

Version dated 06.11.2025

APARTMENT PROJECT

ACCOMMODATION AND OPERATIONS AGREEMENT

(structured accommodation operation pursuant to the Second Homes Act (SHA) / hotel complex operating facility)

between

Hotel Dom Saas-Fee AG, CHE-109.911.457, with registered office in Saas-Fee,

acting through Edmond Arnold Jean Marie Offermann, U.S. citizen, Belle-Terre (US),
President with sole signature

(Developer/Originator)

and

Dorint Hotels & Resorts Schweiz GmbH, CHE 109.320.084 (or a subsidiary yet to be
established, Dorint Saas Fee AG)

acting through Robertus Brujstens, Dutch citizen, Beatenburg, Chairman of the
Management Board with joint signature of two and Annette Schmalisch-Stam, German
citizen, Kilchberg

(Operator)

and

Ms XXX, (date of birth), (place of origin/nationality), and

Mr XXX, (date of birth), (place of origin/nationality)

according to their information (marital status) and residing at (address)

(Owner)

regarding

Condominium plot no. 520/XX (extension of the existing Hotel Dom on base parcel no. 520 towards the north)

or

Condominium plot no. 1797/XX (new building in the east)

I. Background

Hotel Dom Saas-Fee AG is developing the “hotel apartment project” on plot no. 520 owned by it, as a structured accommodation operation to a 4-star standard. Hotel Dom 4545 consists of an extension of the existing Hotel Dom on parcel no. 520 and a new building on parcel no. 1797. The existing Hotel Dom currently comprises thirty-five hotel rooms. After completion of the extension of the existing Hotel Dom, it will comprise forty-four hotel rooms, nine 1-room hotel apartments and nineteen 2-room hotel apartments. This is referred to as Phase 1.

In Phase 2, a further hotel building with 12 studios and apartments will be built in an annex, as follows: three 1-room hotel apartments and nine 2-room hotel apartments. Upon completion, Hotel Dom Resort 4545 will comprise forty-four hotel rooms, twelve 1-room hotel apartments and twenty-eight 2-room hotel apartments. The extensions will be built on parcels nos. 520, 523 and 1797. The two phases will be implemented at different times. Phase 1 will be started first.

The condominium units (STWE) on parcels nos. 520 and 1797 will be entered in the land register of Brig¹. The Hotel Dom 4545 project will in future comprise a total of 44 hotel rooms and 40 hotel studios and hotel apartments, as well as central premises/infrastructure for the hotel-type operation of the entire complex (reception, bar, lounge, lobby, and ski and bicycle room on the ground floor of the existing Hotel Dom, plus a spacious wellness/fitness area in the 1st basement, and restaurant & kitchen on the ground floor of the new building).

The Dom 4545 hotel complex is classified as an operating facility². The hotel complex is located on plots nos. 520 and 1797 in Saas-Fee, right in the center/heart of the village of

¹ Federal Act on Second Homes (ZWG) of 20 March 2015; Ordinance on Second Homes (ZWV) of 4 December 2015; Guideline of the Canton of Valais ‘Hotel complex – business premises, minimum requirements for obtaining a decision on the determination of non-authorisation within the meaning of Art. 2 para. 2 lit. a Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA) of 27 January 2016.

² Within the meaning of the Federal Act on Secondary Residences (SHA) of 20 March 2015 and the Ordinance on Secondary Residences (SHR) of 4 December 2015 / Guideline of the Canton of Valais "Hotel complex – business premises, Minimum Requirements for Obtaining a Decision on the Non-Requirement for a Permit within the Meaning of Art. 2 para. 2 lit. a ANRA" of 27 January 2016

Saas-Fee, directly opposite the church and municipal administration, and is easily accessible. Pursuant to the legally binding building permit of 26.04.2022 issued by the municipality of Saas-Fee, a business-use restriction has been entered as a charge on parcels nos. 520 and 1797 under registration no. 1219/2022, limited to a period of 25 years from the land register entry, to the effect that only hotel operations may be realized on these parcels. For this reason, all hotel apartments are subject to a hotel-type management obligation for 25 years. After expiry of the 25 years, those hotel apartments which were approved as dwellings without usage restrictions within the meaning of Art. 7 para. 1 SHA on the basis of Art. 8 para. 1 SHA may be used as second homes without any hotel-type management obligation. For these condominium units, hotel-type management after 25 years is not an obligation but optional. After 25 years, the owner may apply to have the annotation “hotel-type management” deleted in charge of the respective condominium unit.

II. Purpose of the Agreement and the Operator’s Role

The Operator manages the unit in a hotel-type manner and in accordance with an operating concept. This management agreement also constitutes the lease agreement pursuant to sections 5 and 6 of the Canton of Valais guideline on hotel complex operating facilities dated 27 January 2016³.

In doing so, the Operator manages the units for its own account and stands in a lease- or tenancy-like relationship with the Owner. Accordingly, the Operator does not act as an indirect agent of the Owner and there is no simple partnership.

III. Tourist Operation and Owner’s Own Use

The hotel apartment must be used and operated permanently and exclusively within a hotel-type operating concept. Accordingly, the building permit provides for a public-law restriction of ownership as a charge on the parcel or the condominium units, which is registered in the land register⁴. Based on Art. 2 para. 2 lit. a ANRA, the annotation “operating facility pursuant to Art. 2 para. 2 lit. a ANRA” is entered on charge of the parcel or the condominium units. These restrictions generally apply to the entire property and to all condominium units built on the base parcel no. 520.

³ Articles 5 and 6 of the Directive of the Canton of Valais ‘Hotel complex – business premises, minimum requirements for obtaining a decision confirming that no authorisation is required within the meaning of Article 2(2)(a) of the Transfer Tax Act’ of 27 January 2016.

⁴ “tourist accommodation managed in accordance with Article 7(2)(b) of the SHA (accommodation within the framework of a structured accommodation business)”

Residential units may be sold to natural persons domiciled in Switzerland or abroad, as well as to legal entities. Foreigners may acquire condominium property in structured accommodation operations—for example as a financial investment—even if they already own a holiday home in Switzerland. The purchase is exempt from authorization and, of course, is completed with entry in the land register. Any resale is generally possible without restriction.

IV. Contractual Basis

This agreement is based on the following documents, which shall take precedence over the provisions of this agreement in the event of any conflict:

- Building permit of the municipality of Saas-Fee
- Creation of condominium property relating to the property “Hotelapartmentprojekt Dom 4545”, base parcel no. 520, Land Register Brig
- Use and administration regulations of the condominium property “Hotelapartmentprojekt Dom 4545”

V. Subject Matter of the Agreement

1. The Owner acquires, by a separate purchase agreement, condominium plot no. 520/XX “Hotelapartmentprojekt Dom 4545”, base parcel no. 520, described as follows:

Condominium unit no. 520/x

.../10000 co-ownership of parcel no. 520 with exclusive right to the condominium unit no. ..., 3.5-room hotel apartment no. XX on the XXth floor

2. This agreement governs the binding and permanent transfer of the tourist operation/management of the condominium unit by the current Owner and its legal successors to the Operator in fulfillment of the relevant usage requirements under the superior regulations. It also defines the mutual rights and obligations of the parties in connection with the tourist operation within the structured accommodation operation.

This management agreement is identical for all purchasers of condominium units.

The term “condominium unit” (“Stockwerkeinheit”) shall hereinafter always mean the hotel apartment.

VI. Rights and Obligations of the Owner

1. Principle: management obligation / limited own occupancy within the legally permitted duration

The condominium unit forms part of the structured accommodation operation and the hotel complex operating facility “Hotelapartmentprojekt Dom 4545”. It is subject to the obligation of tourist operation/management, i.e., the Operator must ensure, through a uniform operating concept, that the units are offered under unified management permanently and exclusively for short-term use by guests on market- and location-standard terms.

The Operator shall strive for the highest possible operating yield and the highest possible occupancy rate. The units must be rented to guests on a daily or weekly basis. Long-term rental relationships are not permitted. The Operator is free to make all decisions required for tourist operation at its own discretion. Marketing of the units is the Operator’s responsibility. In particular, the Operator sets overnight prices and any minimum lengths of stay at its own discretion. Short-term price adjustments to achieve better occupancy are permitted.

For the purpose of ensuring compliance with statutory requirements, the right to the permanent and exclusive tourist operation/management of the condominium unit within the overall operation “Hotelapartmentprojekt Dom 4545” (together with the other units of the resort buildings on parcels nos. 520 and 1797) is hereby transferred to the Operator.

If the Owner wishes to use the unit or another unit in the Dom 4545 hotel resort itself, it must book—subject to availability—like any other guest and use the unit while making use of the hotel services. For this period, the Owner shall be considered a guest within the meaning defined herein.

Reserved is the Owner's right to occupy/use the condominium unit free of charge for the legally permitted duration⁵ (currently a maximum of 6 weeks per year for Swiss nationals and persons not subject to the Federal Act on the Acquisition of Real Estate by Persons Abroad (ANRA)⁶. For foreign nationals, there is no free-of-charge own use; however, use at an owner's rate (family & friends rate) may be granted at the Operator's discretion.

The management obligation is unlimited in time; it results from the authorities' requirements. Its cancellation is permanently excluded.

An exception to this management obligation applies after 25 years to those hotel apartments which were approved under Art. 8 para. 1 SHA as dwellings without usage restrictions within the meaning of Art. 7 para. 1 SHA. These dwellings may be used as second homes after 25 years without any hotel-type management obligation.

2. Owner's Own Occupancy

2.1 In the case of own occupancy, a distinction is made between (i) Swiss nationals and persons not subject to ANRA and (ii) foreign nationals.

2.2 For Swiss nationals and persons not subject to BewG, the personal and individual use of the condominium unit by the Owner is limited to a maximum of 6 weeks per year. A maximum of 3 weeks may be taken in the winter high season and a maximum of 3 weeks in the summer high season. Own use may be with or without charge. In addition, use via the Operator's publicly accessible rental platforms under the respective conditions remains possible⁷. The high season is defined by the Operator in accordance with local practice.

2.3 Own occupancy may be exercised by the Owner itself and/or by family members in the direct ascending and descending line. The Owner is expressly prohibited

⁵ Explanatory notes on the Second Homes Ordinance of the Federal Office for Spatial Development of 18 November 2014, Art. 4 SHO

⁶ Federal Act on the Acquisition of Real Estate by Persons Abroad, Art. 5 ANRA

⁷ Explanatory notes on the Second Homes Ordinance of the Federal Office for Spatial Development of 18 November 2014, Art. 4 SHO

from granting use of the condominium unit to others against fee. Any commercial third-party use must be carried out exclusively by the Operator.

2.4 The right of own occupancy includes not only the condominium unit but also the furnishings and equipment permanently provided.

2.5 During own occupancy, the Owner generally has the same access and usage rights and services as hotel guests. This includes in particular entry to and, in part, paid use of the entire hotel facility (in particular gastronomy/reception/lobby; wellness area, bicycle and ski room).

Additional services and offers that are not part of the basic resort services are available to the Owner for a fee.

2.6 The Owner is obliged to make any own occupancy bindingly reservable with the Operator. The Owner shall make reservations as early as possible. For reservations made at least 6 months in advance, the Owner's own occupancy of its condominium unit is guaranteed. In the course of tourist operation, the Operator must take into account the Owner's timely and binding reservations. However, the Operator is entitled to book the condominium unit for resort guests up to a maximum of 12 months in advance. Bookings beyond the 12-month period may be made only with the express consent of the Owner concerned (in writing or by email).

The Owner is also entitled to reserve its condominium unit at short notice if and insofar as no booking by the Operator exists for the intended period. In this case there is no guarantee of own occupancy; however, the Operator will endeavor, subject to availability of other units, to allocate a suitable alternative.

If a binding own-occupancy reservation is cancelled, the condominium unit is immediately released for bookings by the Operator. Cancellations received by the Operator less than 3 months before the reserved stay date result in the reservation being counted as effective own occupancy if and insofar as the condominium unit was not otherwise booked in the reserved period.

2.7 Use of the resort's infrastructure and services outside the opening times of the accommodation operating facility is generally not possible.

- 2.8 If the Owner subject to ANRA wishes to use its unit or another unit in the Dom 4545 project itself, he must book—subject to availability—like any other guest and use the unit while making use of the hotel services. It may stay there like any other hotel guest, including for more than three months in total. It must reserve year by year, must necessarily make use of the hotel services, and must settle the accommodation like any other hotel guest. A long-term reservation merely to prevent other guests from occupying the hotel apartment is not permitted.
- 2.9 An Owner subject to ANRA may book its hotel-managed apartment at a preferential rate (the “Owner Rate”)⁸. The discount is equivalent to the “family & friends rate” customary in the hotel industry. The Owner Rate is granted by the Operator upon request and taking into account the requirements and restrictions of Secondary Homes Act Regulations, the information sheet on tourist-managed dwellings, and the provisions of ANRA and the cantonal guideline on hotel complex operating facilities. Whether the Owner Rate is granted lies solely at the Operator’s discretion, taking into account the legal requirements and may depend on the occupancy rate and utilization of the hotel⁹.
- 2.10 The Owner is not permitted to equip the condominium unit with individual furnishings and/or equipment. Outside periods of own occupancy, the Owner must completely remove all personal belongings from the condominium unit.
- 2.11 In the event of intentional or grossly negligent damage to the condominium unit and/or furniture, inventory and equipment during own occupancy, the Owner shall reimburse the resulting costs. The Operator shall notify the Owner of any complaints in this regard immediately after the end of the own-occupancy period.
- 2.12 Access to and release of the condominium unit for the Owner must be provided exclusively via the Operator (electronic access keys, room cards, etc.). The Owner is not permitted to enter/use the condominium unit outside the bindingly reserved own-occupancy periods, nor to grant other persons access during that time.

⁸ Guideline of the Canton of Valais "Hotel complex – business premises, minimum requirements for obtaining a decision on the determination of non-authorisation within the meaning of Art. 2 para. 2 lit. a ANRA" of 27 January 2016, section 7

⁹ Federal Act on Second Homes (SHA) of 20 March 2015; Ordinance on Second Homes (SHO) of 4 December 2015; Fact Sheet 03.3 Authorisations for tourist accommodation in accordance with Art. 7 para. 2 lit. b SHA; Guideline of the Canton of Valais "Hotel complex – business premises, minimum requirements for obtaining a decision on the non-requirement for a permit within the meaning of Art. 2 para. 2 lit. a ANRA" of 27 January 2016, section 5 lit. a

3. Mandatory Management (Obligation to Make Available)

3.1 Subject to own occupancy, the Owner is obliged to make the condominium unit available to the Operator permanently, without restriction and exclusively for tourist /guest operation/management. The condominium unit forms part of the structured accommodation operation / hotel complex operating facility “Hotel project Dom 4545”. Guest use takes place exclusively via the Operator. Any commercial use, including during own-occupancy periods, is prohibited to the Owner.

Outside the Owner’s own occupancy, the Operator has an unrestricted right of access to the condominium unit.

3.2 As compensation for making the condominium unit available for exclusive tourist management, the Owner participates in the net income from accommodation, namely with 10.4% of net income from overnight stays and F&B. Reference is made to section X.

VII. Rights and Obligations of the Operator

1. The Operator undertakes to operate “Hotelapartmentprojekt Dom 4545” permanently as a structured accommodation operation with all hotel-type services and infrastructure required for this purpose. By means of a professional operating concept, which is available for inspection by each Owner, the Operator shall ensure that the condominium units are offered permanently and exclusively for short-term use by guests on market- and location-standard terms.
2. The Operator reserves the right to determine closing periods or restrictions on available hotel services in the low season for a maximum of 2 months per calendar year. Subject to extraordinary events (such as renovations, force majeure, natural disasters, war, etc.), the Operator guarantees an annual opening duration of at least 10 months. The binding opening times must be communicated to the Owner by the end of October for the year after next (e.g., by end of October 2026 for calendar year 2028).
3. Initial furnishing is financed by the Owner and is part of the purchase price. Maintenance, renovation and renewal of the furnishing and equipment of the apartments in the condominium property must be designed, maintained and financed by the Operator. Furnishing and equipment are uniform for all units of the resort; uniform deviations of up to three different furnishing lines are

permitted¹⁰. Individualized furnishing and/or equipment of any kind by the Owner is prohibited.

A fund (FF&E Reserve) exists for replacement purchases and repairs of furniture and equipment items. The FF&E Reserve serves to ensure that the operationally required furniture and inventory of the unit are available to the Operator, which must maintain them. To fulfill this obligation, allocations to the FF&E Reserve for maintenance and equipment of the units shall be made from gross rental income as follows: 1% p.a. in the 1st operating year, 1.5% p.a. in the 2nd, 2% p.a. in the 3rd, 2.5% p.a. in the 4th, and from the 5th operating year 3% of gross rental income. Financing is borne by the owners (an amount of up to 3% is deducted from gross rental income from overnight stays).

4. The Owner is obliged, as part of the condominium owners' association, to take out adequate building, property and liability insurance for the unit and (pro rata) for the shared areas. The developer provides support in contacting the insurance company for concluding such insurance. Financing is from gross rental income (0.35% of gross rental income from overnight stays will be deducted).
5. The Owner must also make the common facilities and rooms available. The Operator must keep them in flawless condition at all times, corresponding to the standard of the entire resort. To financially secure this obligation, a condominium renewal fund for the common parts ("Condominium renewal fund for common parts") is provided.
6. The Operator is obliged to operate the condominium unit and the entire "Hotelapartmentprojekt Dom 4545" to the best of its knowledge and ability, and to ensure resort services in accordance with recognized standards and quality. It must also ensure efficient marketing structures and a demand-oriented booking system.

For tourist management within the structured accommodation operation / hotel complex operating facility, the Operator shall in particular ensure the following services (basic resort services) on an ongoing basis:

- a demand-oriented reservation and booking system incl. online offering with availability display (booking/processing/control)

¹⁰ Guideline of the Canton of Valais "Hotel complex – business premises, minimum requirements for obtaining a decision on the determination of non-authorisation within the meaning of Art. 2 para. 2 lit. a ANRA" of 27 January 2016, section 3

- efficient marketing structures, incl. maintenance of the hotel website, active distribution of offers to individual guests and tour operators (online and offline), handling of allotments for distribution via tour operators
- provision of the condominium units for guest occupancy and own occupancy
- reception services, check-in and check-out processing, key management
- guest instruction and support incl. gastronomic support in the resort
- communications and settlements with tourism organizations
- security service
- room and cleaning service with regular changing of bed and bathroom linen (full cleaning after own occupancy and provision of bed and terry linen are chargeable to the Owner)
- ensuring the use of all facilities of the hotel resort, in particular reception, lobby, bar, lounge, fitness area, spa, ski room, etc.
- daily breakfast service
- access to and use of the entire resort facility
- reporting and planning of necessary repairs and renewals and performing maintenance work in cooperation with the Owner
- provision of all customary hotel services at least at a four-star-plus level, including an appropriate gastronomic offer and standard additional offers (as chargeable additional services).

The following basic package is included in the booking price for each accommodation in the unit:

Offer of daily breakfast service (guest booking option), spa & wellness access, cleaning and linen/towel change twice per week, final cleaning, tourist tax, transport within Saas-Fee on arrival and departure day, main course in the Hotel Resort Dom 4545 (from 1 night: 1 dinner; from 1 week: 3 dinners). Further hotel services may be booked for an additional fee subject to availability and capacity.

7. The Operator is free to take all decisions and set all parameters required for resort management without the Owner's participation at its own discretion. In particular, it sets accommodation charges and minimum lengths of stay and may flexibly take account of changing market conditions and seasonal fluctuations. Twice per year, a meeting is held between the administrator of the condominium owners' association (representing the owners' interests) and the hotel operator to ensure economically successful operations.

8. The Operator is obliged to withhold and correctly remit to the competent authorities the portion of operating income raised for guest taxes or any other charges. The Owner is released from any responsibility in this respect.
9. At its own expense, the Operator must take out and maintain liability insurance that sufficiently covers damage to the Owner's condominium unit caused by third parties (hotel guests, employees, etc.).
10. The Operator must ensure the right of inspection by the municipality of Saas-Fee and the administrator of the condominium owners' association into occupancy statistics, etc., for the purpose of reviewing compliance with the requirements and conditions of the Dom 4545 hotel resort.

VIII. Insurance

1. Owner's obligations

The Owner is obliged, as part of the condominium owners' association, to take out adequate building, property and liability insurance for the unit and (pro rata) for the shared areas. The Operator provides support in contacting the insurance company for concluding such insurance. Financing is from gross rental income (0.35% of gross rental income from overnight stays will be deducted).

2. Operator's obligations

The Operator takes out adequate building, property and liability insurance for buildings within its exclusive rights and (pro rata) the shared areas within the condominium owners' association.

The Operator takes out appropriate business insurance in respect of the inventory and is responsible for processing all insurance claims in connection with damage to inventory or the interior of the unit caused by guests or third parties.

At its own expense, the Operator must take out business liability and business interruption insurance. In addition, the Operator must take out and maintain liability insurance that sufficiently covers damage to the unit caused by third parties (hotel guests, employees, etc.). Upon the Owner's request, the Operator shall present the relevant policy for inspection.

With regard to all insurance claims in connection with structural damage to the unit or the building, the Operator will involve the Owner's insurance company, and the insurance company will decide on appropriate measures. The Owner acknowledges that such a loss event may affect the rental of the unit and the rental income from the unit. To avoid demarcation issues of insurance competence, the condominium owners' association will take out the building and property insurance with the same insurance company as the Operator for its business liability and business interruption insurance.

IX. Maintenance and Renewal

1. Principle / general determinations

The Developer, Operator and Owner agree that they will jointly and permanently endeavor to maintain the structured accommodation operation "Hotelapartmentprojekt Dom 4545" in its entirety—i.e., condominium units, supplementary infrastructure, furnishings, equipment, etc.—at a 4-star condition at all times.

To achieve these objectives, the individual condominium owners' associations subject to the management obligation and, before parcel division, attributable to base parcel no. 520 shall be treated in terms of costs as follows:

2. Funds A and B

According to the use and administration regulations for base property no. 520, the Owner is obliged to contribute to ongoing operating costs and, for financing maintenance (including restoration and renewal), to feed two earmarked funds (A and B) by deduction of 4.5% of gross income and, if required, by additional annual payments. These funds are administered by the Operator in consultation with the condominium owners' administration.

Fund A (General / condominium renewal fund for common parts) serves to finance maintenance, restoration and renewal of the common building parts and installations. The annual allocation to Fund A is 1.5% of gross rental income.

Fund B (Maintenance of hotel-managed dwellings and resort operating unit / FF&E Reserve)¹¹ serves to finance maintenance, restoration and renewal of all condominium units subject to hotel-type management. The annual allocation to Fund B is built up by a percentage deduction from net turnover from overnight stays as follows: 1% p.a. in the 1st operating year, 1.5% p.a. in the 2nd, 2% p.a. in the 3rd, 2.5% p.a. in the 4th and from the 5th operating year 3% of gross rental income.

3. Furnishing and equipment of the condominium unit

The respective Owner of the hotel apartment is the owner of all furniture, inventory and equipment of the condominium unit, i.e., all furnishings not permanently affixed to the unit. The Operator is obliged to keep the furnishings and equipment in a proper condition at all times and is solely responsible for their maintenance, restoration and renewal. Fund B serves to finance maintenance and upkeep. Initial furnishing is part of the purchase price and is financed by the Owner.

4. Common provisions regarding Funds A and B

- a) The annual fund allocations (A and B) are financed as follows:
- b) A total of 4.5% is deducted from gross rental income. Of this, 1.5% is paid into Fund A and 3% into Fund B for the interior fit-out, equipment and furniture of the units or building parts under exclusive rights (FF&E Reserve pursuant to the Canton of Valais guideline on hotel complex operating facilities dated 27 January 2016).
- c) The Operator is irrevocably instructed and authorized to settle/deduct the fund allocations directly from the share of accommodation income.
- d) The Operator is entitled, with 6 months' notice effective as of the beginning of a financial year, to adjust the fund allocations. The adjustment must be justified in detail and the calculation basis must, upon request by the competent body of the condominium owners' association, be reviewed by an expert of the Swiss Society for Hotel Credit (SGH).

¹¹ FF&E reserve in accordance with the guidelines of the Canton of Valais on hotel complex operating facilities dated 27 January 2016, "FF&E reserve/Fund B".

- e) Administration of the two funds (A and B) is carried out separately by the Operator in consultation with the condominium owners' administration, which must prepare, for the condominium owners, a detailed statement for each fund annually by the end of April (end of financial year).
- f) The right to dispose of expenditures charged to Fund A lies jointly with the Operator and the condominium owners' administration. The right to dispose of Fund B lies with the Operator.
- g) All common costs pursuant to the regulations (**Art. XX / section XX**) are borne by the owners in proportion to their value quota.
- h) The Operator is irrevocably authorized to charge the Owner's cost shares for operation, maintenance and renewal (in particular ongoing operating costs and allocations to Funds A and B) directly to the accommodation income.

X. Compensation

1. Own occupancy by Swiss nationals and persons not subject to ANRA, limited to 6 weeks per year

The Owner owes no compensation to the Operator for own occupancy, limited to a maximum of 6 weeks per year (3 weeks per high season).

The following services must additionally be paid by the Owner at market rates:

- preparation and final cleaning of the apartment
- bed and terry linen

For own occupancy, the Owner bears the guest taxes of the tourism organizations and any other levies now or in the future in connection with a guest stay. Such levies are invoiced and paid directly by the Operator for the Owner; the Owner must reimburse against invoice.

Beyond the 6 weeks per year, the Owner may use the apartment like a guest, while making use of the hotel-type services and via the Operator's booking portals, under the Operator's conditions, with a family & friends discount.

2. Own occupancy by persons subject to ANRA

An Owner subject to ANRA¹² has no entitlement to paid or free-of-charge own use. It may book its hotel-managed apartment at the preferential “Owner Rate” (equivalent to the customary family & friends rate). Granting of the Owner Rate is at the Operator’s discretion subject to the legal requirements and may depend on occupancy/utilization.

They can book their hotel-managed apartment at a preferential rate, referred to below as the ‘owner rate’. The discount is equivalent to the ‘family & friends rate’ that is common in the hotel industry. The owner rate is determined by the operator on request, taking into account the requirements and restrictions of the ZWG, the ZWV and the information sheet on tourist-managed apartments, as well as the provisions of the Federal Act on the Acquisition of Real Estate by Persons Abroad and the guidelines of the Canton of Valais ‘Hotel complex – business premises’. Whether the owner rate is granted is solely at the discretion of the operator, taking into account the requirements and restrictions of the ZWG, the ZWV, the information sheet on tourist-managed apartments, the BewG, the BewV and the cantonal guideline on hotel complexes – business premises, and may also depend on the occupancy rate and utilisation of the hotel¹³.

3. Distribution of Accommodation Income

To ensure equal treatment of owners regardless of individual occupancy of the condominium units, an income pooling arrangement is agreed. Total income of the units is recorded in aggregate.

The following costs are deducted in advance from gross rental income from overnight stays:

- **Total cost of sales**
- **Total payroll & related expenses**
- **Total other expenses**
- **Deduction Fund A** (general / condominium renewal fund for common parts) at 1.5% of gross rental income

¹² Federal Act on the Acquisition of Real Estate by Persons Abroad (ANRA), SR 211.412.41, Art. 5 https://www.fedlex.admin.ch/eli/cc/1984/1148_1148_1148/de

¹³ Federal Act on Second Homes (SHA) of 20 March 2015; Ordinance on Second Homes (SHO) of 4 December 2015; Fact Sheet 03.3 Authorisations for tourist accommodation in accordance with Art. 7 para. 2 lit. b ZWG; Guideline of the Canton of Valais "Hotel complex – business premises, minimum requirements for obtaining a decision on the non-requirement for a permit within the meaning of Art. 2 para. 2 lit. a ANRA" of 27 January 2016, section 5 lit. a

- **Deduction Fund B** between 1% (1st operating year) and up to 5% (from 5th operating year) of gross rental income
- **Deduction for building, property and liability insurance** at 0.35% of gross rental income

All costs for operation, maintenance and renewal (in particular ongoing operating costs and allocations to Funds A and B) are settled/charged directly via the Operator.

The Owner participates in the operating result with a share of 10.4% of net income from overnight stays and F&B (net room revenue + net F&B revenue). By majority resolution by quotas (not by heads), the owners may determine whether the 10.4% share is paid into a reserve/renewal fund for maintenance and repairs, or distributed to the respective owners in proportion to value quotas.

The Operator prepares for the owners a detailed statement of accommodation income once per year within 30 days after the end of the winter season (30 April) and after the end of the summer season (30 September).

The remuneration from accommodation income is exclusive of VAT.

(Illustrative example – percentages may vary depending on actual operations)

Gesamte Übernachtungs- und F&B-Einnahmen aller bewirtschafteten Einheiten
Einnahmen-Pooling (Gesamterfassung aller Einnahmen)
Bruttomieteinnahmen aus Übernachtungen
Abzug betrieblicher Kosten: - Total Cost of Sales - Total Payroll & related Expenses - Total other Expenses - Fonds A: 1.5 % - Fonds B: 1 % bis 5 % - Versicherungen: 0.35 %
Nettoeinkommen (Net Room Revenue + Net F&B Revenue)
Beteiligung Eigentümerschaft 10.4 % am Nettoeinkommen
Verwendung gemäss Mehrheitsbeschluss nach Wertquoten: - Einzahlung in Rückstellungs-/Erneuerungsfonds - oder Auszahlung an Eigentümer

Figure (schematic) illustrates the agreed income pooling system as well as cost allocation and result distribution. The provisions of this agreement remain decisive.

XI. Sale Obligation of the Buyer/Owner

Anyone who acquires a condominium object within a structured accommodation operation must—subject to limited own use¹⁴—make the object available to the Operator for third-party letting in return for compensation. Upon purchase, the condominium property is subject to a usage restriction annotated in the land register. Third-party letting other than via the Operator is excluded.

The accommodation obligation is unlimited in time, i.e., not terminable. It constitutes a condition imposed by the Land Registry Inspectorate of the Canton of Valais.

The sale obligation must be exercised if:

¹⁴ 6 weeks for Swiss citizens and persons who are not subject to the ANRA (use as any hotel guest; subject to availability/via the operator's booking system) for persons who are subject to the ANRA.

- the buyer/owner or its legal successor does not comply with the individual accommodation agreement arrangements;
- the buyer/owner generally opposes the accommodation concept.

The sale price is the official market value determined at that time by the official valuation commission of the Canton XXXX, less depreciation (penalty) of 0.50% per year (pro rata for partial years).

The Land Registry Inspectorate is entitled to review compliance with the accommodation agreement arrangements.

XII. Further Contractual Provisions

1. Any amendments or additions to this agreement must be made in writing. In addition, approval of such adjustments by the Land Registry Inspectorate of Valais remains reserved¹⁵.
2. Should individual provisions of this agreement be invalid or unenforceable, or become invalid/unenforceable after conclusion, this shall not affect the validity of the remainder. The invalid/unenforceable provision shall be replaced by a valid provision whose effects come as close as possible to the economic purpose. The same applies mutatis mutandis to any contractual gaps.
3. The parties agree to do everything necessary to ensure the implementation of this agreement, and the Operator guarantees that all services offered are of good quality, in accordance with this agreement and as required by applicable law.
4. This agreement enters into force when signed by both parties (the “Effective Date”) and is valid for a term of fifteen (15) full operating years from the

¹⁵ https://www.vs.ch/de/web/srf/erwerb_ausland

Effective Date (the “Term”)¹⁶. The parties agree that the agreement must be extended after expiry of the Term due to legal requirements. If the agreement is not extended by the Operator, a legal successor must assume the operation with a quality equivalent to the Operator in order to maintain the quality and service of the 4-star category. After expiry of the fifteen (15) years, the Operator has an extension option for a further ten (10) years.

5. In the event of a transfer of ownership of the unit, the Owner must transfer this agreement and the resulting obligations to its legal successor, again with the obligation to pass on. The legal successor must sign this agreement no later than the time of the land register application. To ensure pass-on, this management agreement is annotated in the land register against the individual condominium shares. The Owner must inform the Operator in good time of any planned or impending transfer. In the event of a transfer, the financial claims and obligations arising from this agreement are divided pro rata temporis between the former and the new owner. The Operator is not entitled to transfer its position as a party to this agreement to another company/person without the consent of all condominium owners.
6. The Owner may terminate this agreement at any time subject to the following conditions: (i) a notice period of 12 months is observed, (ii) the majority of co-owners vote in favor of termination¹⁷, and (iii) a new management agreement is signed with a new operator providing services of quality equivalent to this agreement.
7. By simple majority resolution of the owners (majority by value quotas), the Operator is entitled to transfer the operation of “Hotelapartmentprojekt Dom 4545” (structured accommodation operation/operating facility) and the related obligations in whole or in part to third parties. The third-party operator must provide sufficient assurance of equivalent operations (quality, standard, etc.).

¹⁶ Guideline of the Canton of Valais "Hotel complex – business premises, minimum requirements for obtaining a decision on the determination of non-authorisation within the meaning of Art. 2 para. 2 lit. a ANRA" of 27 January 2016, section 6

¹⁷ Simple majority based on value quotas (without preferential votes), i.e. 51% and more of value quotas

8. The Owner hereby grants the Operator and its legal successors a power of attorney to exercise the Owner's votes and rights vis-à-vis the condominium owners' association of parcel no. 520 (in particular at owners' meetings). The Operator must inform the Owner about matters of the condominium owners' association and accept any instructions. In addition, it organizes an informal meeting of the condominium owners at least twice per year. The administrator of the condominium owners' association represents the owners vis-à-vis the Operator.

9. The parties agree that the place of performance for all obligations in connection with this agreement is the location of the properties of "Hotelapartmentprojekt Dom 4545". Likewise, the debt enforcement domicile of the Owner is chosen at the place of business operation of "Hotelapartmentprojekt Dom 4545".

10. Unless otherwise specified, all monetary amounts are stated in CHF (Swiss francs).

11. Confidential information ("Confidential Information") refers to all material, data or information relating to the Operator's business activities that may reasonably be regarded as property of the Operator, including but not limited to accounting records, business processes and customer records that are not generally known in the Operator's industry and where disclosure could be assumed to harm the Operator. The parties agree not to disclose, disseminate, publish, report or use for any purpose any confidential information received from the other party unless authorized to do so.

This obligation continues for five (5) years beyond termination of this agreement.

12. Notices in connection with this agreement must be sent by registered mail or email using the recipient's last known address or email address. The parties are responsible for notifying each other of their name, address and email address and any changes. A notice is deemed received, in the case of email, once the sender sends it to the last known email address properly notified by the recipient against acknowledgment.

Addresses of the parties at the Effective Date:

Operator

[...]

E-mail: [...]

Owner

[...]

E-mail: [...]

13. With regard to the obligations of the Operator and the Owner under this agreement, neither party is liable for losses or damages due to reasons beyond its reasonable control, including but not limited to legal measures in Switzerland or abroad, governmental measures in Switzerland or abroad, wars, strikes, blockades, sanctions, boycotts, lockouts, fires, accidents, floods, storms and other natural events, political instability, epidemics, pandemics or similar situations. The reservation regarding strikes, blockades, boycotts and lockouts applies regardless of whether the Operator or the Owner itself is subject to or affected by such measures.
14. This agreement requires approval by the Land Registry Inspectorate of Valais and will be annotated in the land register by the authority.
15. This agreement is governed by Swiss law, without regard to conflict-of-law principles and excluding Swiss private international law (PILA, SR 291). If a dispute arises out of or in connection with this agreement, the parties will attempt to resolve it through amicable discussions. If the dispute is not resolved by such discussions within a reasonable period not exceeding 60 days, any remaining issues may be submitted to conciliation proceedings under Swiss law. If conciliation is not available or not successful, all disputes, disagreements or claims arising out of or in connection with this agreement—including its validity, invalidity, breach or termination—shall be finally resolved by a court in Switzerland and heard at first instance by the District Court of Visp.

16. The parties acknowledge that formal communication between them shall be conducted in English/French/German unless otherwise agreed.
17. The parties acknowledge that this agreement shall be interpreted so as to be consistent with the Canton of Valais guideline on hotel complex operating facilities dated 27 January 2016, the Federal Act on the Acquisition of Real Estate by Persons Abroad, and second-home legislation as amended from time to time.
18. If any provision of this agreement is wholly or partly invalid, the validity of the agreement as a whole shall not be affected and the remaining provisions shall remain valid. To the extent such invalidity materially impairs the benefit or performance of a party, the agreement shall be amended accordingly.
19. This agreement is executed in triplicate and signed: two copies for the Operator and one copy for the Owner.

Place, Date

[Operator]

Place, Date

Owner
