

SERVICED RESIDENCE LEASE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Serviced Residence Lease Agreement is made and entered into this _____ day of _____ at Clark Freeport Zone, Pampanga, Philippines, by and between:

WIDUS INTERNATIONAL LEISURE, INC., a corporation duly organized under the laws of the Republic of the Philippines, with address is at Bldg. 5400 M.A. Roxas Highway, Clark Freeport Zone, Pampanga, Philippines, represented in this Agreement by **MR. DAESIK HAN**, President & CEO ("**LESSOR**"),

- and -

_____, married and of legal age, with permanent home address at _____ is hereby referred to in this Agreement as the ("**LESSEE**");

WITNESSETH THAT:

WHEREAS, the LESSOR is the owner of the Widus Vacation Resort Complex located in Clark Freeport Zone in Pampanga which consist of several types of lodging and residential facilities and units available for both transient and long-term leases;

WHEREAS, the LESSEE desires to rent a unit at the Widus Vacation Resort Complex for long-term lease;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual covenants and premises herein contained, the parties herein have agreed as follows:

SECTION 1. THE UNIT

1.1. The LESSOR hereby leases to the LESSEE and LESSEE hereby leases from the LESSOR **Unit _____ of Hotel Vida Tower 1** of the Widus Vacation Resort Complex (the "**Resort Complex**"), fully furnished (the "**Unit**").

1.2. The Unit shall be exclusively used and occupied by the LESSEE for residential purposes only unless prior written consent from LESSOR is secured for use of the Unit other than for residence.

Occupancy of the Unit shall be limited to **four (4) persons: 2 Adults & 2 children**. Additional charges may be collected by the LESSOR at anytime for any additional occupants to cover for the added amenities and supplies. Amount to be collected shall be reasonably determined by the LESSOR and shall be available, upon request of LESSEE.

1.3. LESSEE hereby acknowledges that he has inspected the Unit and the execution of this Agreement by the LESSEE is deemed conclusive evidence that the Unit as of date hereof, is in good and satisfactory condition. LESSOR has likewise given an inventory of the furniture, fixtures, furnishings and appliances included in the Agreement which inventory the LESSEE has signed thereby acknowledging that such furniture, fixtures, furnishings and appliances are in good and satisfactory condition.

SECTION 2. LEASE TERM

2.1. The term of this Lease ("**Lease Term**") shall commence from date of signing of this Agreement, until October 29, 2056, renewable for another 25 years, subject to mutual agreement

No interruption in LESSEE's physical possession of the Unit for whatever reason shall serve to extend the Lease Term.

2.2. This Agreement may be extended upon mutual agreement of the parties in writing. For this purpose, the LESSEE shall notify the LESSOR in writing of his intention to renew or extend this Agreement at least one hundred twenty (120) calendar days prior to the expiration of the Lease Term. Should LESSOR not receive any such written notice from LESSEE within the period, LESSOR shall be free to solicit new lessees for the Premises without any liability to LESSEE.

SECTION 3. RENTALS

- 3.1. LESSEE shall pay LESSOR the amount of _____ as Rentals for the entire Lease Term which shall be payable as follows:
- a. Initial Payment - _____
 - b. Final Payment - _____
- 3.2. Any and all taxes imposable on said Lease and the rentals, including sale or value added tax, documentary stamp taxes on this Agreement and local government taxes and charges, shall be for the account of LESSEE.
- 3.3. LESSEE shall pay on due date indicated all charges, billings or assessments in relation to or arising from this Agreement, and in the event LESSEE fails to effect timely payment, the LESSEE acknowledges that he shall be liable for penalty interest thereon at the rate of twenty four per cent (24%) per annum until paid, and LESSOR may suspend provision of other services to the Unit.

SECTION 4. SERVICES, SUPPLIES AND UTILITIES

- 4.1. LESSEE recognizes that the Unit is an integral part of the Resort Complex, such that to maintain the consistency of the Resort Complex and its operations at Deluxe Class Standards -
- a. LESSEE shall use only the house linen. LESSOR shall provide a house linen package of sheets, pillow cases, towels and wash cloths (which may be commingled with house linens of other units) the costs of which (including costs of periodic replacements) shall be charged to LESSEE;
 - b. LESSEE shall avail of the housekeeping and linen service of the Resort Complex and LESSEE shall be charged the costs thereof;
 - c. The LESSOR shall also provide LESSEE with room amenities and consumable guest supplies (i.e. soap, toilet paper, tissue paper, towels, kitchen towels) which are part of the standard hotel services, the costs of which shall be charged to LESSEE.
 - d. Cooking and laundry activities are not allowed in the Premises such that LESSOR shall make available to LESSEE round the clock room service and laundry service and LESSEE shall be charged for these services.

LESSOR agrees that charges for the above-mentioned services and supplies, as well as charges for utilities shall be reasonably determined by LESSOR at its sole discretion.

- 4.2. Parking shall be allowed at designated parking areas within the Resort Complex on a first come first served basis. LESSOR may provide areas within the Resort Complex for Reserved Parking whereat LESSEE may rent parking slots for his/her exclusive use.

SECTION 5. CARE AND MAINTENANCE

- 5.1. LESSEE shall not make alterations, additions, modifications, and/or changes to the Unit during the Lease Term except as provided in this Lease Agreement. Upon expiration or termination of this Agreement, LESSEE shall surrender the Premises to LESSOR in the same condition as received, reasonable wear and tear excepted.
- 5.2. LESSEE is obliged to maintain and take reasonable care of the Unit and the furniture, fixtures, furnishings and appliances therein. LESSOR is not responsible for repair, restoration, re-decoration, or any other expenses arising by reason of ordinary wear, tear, obsolescence and depreciation or as a result of the acts or omission of LESSEE, LESSEE's family or relatives, guests, employees, agents and invitees ("invitees" being persons in the premises with the permission of the LESSEE). LESSEE recognizes that these expenses are LESSEE's sole responsibility.

5.3. LESSEE shall give prompt notice to LESSOR of any condition that may cause damage to the Unit and any need of repairs and replacement on the Unit, furniture, fixtures, furnishings and appliances, including and more particularly any defects in or accidents to the water lines, pipes, or faucets, electric wiring, heating or air-conditioning apparatus. LESSEE may be held liable for any damages caused directly or indirectly by LESSEE's failure to give such prompt notice.

5.4. LESSEE hereby authorizes LESSOR to undertake all repairs and replacements at LESSEE's cost. LESSEE may not secure the services of outside contractors or sellers to undertake the repairs and replacements. LESSEE shall promptly pay all billings for repairs and replacements on due dates indicated.

SECTION 6. REFURBISHMENT, RE-DESIGN, ALTERATION, MODIFICATION

Exterior and interior design changes and refurbishments may be made at the Resort Complex from time to time. LESSEE is obliged to comply with any exterior design changes and refurbishments applicable to the Unit which shall be done by LESSOR solely at LESSEE's cost. If LESSEE wishes to adopt the design changes and refurbishments applicable to the interiors of comparable units in the Resort Complex, this shall be done by LESSOR solely at LESSEE's cost.

However, LESSEE is obligated to comply with any alterations or modifications required to be made on the Unit pursuant to government regulations or insurance requirements which shall be done by LESSOR at LESSEE's sole cost.

SECTION 7. SECURITY DEPOSIT

7.1. The LESSEE shall deposit with the LESSOR the amount of **One Per Cent (1%), subject to increase as LESSOR deems fit**, of the Rentals for the entire Lease Term as initial Security Deposit for the LESSEE's full and faithful performance of each and every term, and condition of this Agreement including any loss, damage or expense (including attorneys' fees and legal costs) sustained by LESSOR because of LESSEE's failure to comply with any of the terms and conditions of this Agreement. The Security Deposit is required to be fully paid upon turnover of the Unit. The Security Deposit shall not be used by the LESSEE to offset or substitute payment of any rent although the LESSOR shall have the right, but not the obligation, to apply the Security Deposit to unpaid rent or portions thereof.

Among other items, the cost of maintenance, repairs and replacements, even over and above "normal wear and tear", and the amount of delinquent payments and late charges may be deducted from the Security Deposit at the sole discretion of the LESSOR. If the Security Deposit be so applied, LESSEE shall deposit with LESSOR within five (5) working days from demand by the LESSOR, an amount equal to the amount of the Security Deposit so applied.

7.2. The Security Deposit shall be **increased by 3.5% every year, subject to increase as LESSOR deems fit**, from date of execution of this Agreement which increase shall be computed based on previous year's Security Deposit requirement. The LESSOR shall not be required to keep the Security Deposit separate from its general funds. The Security Deposit shall not earn interest.

7.3. Failure to replenish the Security Deposit or remit the required increase in amount thereof is a material breach of this Agreement. LESSEE shall pay on due date indicated all charges, billings or assessments in relation to or arising from this Agreement, and in the event LESSEE fails to effect timely payment, the LESSEE acknowledges that he shall be liable for penalty interest thereon at the rate of twenty four per cent (24%) per annum until paid, and LESSOR may suspend the provision of other services to the Unit.

7.4. Should the LESSEE fully and faithfully perform every term and condition of this Agreement and upon the LESSEE's satisfaction of all its monetary obligations to the LESSOR, the remainder of the Security Deposit shall be refunded without interest to the LESSEE upon the expiration of the Lease Term.

7.5. In the event of the sale, transfer or assignment by LESSOR of its interest in the Unit or this Agreement, LESSOR shall have the right to transfer the Security Deposit to the transferee whereupon LESSOR shall be released from all liability for the return of the Security Deposit to LESSEE and LESSEE shall look solely to the new lessee for the return of the Security Deposit.

SECTION 8. COSTS AND EXPENSES FOR COMMON UTILITIES, SERVICES AND AREAS

LESSEE is hereby obligated to share in the maintenance and operating costs and expenses of common utilities, services and areas ("CUSA") including facilities and equipment commonly used or used in the common areas or the Resort Complex. In general, common areas, facilities and equipment shall refer to any area, facility or equipment not devoted to the exclusive use of a particular business establishment within the Resort Complex but is devoted or designed for common use of all occupants and/or tenants and/or guest of the Resort Complex. For purposes of this Section, the term "maintenance and operating costs and expenses" shall include but shall not be limited to the total costs and expenses incurred in operating, insuring, maintaining and repairing the common areas, facilities and equipment, including without limitation real estate taxes on the common areas, electricity, water, gardening or landscaping, maintenance, supplies and materials, janitorial, sanitary and pest controls, trash, rubbish or garbage collection, public liability and property damage insurance, security services, traffic services, and reasonable overhead expenses. LESSOR will secure comprehensive liability and property insurance for the Resort Complex which shall cover the common areas, facilities and equipment commonly used or used in the common areas, as well as all lodging and residential units and facilities of the Resort Complex and LESSEE agrees to be charged a commensurate portion of the premiums paid therefor.

LESSEE agrees that its CUSA dues shall be reasonably determined by LESSOR at its sole discretion.

SECTION 9. RESORT AND PROGRAM RULES AND REGULATIONS

The LESSEE is aware that the Unit forms an essential part of the Resort Complex, which is an integrated and controlled development project. As such, LESSEE recognizes LESSOR's right to promulgate rules and regulations to govern the use of the units, facilities, equipment and common areas of the Resort Complex ("**Resort R&R**"). The LESSEE further acknowledges and agrees that LESSOR has the absolute right to amend, revise, modify, add on or supplement the Resort R&R from time to time. LESSEE is hereby obliged to strictly follow the Resort R&R and any amendments, revisions, modification, additions and supplements to the Resort R&R. LESSEE shall ensure that the members of his family, his relatives, guests, agents, employees and invitees, likewise observe and abide by the Resort R&R. LESSEE shall indemnify and hold harmless LESSOR from and against any damages, direct or indirect, incurred by LESSOR as a result of the noncompliance by LESSEE, LESSEE's family or relatives, guests, agents, employees and invitees, with any provision of the Resort R&R. LESSEE agrees to pay immediately upon demand, any damages incurred by LESSOR resulting from such non-compliance. LESSEE agrees that LESSOR is not liable to LESSEE should anyone be refused entry to the Premises or Resort Complex.

LESSEE acknowledges that LESSOR may promulgate such Rules and Regulations to govern the Serviced Residences Program (SRP R&R) of the Resort Complex under which this Lease Agreement is administered, and LESSEE agrees to be bound by the provisions of said SRP R&R in so far as those are not in conflict with the provisions of this Agreement.

LESSEE hereby acknowledges that he has been furnished a copy of the Resort R&R and the SRP R&R effective as of date of this Agreement and undertakes to inform himself of any subsequent amendments, revisions, modification, additions and supplements thereto.

SECTION 10. RIGHT OF ENTRY

10.1. LESSOR, its agents or employees, shall have the right at any time to enter the Unit by use of a master or pass key or other means, to include disarming any intrusion alarm, if applicable in case of emergencies or to determine the necessity of repairs and replacements including undertaking such repairs and replacements as well as alterations, modifications, and improvements. LESSOR shall not be liable in any manner for any inconvenience, discomfort, disruptions or interference with LESSEE's occupation of the Unit by reason of such entry or when making any repairs, replacements, alterations, modifications, refurbishments and improvements to the Unit. All repairs, replacements, alterations, modifications and improvements may be done during the usual working hours of LESSOR, unless LESSEE shall request in writing that such be done during other hours and prepay any additional charges resulting from such request.

LESSOR will use reasonable efforts to advise the LESSEE in advance of necessary repairs or replacement prior to undertaking the same.

10.2. LESSEE shall not alter the locks or install new locks on the Unit without the prior written consent of the LESSOR and subject to turnover of duplicate keys to LESSOR.

10.3. During the six (6) months prior to the expiration of the Lease Term, the LESSOR may advertise that the Premises is available for lease, and the LESSEE shall permit the LESSOR to enter the Premises to show it to prospective lessees at such reasonable times as may be agreed between the LESSEE and LESSOR.

SECTION 11. SUBLEASE

The LESSEE shall not, without the prior written consent of the LESSOR, sublease the Unit. LESSEE shall not enter directly or indirectly into any agreement with any third person, association, corporation, joint venture, partnership or business of any kind whatsoever, whereby said third person or entity will be allowed to manage or rent out the Unit, or occupy and/or transact business within the Unit under any capacity or guise whatsoever, and that any such agreement made in violation of this section shall be void as regards the LESSOR and shall be a material breach of this Agreement.

Should LESSEE wish to sub-lease the Unit, LESSEE shall appoint LESSOR as his exclusive and sole letting agent or property manager.

SECTION 12. VACATING THE UNIT

12.1. LESSEE agrees that upon the expiration or termination of this Agreement, LESSEE will immediately peacefully surrender and deliver the Unit, together with all improvements made to said Unit, to the LESSOR or its representatives.

Any personal property of LESSEE remaining in the Unit after the expiration or termination of this Agreement shall be deemed to be abandoned and LESSOR may take such action as it desires to keep, sell or dispose of such property.

12.2. LESSEE agrees to accompany LESSOR or its agent on a final inspection of said Unit upon expiration or termination of this Agreement. Should LESSEE not accompany LESSOR or its agent on the final inspection within three (3) days after notice of inspection is made, LESSEE shall accept the inspection report as completed by the LESSOR of the physical condition of the Unit and to pay for any and all damages assessed as a result of such inspection report.

12.3. The LESSEE shall hold the LESSOR free and harmless from any liability in respect of any and all claims made by any succeeding lessee against the LESSOR by the failure of the LESSEE to surrender the Unit on time. In case the succeeding lessee cancels the lease by reason of such delay, the LESSEE shall indemnify the LESSOR for whatever damages it may suffer by reason thereof.

12.4. The possession of the Unit by the LESSEE or someone claiming rights through the LESSEE after the expiration of the Lease Term or termination of the Lease is illegal. Should the LESSEE hold over and remain in possession of the Unit after the expiration or termination of the Lease, the Lease shall not be considered renewed or extended but the LESSEE shall be obliged to pay rent in an amount to be solely determined by the LESSOR which shall not be less than twice (2x) the published rate of a similar unit as reasonable compensation for the use of the Premises without prejudice to the right of LESSOR to seek ejection of LESSEE and recover damages for such illegal detainer.

SECTION 13. WAIVER OF LIABILITY AND INDEMNITIES

13.1. *Damage or loss to the Unit, furniture, fittings, fixtures and appliances.* LESSEE assumes all risk of damage to the Unit as well as damage or loss to any furniture, fixtures, furnishings and appliances in the Unit arising from any cause whatsoever.

The LESSEE shall indemnify, defend and hold free and harmless LESSOR, its directors, officers, agents, employees, successors and assigns, for any and all liabilities (including damages, costs, and attorney's fees) arising in whole or in part from the maintenance, repair, replacement, renovation, refurbishment of the Unit and of the furniture, fixtures, furnishings and appliances therein or the performance of this Agreement, except to the extent that such liabilities are directly and solely caused by gross negligence, willful misconduct or illegal acts of the LESSOR during the term of this Agreement.

13.2. *Loss of personal property.* LESSEE hereby acknowledged that LESSOR's insurance over the Resort Complex does not cover loss or damage to personal property located within or brought into the Unit by LESSEE, LESSEE's family or relatives, guests, employees, agents and invitees. LESSEE hereby agrees that LESSOR shall not be liable, and therefore releases LESSOR, its directors, officers, agents, employees,

successors and assigns, from any and all claims or demands for loss or damage, for whatever cause of reason, of the personal property of LESSEE, LESSEE's family or relatives, guests, employees, agents or invitees. LESSEE is hereby advised to obtain comprehensive insurance for loss or damage to personal property, at his sole expense. Such policy shall be so written as to protect the LESSOR in the same manner and to the same extent they protect the LESSEE including naming LESSOR as additional insured.

13.4. *Claims or demands of LESSEE 's family or relatives, guests, employees, agents or invitees* - LESSOR shall not be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any occupant or user of the Unit including, without limitation, LESSEE and LESSEE's family and relatives, guests, employees, agents, or invitees. LESSEE assumes for himself, his family and relatives, guests, employees, agents and invitees, any and all risks in connection with the use of the Unit and the Resort Complex's common areas, recreational equipment and facilities such as playgrounds, swimming pools, sports centers.

LESSEE hereby releases LESSOR, its directors, officers, agents, employees, successors and assigns, from any and all claims and demands by LESSEE's family or relatives, guests, employees, agents or invitees for injury, loss or damage which may arise out of any accident or incident in or about the Unit and the Resort Complex, or in connection with the use of the Unit, the furniture and appliances therein and the Resort Complex's common areas, equipment and facilities.

13.3. The LESSEE shall hold the LESSOR, its directors, officers, agents, employees, successors and assigns, free and harmless from, and indemnify LESSOR for, any claim or demand by LESSEE's family and relatives, guests, employees, agents, invitees or third persons for any injury, loss or damage, including claims for property damage, (i) resulting from any accident or incident in or about the Unit or Resort Complex (ii) occasioned by any nuisance made or suffered in or about the Unit or Resort Complex (iii) growing out of or caused by any failure on the part of the LESSEE to maintain the Unit in a safe, sanitary or secure condition or (iv) by reason of the violation, non-observance or non-performance of ordinances, laws, the terms and conditions of this Agreement or the Resort R&R or the SRP R&R by LESSEE, LESSEE's family or relatives, guests, employees, agents or invitees.

13.5. LESSEE agrees that LESSOR shall not be liable in any manner for the failure to operate any equipment or facilities in the Resort Complex and that LESSOR reserves the right to close any or all equipment or facilities at any time for any reason.

SECTION 14. DAMAGE TO OR DESTRUCTION OF PREMISES

14.1. In case of the partial destruction or damage to the Unit due to fortuitous event or force majeure, the LESSOR shall repair the same with reasonable dispatch after LESSOR receives notice of such partial destruction or injury. LESSOR shall use the insurance proceeds for the repair of the Unit but if this be insufficient, the costs and expenses of repair in excess of the insurance proceeds shall be shared equally by LESSOR and LESSEE. If the damage to the Unit renders the same uninhabitable, LESSOR shall give notice to the LESSEE of the date on which the Unit may be reoccupied and in the meantime, LESSEE agrees that LESSOR will provide LESSEE with temporary lodgings at similar or comparable units within the Resort Complex.

14.2. In case of total destruction or of the Unit or the Building or damage thereto be so extensive as to amount virtually to total destruction of the Unit or the building, the Lease shall terminate.

14.3. In case of partial destruction or damage to the Unit due to the fault or negligence of the LESSEE or LESSEE's family or relatives, guests, employees, agents or invitees, without prejudice to and in addition to any other rights, remedies and causes of action the LESSOR may have against the LESSEE under this Agreement and by law, the LESSOR, at its sole option, may:

- a. terminate this Lease and forfeit LESSEE's Security Deposit as partial liquidated damages, and recover from LESSEE all costs and expenses to repair, restore, or reconstruct the Unit to the condition thereof immediately prior to such destruction, or,
- b. repair, restore, or reconstruct the Unit to the condition thereof immediately prior to such damage or destruction all costs and expenses for which shall be chargeable to LESSEE, and forfeit the Security Deposit as partial liquidated damages. LESSEE shall be required within three (3) working days from demand by the LESSOR, to replenish the Security Deposit. If the damage to the Unit renders the same uninhabitable, LESSEE may be given temporary lodgings at similar or comparable units within the Resort Complex subject to payment of the published rates therefor.

14.4. In case of total destruction of the Unit due to the fault or negligence of the LESSEE, LESSEE's family or relatives, guests, employees, agents or invitees, without prejudice to and in addition to any other rights, remedies and causes of action the LESSOR may have against the LESSEE under this Agreement and by law, this Lease shall terminate and LESSEE shall be liable to LESSOR for all costs and expenses to repair, restore, or reconstruct the Unit to the condition thereof immediately prior to such destruction. LESSOR shall also forfeit in its favor LESSEE's Security Deposit as partial liquidated damages.

SECTION 15. EXPROPRIATION AND CONDEMNATION

If at any time during the Lease Term the Government or any of its instrumentalities or political subdivision or any public service company, shall expropriate or condemn the Unit or the building for any public use or purpose, the Lease Term shall terminate as of the date on which possession of the part to be taken shall be required and LESSEE shall deliver and surrender peaceful possession of the Unit to the LESSOR. LESSEE shall not be entitled to receive any part of any award which LESSOR may receive due to said expropriation or condemnation.

SECTION 16. DEFAULT/TERMINATION

16.1. Default shall automatically take place upon the failure of the LESSEE to pay LESSOR's claims or perform LESSEE's obligation at the time/s fixed herein for such payment or performance without necessity of demand, or if no time is fixed, after five (5) calendar days from receipt of written demand for payment or performance from the LESSOR. The parties hereby expressly agree that notice delivered to LESSEE at his address in the Unit or in his last known address shall be considered sufficient compliance of notice or demand.

16.2. In the fulfillment of all obligations wherein the payment of money is involved, including but not limited to rentals, assessments, premiums, reimbursements, replenishment of security deposit, taxes, fees, costs and other charges, the unpaid amount shall earn interest at the rate of twenty-four per cent (24%) per annum from date of default. LESSEE may cure or remedy his breach or failure by remitting payment within five (5) calendar days from date of default.

In the fulfillment of all obligations contained in this Agreement which involve the performance of an act or construction of a certain work or an obligation to do, the LESSEE may cure or remedy any such breach or failure by complying therewith within fifteen (15) calendar days from date of default

16.3. If LESSEE fail to fully observe or perform any of the terms, conditions and covenants contained in this Agreement, or fails to cure or remedy his default or breach, the LESSOR may, declare this Agreement terminated and re-enter and possess the Unit with or without legal proceedings, without prejudice to any such other appropriate action as may be legally authorized. No action on the part of LESSOR shall be construed as an election by LESSOR to terminate this Agreement unless written notice of termination is given to LESSEE.

16.4. In the event this Agreement is terminated by LESSOR due to the fault, default, negligence or breach of LESSEE, LESSOR shall forfeit in its favor the Security Deposit as partial liquidated damages and LESSOR shall further be entitled to recover against LESSEE, as additional damages, an amount equal to the sum at the time of termination, of the rentals and other dues and charges under this Agreement for the balance of the Lease Term plus all amounts incurred by LESSOR (including legal costs and attorney's fees) in order to obtain possession of the Unit.

16.5. In the event of termination without fault on LESSEE's part, where LESSOR shall be required to return any rentals for the unexpired portion of the Lease Term, LESSEE agrees that the amount to be returned shall be computed as follows: Rental paid under Section 3 hereof - (Member's discounted rate X number of occupied room nights).

16.6.. The LESSOR shall have a preferred lien upon all the LESSEE's personal properties that are located in or about the Unit to secure the payment of all claims and damages the LESSOR may have against the LESSEE. LESSOR may opt to proceed to enforce such lien by notarial sale of LESSEE's properties for satisfaction of all its claims against the LESSEE, upon notice thereof to the LESSEE.

16.7. Should the LESSEE continue occupying the Unit after the expiration or termination of this Lease, or in the exercise of LESSOR's preferred lien, the LESSEE hereby gives authority to the LESSOR or to

any of his authorized representatives to enter and/or break open the Unit and take immediate possession of the same including the furniture, fixtures, furnishings, and other personal property found therein without the necessity of resorting to any court action, the **LESSEE** hereby waiving any cause of action, civil or criminal, against the **LESSOR**. The **LESSOR** shall have the right to sell these properties in the presence of a Notary Public to answer for any unpaid rent, penalty, damages or any outstanding obligation of **LESSEE** and/or, at its option, store them in a warehouse with the **LESSEE** being liable for reasonable storage fees.

The **LESSEE** hereby constitutes the **LESSOR** or its duly appointed attorney-in-fact with authority to enter and/or break open the Unit, to sell the furniture, fixtures, furnishings and other personal property found therein, and to apply the proceeds thereof in payment of any unpaid rental, assessments, charges, penalty, damages or any outstanding obligation of **LESSEE** to the **LESSOR**, the **LESSEE** hereby ratifying all acts which the **LESSOR**, as **LESSEE**'s attorney-in-fact, may do pursuant to said authority.

16.8. Nothing in the above provisions shall operate to bar the **LESSOR**'s right to sue the **LESSEE** for unpaid rentals, damages or any other monetary obligations.

SECTION 17. FORCE MAJUERE

Neither party to this Agreement shall be liable to the other party of any loss or damage of any nature whatsoever incurred or suffered by such other party due to omissions, delays or defaults in performance under this Agreement caused by circumstances beyond the party's reasonable control and occurring without its fault or negligence, including, but not restricted to, acts of God, hostilities, war, sabotage, insurrection, riot, acts of public enemy, reasonably unanticipated acts or restraint of any de jure or de facto government, impossibility or hindrance of performance arising from the application of any law or regulation, or strikes or other labor disturbances.

LESSOR shall not be liable for any error of judgment or for any mistake of fact or law, except in cases of willful misconduct or gross negligence.

SECTION 18. NON-WAIVER

The failure of the **LESSOR** to insist in one or more instances upon the strict performance of any of the terms and conditions of this Agreement, or to exercise any right or option herein contained, shall not be construed as a waiver of said term, condition, right or option, but the same shall continue in full force and effect. The acceptance by the **LESSOR** of arrears in rent or extension of time of payment or performance shall not be deemed a waiver by the **LESSOR** of any breach by the **LESSEE** of any other term and condition herein. Silence on the part of the **LESSOR** shall not be considered as condonation or waiver of any breach or default by the **LESSEE** of any term or condition herein provided. No waiver shall be deemed to have been made by the **LESSOR** unless reduced in writing.

SECTION 19. ASSIGNMENT/TRANSFER OF RIGHTS OR OBLIGATIONS

19.1. Without the prior written consent of the **LESSOR**, **LESSEE** may not transfer or assign this Agreement or transfer, assign or encumber in whole or in part, any of **LESSEE**'s rights under this Agreement, to any third person/s, association/s, corporation/s, joint venture/s, partnerships or business of any kind whatsoever. Any such agreement made in violation of this paragraph shall be void as regards the **LESSOR** and shall be cause for **LESSOR**'s termination of this Agreement. However, upon prior written notice to **LESSOR** furnished at least thirty (30) days prior to the intended effective date, **LESSEE** may assign its rights and obligations under this Agreement to any corporation to which the **LESSEE** owns at least Fifty One Percent (51%) of the authorized capital stock or has Fifty One Per Cent (51%) controlling interest.

19.2. Upon prior written notice to **LESSEE**, **LESSOR** may transfer or assign this Agreement or transfer, assign or encumber in whole or in part, any of **LESSOR**'s rights or obligations under this Agreement, to any third person/s, association/s or corporation/s in joint venture, partnership or corporation, business of any kind whatsoever.

19.3. The foregoing written notice shall state the name and address of the transferee. Attached to it is the Serviced Residence Certificate, this Agreement, Membership Card and shall be accompanied by a non-refundable administrative fee of Fifty dollars (\$ 50.00), or Two Thousand Five Hundred Pesos (P 2,500.00), whichever is higher, payable to Widus International Leisure Inc. to cover administrative expenses, which fee is subject to reasonably increased without notice. The notice should also be

accompanied by a copy of the Customer Information Sheet, Deed of Transfer or other evidence of title being vested in the new LESSEE.

19.4. Upon payment of the required fees, the payment of all outstanding obligations to the LESSOR and with the transferee's express consent to assume all liabilities to the LESSOR as of the date of the transfer and to be bound by the provisions of this Agreement and all rules of Widus Vacation Club, the LESSOR shall issue promptly a new Membership Certificate. Any lease or assignment of use rights of a Unit shall contain a covenant stating that the LESSEE shall comply with all present and future Resort R&R.

19.5. In case of death of the LESSEE, the heir may present the Serviced Residence Membership Certificate and their inheritance document to the LESSOR for the registration and issuance of a new Certificate. The fee and assumption of liabilities and obligations discussed above are also applicable to the inheritance.

19.6. The LESSOR may appoint an agent to manage the Unit, collect the rent, charges, dues and other assessments, and perform its obligations under this Agreement, and LESSEE shall in all cases comply with the reasonable exercise by said agent of any and all of LESSOR's rights under this Agreement.

19.7. Without LESSOR's consent, LESSEE shall not organize, form or join any homeowners' association, clubs or similar organizations within the Resort Complex or concerning or involving any unit, building, area, equipment of facility of the Resort Complex or wherein participation in said association, club or organization is dependent on residence within, or membership in any of the Programs of, the Resort Complex.

SECTION 20. CUMULATIVE REMEDIES.

The remedies afforded in this Agreement are cumulative and the exercise of any remedy shall not be taken to exclude or waive the right to exercise any other right or remedy provided in this Agreement or by law.

SECTION 21. GOVERNING LAW AND DISPUTE RESOLUTION

21.1. This Agreement shall be governed by, construed and enforced in accordance with the laws of the Republic of the Philippines.

21.2. Should the LESSOR be compelled to employ legal counsel to enforce all or any part of this Agreement, the LESSEE in addition to the damages and money claims mentioned in the preceding sections, hereby agrees to indemnify the LESSOR all its legal expenses including costs of suit and attorney's fees.

21.3. Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall first be attempted to be settled by mutual agreement of the parties. In the event that such dispute cannot be resolved amicably by the parties within thirty (30) days from notice by one party to the other of the existence of such dispute, such dispute shall be settled in first and final instance by arbitration. The arbitration process shall commence with the service by either party on the other party of a written demand for arbitration, which shall state in detail the issue to be arbitrated and the relief demanded. The parties shall agree on a single arbitrator, who shall be independent and shall have experience in the hospitality industry. In case of any failure or refusal by the parties to select an arbitrator, the proper Regional Trial Court shall make such selection in accordance with the Philippine Arbitration Law. If no arbitration rules are designated, the rules of the Philippine Arbitration Law shall govern. The decision of the arbitrator so selected shall be the final decision. Such arbitration shall be conducted in Makati City, Republic of the Philippines and in the English language.

Any monetary award made by the arbitrator shall be enforceable in the courts of the Republic of the Philippines. The party or parties as determined by the arbitrator shall pay in an amount and including reasonable counsel fees of the parties, the costs of the arbitration.

The arbitration provided for herein shall be the sole exclusive remedy for the settlement of any disputes or claims that may arise under this Agreement. Once arbitration proceedings have been commenced, recourse to the courts shall only be sought for enforcement of the arbitral award or for specific questions of law that the arbitrator himself deem necessary to refer to a court of law.

SECTION 22. BINDING EFFECT

Except as otherwise provided in this Agreement, all of the covenants, terms, conditions and provisions of this Agreement shall apply to and bind the parties, their agents and representatives, assigns, heirs and successors-in-interest.

SECTION 23. HEADINGS AND GENDER REFERENCES

Captions and headings are inserted for convenience and ease of reference and are not to be considered as limiting in any manner the content of any paragraph, section or provision of this Agreement. Reference to the male gender includes the female as may be applicable.

SECTION 24. NO AGENCY OR EMPLOYER-EMPLOYEE RELATIONSHIP

Nothing contained in this Agreement shall be deemed or construed to create an employer-employee relationship, a partnership nor joint venture between the parties herein.

SECTION 25. ENTIRE AGREEMENT/AMENDMENT

25.1. This Agreement constitutes the entire agreement between the parties and supersedes any prior written or oral covenants or representations relating thereto.

25.2. Any amendment or modification of this Agreement or additional obligation assumed by either party in connection with this Agreement will only be binding if evidenced in writing signed by both parties. LESSOR has made no representation or warranty to LESSEE except as herein expressly set forth.

SECTION 26. SEVERABILITY

In the event any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, by final judgment or decree of any competent court, those provisions to the extent enforceable and all other provisions will nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement.

SECTION 27. CONFIDENTIALITY

LESSEE shall keep this Agreement and all information and documents relating to or connected with this Agreement as well as any incidents arising herefrom entirely confidential, and shall not make any disclosures without the prior written consent of LESSOR

SECTION 28. AFFIRMATION

The LESSEE hereby affirms and certifies that it has read all the foregoing provisions of this Agreement and has fully understood the covenants, terms and conditions hereof. This obligation of LESSEE shall survive the expiration and/or termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by them or their authorized representative on the ____ day of _____ at Makati City, Philippines.

WIDUS INTERNATIONAL LEISURE INC.
LESSOR

LESSEE

By: DAESIK HAN

Signed in the presence of:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____)

BEFORE ME, personally appeared the following:

DAESIK HAN	CTC No.	Issued On	Issued At
Representing	M44318239	October 6, 2008	Korea
WIDUS INTERNATIONAL LEISURE, INC.			
_____	_____	_____	_____

known to me to be the same persons who executed the foregoing Serviced Residence Lease Agreement, and they acknowledged to me that the same is their free and voluntary act and deed and that of the corporation represented.

The Lease Agreement consists of eleven (11) pages including the page on which this Acknowledgment is written, signed on each and every page by the parties and their instrumental witnesses.

WITNESS MY HAND AND SEAL this ____ day of _____ in _____.

Doc.No. ____;
Page No. ____;
Book No. ____;
Series of ____.