed or for rent-to-buy are for property ownership. If the parties agree to payment at a date later than the expiration of this time limit, for an agreed sum, the contract is concluded subject to the payment of the sum on the agreed date.

In all cases, where any one of the agreements mentioned in the previous paragraph, is entered into by a professional intermediary, having received a mandate to give assistance in the sale, a payment may be received from the acquirer, if it is made through a professional having a financial guarantee attached to the repayment of the deposited funds. If the acquirer exercises his right of withdrawal, the professional depository of the funds will return them to him within twenty one days from the day after the date of withdrawal.

When the agreement is in proper legal form, no sum of money may be paid within the period of reflection of seven days.

The demanding or receiving of a payment or an agreement to pay in contravention of the paragraphs above is punishable by a fine of 30,000 euros.

### ***Door-to-Door Sales – extract from the Consumer Code (code de la Consommation)***

**Article L121-23 –** Transactions targeted by Article L. 121-21 will be the subject of a contract, one copy of which must be given to the customer at the time of entering into the contract and contain, on pain of being nul and void, the following information:

1) Name of the Supplier and the Door-to Door salesman;

Address of the supplier;

Address of the place where the contract was signed;

Exact details of and the nature and the characteristics of the goods offered or services proposed;

5) Conditions for completing the contract, in particular the methods and the timescale for delivery of the goods or the supply of services;

Total price to be paid and the method of payment; in the case of sales by deferred payment or credit sales, the forms required by the Regulations relating to credit sales, and the nominal rate of interest and the total effective rate of interest calculated under the conditions provided for in Article L. 313-1;

7) Rights of withdrawal provided for in Article L. 121-25, and the conditions attaching to exercise of this right and, in a readable way, the whole text of Articles L.121-23,L. 121-24,L. 121-25- and L. 121-26.

Article L121-24 The Contract targeted by Article. 121-23 will include a detachable form to make easier the exercising of the right of renunciation under the conditions provided for in Article L. 121-25. A Decree in Council of State will specify the details to be given in this form. This contract will contain no clause assigning competence. All copies of the contract will be signed and dated in the customer's own hand.

Article L121-25 – Within seven days, public holidays included, from the date of ordering or agreement to buy, the customer has the right to renounce, by registered letter. If this period would usually fall on a Saturday, a Sunday, or a public holiday or a bank holiday, it is extended to the next eligible day. Any clause in the contract whereby the customer abandons his right to renounce his order or agreement to buy is null and void.

This Article does not apply to contracts entered into under the conditions provided for in Article L. 121-27.

Article L121-26 – (Law n° 95-96 of 1 February 1995 Art. 8 Official journal of 2 February 1995)

Before the expiry of the period of reflection provided for in Article L. 121-25, nobody can require or obtain from the customer, directly or indirectly, under whatever heading or form, whether it be for any exchange of whatever sort or any agreement nor to provide services of whatever sort. In any case, subscription at home to a daily publication or similar, within the meaning of Article 39a of the Income Tax Code (*Code général des impôts*) is not subject to the requirements of the previous paragraph where the consumer has the permanent right of cancellation, without expenses or indemnity, with repayment within fifteen days of the sums paid, pro rata to the length of the subscription still to run. Additionally, the agreements or payment orders will not be put into effect before the expiry of the period provided for in Article L. 121-25 and will be returned to the consumer within fifteen days following his withdrawal.

3 – Article 261 D of the General Income Tax Code (*Code Général des Impôts*) occasional rentals, permanent or seasonal of furnished dwellings or those fitted out for habitation.

In any case, the exoneration does not apply:

to the supply of accommodation in classified Tourist Hotels, classified or registered holiday villages and classified tourist residences when these latter are for the use of accommodating tourists and they are let under a contract whose duration is for at least 9 years to a manager who entered into an agreement for tourist promotion abroad under the conditions fixed by a decree in Council of State;

b. To the supply of a furnished rental or extensively fitted out and in a usual way, having, in addition to accommodation at least three of the following supplies, given in similar conditions to those offered by accommodation establishments of a Hotel nature and managed in a professional way: Breakfast, regular cleaning of the premises, the supply of linen and the reception, even if not carried out in person, of the clientele.

c. To the supply of empty premises, furnished or equipped, agreed to under a commercial lease with the management of an accommodation establishment which fulfils the conditions set out in a or b.

d. To the supply of accommodation in tourist residential villages, when these latter are for the accommodation of tourists and are rented under a contract of at least nine years duration, to a manager under the conditions laid out by decree of the Council of State.

These residential tourist villages are covered by provisions on the restoration of leisure property, as defined by Article L. 318-5 of the Planning Code (*code d'urbanisme*) »

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Detachable Cancellation Form

Registered letter

Subject:

Exercise of the Right of Cancellation SNC EVIAN INVESTISSEMENT – 364 avenue Paysagère – 34970 MAURIN-LATTES

I, the undersigned Name: ..... First Name .....

Address: ..... Grantee under the Résidence LES programme

TERRASSES DU LEMAN, EVIAN (74), lot n°, . . . . , Floor . . . . TYPE: . . . , Notify SNC EVIAN INVESTISSEMENT of my wish to

Withdraw from the reservation contract that I signed on . . . . . at . . . . .

At . . . . . date . . . . . Signature

LES TERRASSES DU LÉMAN

Signature 6

**Confidential Information**

Acquirer	Joint-acquirer	Company Enter below the representative's relationship
Last name M. Mrs Miss (1)		
Maiden Name.....		
First Name.....		
Date of Birth.....		
Place of Birth.....		
Nationality.....		
Domicile.....		
Home Tel.....		
Office Tel.....		
Mobile Phone.....		
Profession		
Date of Birth.....		
Family Situation.....		

(1) Cross out where not applicable

Company

Corporate Name
Type.....
Capital.....
Head Office Address.....
.....
.....
Town.....
Post Code.....

**Matrimonial State**

- Joint Estate
- Separation of Goods
- Under a Parte Civile de Solidarité scheme
- Other

Date of Marriage... /... /...

Place of marriage .....

Date of Marriage Contract... /... /... .

Name and address of the registrar.....

In case of divorce or separation.....

Date of Decree...../... /... The Court .....

Date of death of partner... /... /.....

In conformity with law N°78-17 of – January 1978 relating to right to information on file, the Grantee has the right of access, of correction and of withdrawal of information concerning him at SENSELLA PROMOTION.

Head Office – avenue Paysagère – MAURIN – LATTES Tel.  
04.67.64.28.04 — Fax 04.67.64.44.53