

Heads of Terms

For The

Consensual Sale of All Lands, Buildings, Equipment, Machinery and Other Assets which Comprise Seapoint Golf Links, Termonfeekin, Co. Louth. Good Clean Title required without encumbrements.

Subject to Contract/Contract Denied

- 1. Vendor**

All entities which comprise Seapoint Golf Links including Seapoint Golf Club Nominees Ltd, Seapoint Golf Club Holdings Ltd, Termonfeekin Ltd & Seapoint Golf Club.
- 2. Purchaser**

NEWCO, which will be a SPV established for the purpose of this transaction, of which Euro Golf Services Ltd will be a shareholder
- 3. The Property**

All lands, buildings, equipment, machinery and assets which currently comprise Seapoint Golf Club and held within any linked incorporated or unincorporated entities.
- 4. Deal Structure**
 - a) The Directors, Trustees and members of the Vendor are agreeing to a consensual sale of The Property
 - b) The Purchaser is permitted to agree a settlement with the Vendor's primary creditor which will settle the amount of the secured debt owed by the Vendor
 - c) The Vendor will use its best endeavours to wind up all Vendor entities in an orderly fashion to avoid involuntary liquidations
 - d) The Vendor will assign their shareholding in The Links Management Ltd to the Purchaser for a nominal fee. The Purchaser will assume the responsibilities of the Vendor in the JV.
- 5. The Golf Club**
 - a) A new Golf Club will be formed with a governance structure in aligned to a model being promoted by Golf Ireland
 - b) A Golf Access Agreement will be executed between the new Club and the purchaser which will govern the relationship between the parties and the Club's and its members access to the Property. The Golf Access Agreement will have a term of five (5) years which will renew automatically unless either party serves notice of its intention not to renew. Such notice must be issued at least 12 months before the renewal date
 - c) While the term of the Golf Access Agreement will be for periods of five (5) years, the Golf Club will be guaranteed playing rights for a minimum of 10 years
 - d) While existing Honorary, Founder, Lifetime Honorary & all other non paying Members may transfer to the Golf Club entity, they will need to pay the annual subscription applicable to the category they choose to progress to. The Purchaser reserves the right to invite people into Honorary Membership categories at a future date
 - e) Existing Life Members, who paid €10,000 and whose names and numbers are to be confirmed and agreed between the parties, will remain full members of the Golf Club and will not be required to pay an annual subscription for the first four (4) years in the new Club.

Thereafter, they will be required to pay the annual subscription at the prevailing rate

f) Both parties are committed to the development of junior golf and promoting junior golf development programmes. Similarly the Vendor will continue to promote Ladies Get into Golf and respect existing arrangements in place

h) A second EGM will be held by the existing Seapoint Golf Club to adopt the new Club structure and new Club Constitution prior to the closing of the transaction

i) A representative of the Purchaser will be a member of the Committee of the new Club and as such will meet with Committee Members monthly to ensure open and constructive dialogue between the parties.

6. Memberships

a) With the exception of Honorary Memberships, all existing members of Seapoint Golf Club, whose subscriptions are fully paid up to date will be entitled to transfer to the New Club structure on payment of the annual subscription relevant to their category

b) Multiple payment options will be offered to members including payment in full, direct debit through Premium Credit, a direct debit / standing order direct to the Golf Club (subject to a €40 admin fee per annum) or via the local Credit Union

c) Membership rates will be fixed to existing rates for the first year (until July 31st 2022). Thereafter, rates can increase by a maximum of 5% in any one membership year or by a maximum of 12.5% over the initial term of the Golf Access Agreement

d) Limits on membership numbers will include a ceiling of 750 individuals in the 7 day full membership categories only. All other categories will remain uncapped but will remain in-line with tee-sheet utilisation.

e) Member guest rates will continue to be offered to members and for the first year post transaction, the rates will be no higher than the existing rates of €30 for 18 holes and €20 for 9 holes. These rates can be reviewed annually

f) Captains of the Club will not be required to pay the annual subscription in the year after their Captaincy

g) The Purchaser reserves the right to vet and accept all new membership applications. Information on new members will be passed to Golf Club representatives as part of the sale process. Should Club representatives' express concerns regarding the character or past performance of any individual, the Purchaser will act on these concerns and revoke the membership

7. Tee Sheet Access & Comps

a) Sunday to Friday, members will continue to enjoy exclusive access to times for competitions already in place. A detailed list of times will be included as a Schedule to the Golf Access Agreement

b) from March 17th to October 31st, 10am – 1pm on Saturdays will be reserved for visitors. From November 1st to March 16th, the current block of 10am – 12pm will apply to visitor golf on Saturdays. To help compensate members, the tee sheet will commence 30 minutes earlier than is currently the case, commencing at 6.30am in the period March 17th to October 31st

c) Competition entry fees attached to regular weekly member competitions will be for the benefit of the Golf Club. Systems operated by the Purchaser may be used to manage this function and

figures will be reconciled monthly to account for entries received and prizes issued. Any monies owed to the Club can be paid monthly
d) prizes for competitions will be issued solely through the Pro Shop unless agreed otherwise by the parties. The Purchaser will arrange for Christmas Hampers & Turkeys as required

e) The Purchaser will be responsible for the operation of all other competitions including Opens, Scratch Cups and Open Weeks. The revenue generated from such Competitions will be for the benefit of the Purchaser. The Club should not suffer any material loss from the operation of Open Competitions at weekends or other normal competition days. An entry fee in line with regular weekly competitions from members will be for the benefit of the Club

f) The course will be available for member casual play after 7pm when daily permits

g) The Vendor will deal with requests for access to the course for groups such as the North Leinster Alliance, Ladies Leinster Alliance and Visiting Captains on a case by case basis

8. Staff & Contractors

a) All employees of the Vendor will transfer to the Purchaser in line with the Transfer of Undertakings (Protection of Employment) Regulations 2006

b) The Purchaser will meet with any 3rd parties with whom the Vendor has a contract with the intention of agreeing a new contractual relationship

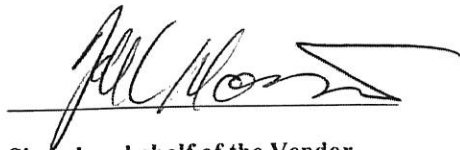
9. Capital Investment

The Purchaser is committed to invest a further €1m in capital to improve the facilities, course and equipment. The investment plan will be finalised once the Purchaser has received reports from specialist contractors, engineers and experts and the priority works and requirements.

10. Vendor's Solicitor

11. The Purchaser's Solicitor William Fry
2 Grand Canal Square
Dublin 2
Contact:
Telephone; 01 6395000
Email:

These heads of terms are intended to create a non-binding agreement between the parties, that will be reflected in legally binding documentation once a mandate has been provided by vote at an EGM specially convened for said purposes.



Signed on behalf of the Vendor

29/07/2021

Date

Witnessed by (name & address) Paul Mc Groary, Beau Hill, Bemonfecker Co Louth

Stephen Lyons

Signed on behalf of the Purchaser

29-07-21

Date

Witnessed by (name & address) Rachel O'Donnell

66 Martins Row, Chapelizod, D20