

**1<sup>st</sup> AMENDMENT**  
**To the Agreement between**  
**SCOTIABANK INVERLAT, S.A. FIDEICOMISO 100321975 (“Client”)**  
**And**  
**Preferred Hotel Group, Inc., dba PHG Consulting (“Agency”)**

**Effective upon signing**, this 2<sup>nd</sup> Amendment shall modify the Agreement between Client and Agency with an effective date of May 1, 2019 as follows:

Section 1. Term. This Agreement shall be extended in whole through and including October 14, 2022, (such period, the “Term”), unless terminated prior to the end of the Term pursuant to Section 4.

Section 2. Services. Agency shall perform additional services as outlined Schedule 1.1 – Additional Services.

Section 3. Payments and Considerations.

3.1 Fees. Additional Fees have been inserted, and are defined in Schedule 2.1 – Additional Fees.

**All other terms and conditions remain the same.**

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized representative to execute this Agreement as of the date last set forth below.

**Preferred Hotel Group, Inc.**  
**dba PHG Consulting**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

Ken Mastrandrea

Chief Operating Officer

10-17-2019

**SCOTIABANK INVERLAT S.A. FIDEICOMISO**  
**100321975**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

GUSTAVO STAUFENT  
C. E. O

10-17-2019

**Witness:**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

Suef  
Suef / Gonzales  
VP Development  
10/17/2019

## **SCHEDULE 1.1 – ADDITIONAL SERVICES**

1. **SERVICES:** Agency will perform the following services
  - 1.1. Partner with OFVC to conduct site inspection of hotels in Guadalajara and Expo Guadalajara along with additional venues that will be of interest to Mexico-based meeting and event clients
  - 1.2. Establish a training and orientation program for PHG Consulting sales team in conjunction with OFVC and hotels
  - 1.3. Provide a point evaluation program to rank venues
  - 1.4. Provide final evaluation and analysis of hotels and venues
  - 1.5. Develop a Sales Activity Plan for the destination and specific actions for each property category (as determined after site inspection)
  - 1.6. Utilize established reporting system with the OFVC Guadalajara to track lead generation and closing results for each property. OFVC Guadalajara is responsible for conversion of leads to contracted services.
  - 1.7. Reports will be delivered in English via email:
    - i) Bi-monthly Activity Reports: PHG Consulting will report on all activities, accomplishments and lead generation status every two (2) months throughout the length of the project.
    - ii) Annual Review: PHG Consulting will provide a project status analysis at the end of each contract year to summarize accomplishments, and determine any adjustments needed by either party for the remainder of the project.
    - iii) Final Report: PHG Consulting will provide a final project analysis within 30 days of completion of services to report on all activities and accomplishments.
2. **RETURN ON INVESTMENT:** PHG Consulting will produce results as measured by value of leads qualified and delivered to OFVC including rooms, conference facilities, F&B, transportation, pre- and post-meeting activities etc. at the following Return on Investment (ROI):
  - i) Year One: US\$1,300,000
  - ii) Year Two: US\$2,000,000
  - iii) Year Three: US\$2,100,000

## SCHEDULE 2.1 – BUDGET AND FEES

### 1. Project budget for 36 months of service including:

- One professional bi-lingual Sales Director and one professional bi-lingual Sales Manager, based in Mexico City office location
- Provide email and phone contact information, monitor for queries and sales leads
- Services as detailed in Schedule 1
- Travel expenses for PHG Consulting team to complete services including:
  - Mexico City area travel including vehicle transport, parking, gas, business entertainment
  - Two visits by Sales Director, one visit by Sales Manager to Guadalajara per year
  - *Expense for additional requested services will be budgeted and approved separately.*

Year One (October 1 2019– August 31, 2020): US\$210,000 –

Year Two (October 1 2020 – August 31, 2021): US\$220,000

Year Three (October 1 2021 – August 31, 2022): US\$230,000\*

### 2. Additional Strategic Services:

Agency shall offer the below strategic services to Client. Client shall confirm in writing within ninety (90) days of commencement of this Agreement should Client elect to utilize a strategic service outlined herein.

- Develop an online brochure to promote Guadalajara to target audiences using compelling, quick-to-consume formats such as photos and videos that are actionable, engaging and relevant. The online tool will include a lead-generating RFP submission tool that will be sent directly to PHG Consulting for qualification, as well as meetings capabilities for individual hotels including meeting space, F&B, and hotel services.
- Planning, development and execution of two events (Mexico City and Monterrey) in Year 1 and Year 2 focused on a select audience of up to 70 meeting planners and corporation representatives with the ability to generate business for each property in the hotel group. Participation by hotels is limited to 1 representative per property. Additional attendees will be charged under separate budget. A minimum of 20 participating properties is required.

Year One: US\$70,000 (\$3,500 per hotel)

Year Two: US\$30,000 (\$1,500 per hotel)

*\*Year Three services are dependent on reaching stated KPIs for Years One and Two. Results to date will be presented to OFVC in the year two Mid-term report. If results are on track against the stated KPI, the contract will automatically extend through Year Three. OFVC will have option to cease this Agreement by providing one hundred eighty (180) days written notice prior to the end of Year Two if KPI results are not tracked according to schedule.*

*All additional services outside the contracted agreement will require additional proposal approval and payment.*

**3. Payment terms – project budget:**

Year One:

- 30% (US\$63,000) within 15 days of signed contract and before commencement of services
- 30% (US\$63,000) on delivery of first Year One bi-monthly report
- 20% (US\$42,000) on delivery of second Year One bi-monthly report
- 20% (US\$42,000) on delivery of Year One annual report

Year Two:

- 30% (US\$66,000) on delivery of first Year Two bi-monthly report
- 30% (US\$66,000) on delivery of second Year Two bi-monthly report
- 20% (US\$44,000) on delivery of third Year Two bi-monthly report
- 20% (US\$44,000) on delivery of Year Two annual report

Year Three:

- 30% (US\$69,000) on delivery of first Year Three bi-monthly report
- 30% (US\$69,000) on delivery of second Year Three bi-monthly report
- 20% (US\$46,000) on delivery of third Year Three bi-monthly report
- 20% (US\$46,000) on delivery of final report

**4. Payment terms – additional strategic services:**

- Online Sales Brochure and Year 1 events: 100% of fee (US\$70,000) due at time of approval of services; which shall be no later than ninety (90) days from commencement of this Agreement.
- Year 2 Events: 100% of fee (US\$30,000) due at time of approval of services; which shall be no later than thirty (3) days from the first anniversary.

Payments will be due within 7 days after receipt of invoice and client approval of the associated deliverable, with the exception of initial payment which will be due within 15 days of signed contract to allow the work to commence. If client has delayed payments beyond 15 days after due date, interest shall be charged on any amount due for each day of delay at PHG Consulting's bank's prevailing lending rate at the time interest becomes applicable.

All payments must be made in USD according to the following wire instructions:

Bank Name:	JP Morgan Chase NA
Swift Code:	CHASUS33
Account Number:	5330166101
Account Name:	Preferred Hotel Group Inc.