

LEVEL 2 COMMUNITY REPORTS –

INFORMATION

DEBTORS PROTOCOL

Debtors committee

Inmho Admiburgos Legal Department

The procedures carried out in order to reduce debt on Condado de Alhama Resort are as follows:

- Sending emails on a monthly basis to owners who have returned community payments for whatever reason, advising them of this fact and informing them that the returned payments will be taken again the following month or at the end of the same month if they request this.
- Sending emails on a monthly basis to owners whose direct debit has been deactivated or who pay by transfer, informing them of the community bank account details for them to settle the debt, and the consequences if they continue not paying; it is suggested that the direct debit should be reactivated (or a new one activated) after paying the debt, and that regular payment will result in the prompt payment discount.
- Non-application of the prompt payment discounts applied to late payers.
- Sending payment plan emails for debtors with large debts.
- Following up on debtors with payment plans.
- Disconnection of TV and internet services for debtors owing over 600€.
- Checking the status of properties in foreclosure by banks, using land registry notes.

Most common actions:

1. Bank debt: update of monthly debt. Bank asset managers are contacted for them to settle the debt. They are usually sent the minutes, CIF, bank account details and statements for them to settle the corresponding debt. They are informed of properties under embargo, court actions, and their legal costs.
2. Follow-up of bank property debts and changes of ownership.
3. Debt certificates to banks.
4. Active search of debtors for whom we have neither a telephone number nor an email address, also visiting the property.
5. Analysis of registry notes in order to assess the economic and financial situation of each debtor.
6. Contact by registered letter for those owners for whom we have neither an email address

nor a telephone number.

7. Contact via burofax with debtors susceptible to being taken to court by the community.
8. Preparation of documents for the community lawyers to take court actions.
9. Possible contact with collection agencies presenting a good offer for the community.

ACTION DEADLINES and FLOWCHART

Many actions for collecting debt from owners as described above are carried out on a continuous basis, via the day-to-day work of the inmho Admiburgos legal department team.

Below are the deadlines for the most common actions:

ACTION	DEADLINE
1. ADVISE OWNERS OF RETURNED PAYMENTS	WITHIN 15 DAYS SUBSEQUENT TO THE RETURNED PAYMENT
2. NOTICE OF CANCELLATION OF DIRECT DEBIT	WITHIN 15 DAYS SUBSEQUENT TO A SECOND CONSECUTIVE RETURNED PAYMENT
3. DISCONNECTION OF TELEVISION AND INTERNET	A REASONABLE TIME PERIOD IS GIVEN FOR THE OWNER TO REPLY OR PAY ON NOTIFICATION
4. ANALYSIS OF THE ECONOMIC AND FINANCIAL SITUATION OF THE DEBTOR	30 DAYS AFTER PUBLICATION OF DEBTORS IN THE MINUTES OF THE ANNUAL GENERAL MEETING
5. BUROFAXES AND REGISTERED LETTERS TO THEIR USUAL ADDRESS	60 DAYS AFTER PUBLICATION OF DEBTORS IN THE MINUTES OF THE ANNUAL GENERAL MEETING
6. START JUDICIAL PROCEEDINGS	90 DAYS AFTER PUBLICATION OF DEBTORS IN THE MINUTES OF THE ANNUAL GENERAL MEETING

It should be said that these deadlines are approximate, as they depend on multiple factors such as the number of debtors, the duration of banking processes, and the registry situation of each debtor, among other procedures.

As the main objective is to reduce debt, we understand that all these processes and deadlines will become more efficient if that objective is achieved.

