

WimPen Leisure Management SAU
Calle Los Angeles s/n Planta BJ
Beverly Hills Heights
38650 Los Cristianos
Arona
S.C. TENERIFE
Canary Islands



Tel: (34) 922 741415 / 741417
Fax: (34) 922 741553
comunidades@wimpen.com
administracion@wimpen.com
www.wimpen.net

Tenerife, May 13th, 2021.

Dear Owner of **LOS CLAVELES**,

I appreciate you may become tired of receiving communications about the dispute between the Club Committee and WimPen, however this letter contains some very IMPORTANT information, so I hope you will find time to read it.

First, I would like to wish each one of you, as well as your families, good health in this difficult situation we are going through. These are times when it is up to each one of us to bring out the best from ourselves, to show strength, composure, solidarity, and compassion. I want to express my feelings and words of comfort for those who have lost any loved ones, and hope that we are seeing the light at the end of the tunnel.

I want address everyone to reply to the latest communications from Mr. Albert Fletcher and the currently unauthorized Club Committee, which from start to finish are riddled with a manipulation of reality and stray from the truth, Club Committee that now is not representative of the majority.

On 11-March-2020 the Arbitrator issued his verdict in the last arbitration; Mr. Fletcher and the Committee appealed this decision to the Court; on 2-02-2021 the Court fully dismissed the appeal in all its points. This Court decision ratifies all the decisions of the arbitration award and it is final and firm. The worst part of the result is that Mr. Fletcher, as member of the Committee, knew in advance the result of the Court ruling, but he did not care about the economic consequences for the Club, so he made a reckless action that has only brought great losses to Club Los Claveles as, all this money is paid by the Club.

As you can see, it has been over a year since this decision was issued by the Arbitrator, and you have not been informed of such an important decision, nor of the result of the Appeal by which the Court confirms 100% the decision of the arbitrator, because the Committee and Mr. Fletcher did repeatedly deny authorizing the release of such information to all Club members. From the moment the Court notified the result of the appeal, WimPen, as well as many owners, have requested that the result of the Arbitration should be made public to the Club members, and Mr. Fletcher and the Committee have refused to make it public to the Club owners, invoking the principle of confidentiality provided for in the Scottish Arbitration Act.

We have stated, and we have made it known to Mr. Fletcher and the Committee, that WimPen as a party to the Arbitration process requested that it be made public because we considered that all Club Owners had a direct interest in having full knowledge of the content and decision of the Arbitrator. We stated that if WimPen authorised it, as we have done, and they as Provisional Committee authorised it, there was no legal barrier to make the Arbitration public. However, despite our request, Mr. Fletcher and the Committee have refused to do so, threatening to sue WimPen if we made it public.

Given the serious situation and the behaviour shown by Mr. Fletcher and the non-representative Committee of the Club, WimPen has considered that you as a member of the Club have the full right to know the decision of the Arbitrator, as this decision has major impact for your Club. We are aware of Mr. Fletcher's threats, but we consider that you all are a direct party to this arbitration and the first interested in knowing its content, and therefore we act based on justice and truth.

Decision of the Arbitrator:

The arbitrator issued his award on 11 March 2020. This decision deals with several issues related to the Club, and the events of recent years.

We are pleased to inform you that the arbitrator's decision confirms that much of what Mr. Fletcher and the "Committee" have told members in recent years is simply not true, nor close to reality.

1. The arbitrator has confirmed that the only valid constitution is that of 5 April 1990, as amended in 2014.

This we have repeatedly explained to the Committee and to Mr. Fletcher: all changes made to that constitution by Mr. Fletcher and his Committee are invalid and have no effect.

2. Suspension of the rights of club members (individuals and companies).

These suspensions are not legal, and therefore they are invalid; they are actions taken by Mr. Fletcher and the Committee in violation of the rights of all the Holders and they are unlawful and invalid. This legitimates all the owners that Mr. Fletcher has tried to take away their right of Club ownership, such as Mr. Barrow.

3. The Special General Meeting of the Club of April 2017 is null and void, even from its calling, rendering all matters discussed and approved at that meeting are null and void too.
4. The AGM of the Club of 10 September 2017 is null and void, even from its calling, rendering all matters discussed and approved at that meeting are null and void too.
5. The AGM of the Club of 28 April 2018 is null and void, even from its calling, rendering all matters discussed and approved at that meeting are null and void too.
6. The arbitrator does not declare that the transfers of weeks from April 2015 onwards made by WimPen are unlawful or void.

As can be seen from this Arbitration, the law has supported WIMPEN's actions in the defence of the rights of all the Holders and of the Constitution of the CLUB. AGM's or SGM's CANNOT BE USED to commit a FRAUD OF LAW, intending to modify the rules or the constitution itself for the benefit and wishes of a Committee.

All AGMs and SGMs dated April 2017, September 2017 and April 2018 are invalid from their inception, and all the decisions taken in those meetings do not exist at legal level; thus, they have no validity at all, causing as a result great economic damage to the Club, of hundreds of Thousands of Euros.

Not only have they spent approximately more than 800.000,00 € of the Club's money, money that Mr. Fletcher has collected and has not at all been used for the management or investments of CLUB LOS CLAVELES, but the Arbitrator has also condemned CLUB LOS CLAVELES to pay the expenses of the arbitration procedure, which will be hundreds of thousands of pounds again, that the CLUB will have to pay due to the absolute recklessness of Mr. Fletcher and the Committee. We can estimate a total over 1,000,000 pounds approximately, this being the consequence of wanting to develop a personal ego with the economic resources of the members.

Now, the worst of all is that in the last few days we have observed how, despite this Arbitration award, Mr. Fletcher and the Committee do not respect these decisions. From WimPen we observe with great concern that Mr. Fletcher, as president, and his Committee are carrying out actions that put in danger the future of your Club with actions they do not have the legitimation to carry on, by trying to change the Club's structure and operation, convening Committees and taking decisions that are again against the Constitution and with absolute lack of any legality.

As an example, Mrs. Parkinson has no capacity at the moment to communicate with you as president, and even less to threaten you, as she has been doing, to make payments to Los Claveles Ltd.

The company LOS CLAVELES LTD. has no direct or indirect legal relationship with CLUB LOS CLAVELES; therefore, the certificates issued and the collection of fees on the account of this company are illegal and have no validity at all.

The Committee and Mr. Fletcher have not only spent hundreds of thousands of pounds, but have created chaos, causing unnecessary conflicts between the Owners of LOS CLAVELES. The purpose of LOS CLAVELES is that you all enjoy the resort, but instead it has become a great conflict for the sole interest of Mr. Fletcher and his close circle of persons.

WimPen and hundreds of owners with around **52 %** of owner's weeks, asked the Committee for the legitimate right to call a SGM in June 2021 or whenever it can be held, with just one point to be discussed: the VOTE OF NO CONFIDENCE on the current Committee and the election of a new President and Committee. At this SGM the Club members could discuss and decide together the future of the CLUB, and everyone could propose a new Committee.

It was also requested that, given the current situation, the Committee should fully suspend its actions and not take any decisions, as it is not qualified for that due to current events, and even less legitimised to do so, all of it for the good of the CLUB. The only point to be discussed by the Committee must be the call of the SGM for you all to decide with your votes. General meeting to be supervised and handled by an external institution, different from Mr. Fletcher or WimPen, so that it is independent and fair.

The petition to call an SGM from the majority of Club members, representing **52%** of the Club has been rejected by Mr. Fletcher and the Committee, giving excuses that don't have any sense, claiming the lack of a DATABASE as fake argument, even they have been duly provided with a communication from FNTC as TRUSTEE to date, which certifies that all holders who have signed these applications for the holding of the SGM meet all requirements as Owners. This is a legal and valid document as a certificate, since according to the Constitution and the Laws, it is the competent body to issue this certificate.

In addition, it is highly surprising that Mr. Fletcher and the Committee have been calling AGMs for the last few years and have never been prevented from doing so because of WimPen having to deliver the DATABASE. Nevertheless, for all of you to freely decide the new COMMITTEE, delivery of the DATABASE is considered an impediment for the Committee to comply with the owner's request if calling a SGM.

We are aware that some Club members have been asking Mr Fletcher why he has been spending hundreds of thousands of pounds of their money on unnecessary legal actions. Instead, he could have taken the proper procedural steps as set out in the Constitution that would allow the Club members to decide on a change of managers after the expiry of the management contract, according to the first arbitration, and according to the second arbitration to legally call AGMs or SGMs in compliance with the Constitution. Mr. Fletcher lost on that issue and must face up to the fact that he has engaged in a battle using your money and lost the key issues he wanted to unluckily prove.

In addition, that WimPen is working with you, and acting as your management company for 20 years, please note that WimPen is a member of the Club, with several weeks. WimPen has been threatened with the cancellation of its weeks. Like you, WimPen pays the same maintenance fees for the upkeep of the resort and are proud to have contributed to the upkeep of Los Claveles over the years; the ARBITRATOR has ratified the legality of WimPen's weeks.

WimPen and Time Ownership los Claveles (Management) Limited have been the founding members of Los Claveles since 1998. Founder Membership of a resort is a commercial right that is granted in a resort developer, such as Los Claveles. Founder membership is exclusive of any management agreement and provides certain powers.

The manipulation and lack of veracity of everything said by Mr. Fletcher and the Committee is crystal clear as all the above stated by the undersigned or WimPen, it is declared by the Arbitrator according to the Constitution, so everything that we have expressed over the years has been proven.

You can also see that it is false that WimPen brings the resorts it manages to bankruptcy and dismantles them; in all these years and the life of ONA it has never dismantled any resort and even less has taken them to bankruptcy. In fact, today and despite the difficult situation we are living, all the resorts managed by WimPen are financially strong, and we only receive congratulations for the great work done by WimPen. Again, Mr. Fletcher's lies and such lies do not stand up to anymore.

In a few days Wimpen will provide you with the financial situation of LOS CLAVELES, so that you can again check the results of Wimpen works, and that the money that you have paid into the only valid account of the Community, which is **ES22 2100 9546 7322 0012 4548**, has been used to manage the Club in the proper way.

Also, for the information given by Mr. Fletcher that there is a Judgment in Spain declaring that WimPen is obliged to hand over the Club to the current Committee, it is totally false and lacks any accuracy.

We continue to consult with our lawyers in the UK and Spain regarding the next steps to protect the future of CLUB LOS CLAVELES for its members. WimPen PURPOSE is to defend you and work for all of you. We are confident that the future of CLUB LOS CLAVELES will be a safe and bright future for all of you to enjoy. We will let you know what actions will be taken at the earliest opportunity.

We hope that we can work together with members to run the business of Los Claveles as soon as possible.

Yours Sincerely,

Wimpen Leisure Management
Member of the Club Committee



Mr German Castro.