

FINANCE ADVISORY

CASTELO DA FANTASIA, Lda

PROPOSAL 11.2018

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1. OBJECTIVE / SCOPE OF WORK

"CASTELO DA FANTASIA, Lda." through Partner Mr. Amir Madeson, invited "STRATUM, Lda." on 17.January.2018 to renew the contract established on 30.November.2017 related to provide Finance Consultancy Services in order to analyze real estate investment business plans, about projects in progress – "Almada 335" Building project - and also to be carried out, as well as to advise and interact with Banks or Others Credit Institutions, in order to obtain financing for those real estate projects and optimize conditions for obtaining it.

"STRATUM, Lda." will provide the consultancy services in total harmony with the parameters defined by "CASTELO DA FANTASIA, Lda.", but conditioned to the criteria in use in the financial system.

Concerning what is written above, we present ahead our Proposal 11.2018 objectives:

A. Business Plans analysis of projects in progress and to be carried out

This item includes the financial, administrative and fiscal *due diligence* - with the detail and level of service established by the Client - necessary for the analysis of the Business Plan of "Almada 335" Building project.

Regarding "CASTELO DA FANTASIA, Lda." new projects to be carried out, "STRATUM, Lda." may prepare the proposed Business Plan for these real estate investments according to criteria previously defined by the Client.

B. Bank financing of real estate projects

The services to be provided in the scope of obtaining financing for the real estate projects, in progress and to be carried out, by "CASTELO DA FANTASIA, Lda." will consist on the presentation of the Business Plans, "road show" on the Banks which "STRATUM, Lda." has privileged relationships and other Banks too.

C. Administrative / Financial Support Service

"STRATUM, Lda." will carry out all the administrative support services for the above identified real estate projects and will present a Periodic Report with the main aspects to be highlighted in the period.

All accounting and relationship work with the State Organizations, including the calculation and payment of taxes, are excluded.

2. ACTION PLAN

Within the scope of the objective mentioned in chapter 1., "STRATUM, Lda." proposes to carry out the following action plan, based on the phases above:

PHASE 1. Study (and eventual Adaptation) of the Business Plan – "Almada 335"

Analysis of the Business Plan prepared by "CASTELO DA FANTASIA, Lda." for:

- Verification of the main assumptions defined therein, within the scope of the real estate standard criteria;
- Adaptation (if requested) of the project, regarding the main parameters of the real estate market in the historic center of the city of Porto-Portugal.

PHASE 2. Financing of investment by support Banks

In this phase a set of presentations of the Business Plan, stabilized in the previous point, will be made, focused to the Banks with whom "STRATUM, Lda." has privileged relations and other Banks too, always safeguarding the character of confidentiality of the operation.

PHASE 3. Financing Decision (Advice)

At this stage, the financing proposals presented by the Banks will be analyzed, together with "CASTELO DA FANTASIA, Lda.", assuring the support in the negotiation process for its good outcome.

"STRATUM, Lda." will follow and supervise the negotiating phase and will promote meetings to present financing proposals, discuss the characteristics of the operation and clarify any doubts of potential interested parties.

PHASE 4. Investment Monitoring / Real Estate Projects

"STRATUM, Lda.", may prepare a periodic Administrative and Financial Report to be submitted to "CASTELO DA FANTASIA, Lda." to follow up and advise on all real estate investments made, which will highlight the main aspects to be taken into consideration by the promoter / real estate developer .



3. ABOUT "STRATUM"

"STRATUM" assures a standard of excellency on their consultancy services to each Client, practicing the principles of independence, transparency and flexibility combined with ethic, professionalism, integrity and commitment.

The multidisciplinary team of professionals aggregated to "STRATUM" has more than 25 years of consolidated experience, in several countries of various continents, performing either directly or along with our business partners (portuguese and foreigners) providing a customized partnership.

The scope of the consultancy services are:

Finance and Management Consultancy,

company and business restructuring operations, financing capital raising, mergers and acquisitions operations, asset management (including real estate), support to setting up a company, other corporate finance consultancy;

Insurance Consultancy (Life and Non-Life),

partnership with reputable International Brokers;

Engineering Consultancy,

technical auditing and studies, design (architectural, structural engineering, electrical, mechanical, others), technical supervision on site, project management (buildings, malls, hotels and resorts, industry and logistic, others);

Real Estate Brokerage and Consultancy,

brokerage and advisory on management, buying, renting, selling of land, buildings (residential, store, office, malls, hotels and touristic resorts, health), estates, industry, logistic and others, provided by legal License n. 13650 – AMI.

"STRATUM" provide consultancy services combined and linked to each Client in order to design, carry out and consolidate the most suitable solution, emphasizing proximity and giving support on the several stages of the process along with answering Client's expectations.

4. BUDGET AND PAYMENT TERMS

A. Finance Consultancy Fees Schedule

"STRATUM, Lda." standard fees for consultancy services are generally applicable to services rendered in the area of economic and financial consultancy; these fees depend on who is allocated to the project and its function, as it's shown above:

<u>Job Role</u>	<u>Hour Rate</u>
Partner.....	200,00 Euros;
Senior Consultant.....	120,00 Euros;
Junior Consultant.....	50,00 Euros.

The Fee Schedule are the base for calculations of the proposed consultancy services requested by the Client, that can be supplied on a Hour Rate basis or on a Monthly Rate basis.

On a Hour Rate basis, the value of the consultancy fees correspond to the work number of hours that "STRATUM, Lda." spent, directly and indirectly, multiplied by the Hour Rate value which correspond to the Job Role performed. "STRATUM, Lda." knows and understands that, to have a better allocation of resources and for better interaction with the Client, the consultancy services could be carried out on a minimum hour's package.

On a Monthly Rate basis, the value of consultancy fees correspond to a previously estimated monthly work number of hours of the consultancy team multiplied by an estimated combination of each Job Role and respective Hour Rate. This type of fee is defined over a 6 month contract that can be renewed according to the needs.

Along with the Hour rate or the Monthly Rate, we propose a Success fee. This fee is due to our work and full commitment with the Client strategy, handling and optimize the common goals of the project – like as rates and terms - in order to assure the full success along with the defence of the Client best interest.

B. Proposal for Specific Advisory Services

In this project, "STRATUM, Lda ." proposes to receive one of the two following Fee,

- Hour Rate package and Success fee
- Monthly Rate contract and Success fee

according to the finance consultancy work included in chapter 1.:

B.1. Hour Rate package

- The allocation, on our analysis, is mainly to a Senior Consultant and a Junior Consultant, coordinated by a Partner. The combination, regarding the total time spent, should be 1/4 assigned to the Partner, 1/3 to the Senior Consultant and remaining to the Junior Consultant. That is, we propose 110 Euro per hour.
- Regarding the total estimated time allocated to the project, given the specificity of the consultancy work requested and the elements that we are currently aware of, we do not have a final and exact reference.

- Thus, in this intermediate project phase, we propose that the initial package of 16 hours allocated to this dossier, could be renewed to a 32 hours new package, which can be increased and/or renewed according to the needs.

B.2. Monthly Rate

- The estimated monthly work hours of the consultancy Project team allocated to this project is, on our analysis, 18 hours. That is, using the above referred hour value, we propose 1980 Euro per month.
- The monthly work period of 18 hours could vary up to 25% (plus or minus) and if so, the monthly fee remains the same. If the variation is more than 25% (plus or minus), the supplementary hours variation will be charged or deducted at 110 Euro per hour.
- The contract has a duration of 6 month and will be automatically renewed, unless the Client or/and "STRATUM, Lda." inform by writing – with a 30 calendar day notice – that doesn't wish to renew the contract.

B.3. Success fee

- We propose 0,35% of the bank finance loan

Fees mentioned above will not include any taxes (VAT and other), any expenses or costs, any travel and accommodation, that "STRATUM, Lda." will incur with the consultancy services requested by "CASTELO DA FANTASIA, Lda."

In the event that "CASTELO DA FANTASIA, Lda." requests "STRATUM, Lda." to do the economic and financial advisory of more than one Building Project and provided that they can take place simultaneously, "STRATUM, Lda." can review the Consultancy Fees and Payment Terms applied (chapter 4.).

Consultancy Fees are billed and immediately paid:

- Hour Rate package
 - 50% of the total amount awarded for the consultancy services package;
 - 50% upon deliverables.
- Monthly Rate contract
 - 100% of the Monthly rate value in the last day of the monthly period
- Success fee
 - 100% of the total amount in the financing operation loan deed

The amounts mentioned will be VAT added, at the legal rate at the time of invoicing.

This Proposal only concerns the services identified therein, not including any work of another nature.

5. PROPOSAL MANAGER

Heitor S. Ferro, Eng. / Stratum-Managing Partner

Contacts: (+351) 912795825 ; heitor.ferro@stratum.pt ; heitor_ferro@hotmail.com

"Stratum, Lda."

Office: Avenida da Boavista, 3523, Piso 5, Sala 508 , 4100-139 Porto - Portugal

Email: stratum@stratum.pt

6. CONSULTANCY PROJECT TEAM

For the execution of the works provided in Phases 1 to 4, "STRATUM, Lda." will use the concept of a multidisciplinary team, made up of elements assigned to the following functions:

Coordinators

Nuno S. Cardoso, Dr. / Stratum-Managing Partner ; Email: nuno.cardoso@stratum.pt

Pedro C. Campos, Dr. / Stratum-Managing Partner ; Email: pedro.campos@stratum.pt

Corporate Finance Consultants:

João Sul Ribeiro, Dr. / Stratum-Partner (Senior)

2 Consultants (Junior), to be designated

7. CONFIDENTIALITY

"STRATUM, Lda." undertakes to maintain the confidentiality of all the specific information that, due to the activity to be developed, needs access.

"STRATUM, Lda." ensures to all partners and stakeholders in this project that, likewise, the confidentiality of the information inherent to the methodology of the rendering of consulting services, including this Proposal, is maintained.

This Proposal is valid for a period of 30 calendar days, from the present date.

Porto, 20.January.2018



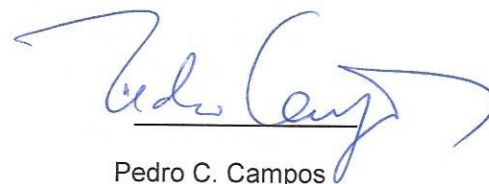
Heitor S. Ferro

Managing Partner
Stratum



Nuno S. Cardoso

Managing Partner
Stratum



Pedro C. Campos

Managing Partner
Stratum

TERM OF ACCEPTANCE OF PROPOSAL

The kick off of the works depends on this Proposal acceptance, which must be formalized in writing, through mail or email, by Mr. Amir Madeson, Partner of "CASTELO DA FANTASIA, Lda."

Draft:

Declaration

"CASTELO DA FANTASIA, Lda." take note of the contents of Proposal 11.2018 presented by "STRATUM, Lda." and accepts the contents of all the aspects included therein, and therefore, as Managing Partner of the company "CASTELO DA FANTASIA, Lda." I mandate "STRATUM, Lda.", effective as of the signing of this declaration, to advise on the analysis of Business Plans of the projects in progress and to be carried out, to advise on obtaining financing of real estate projects and in Administrative/Financial Support Service and compromising to furnish "CASTELO DA FANTASIA, Lda." with all the information necessary for its implementation and in accordance with the budgetary structure presented, namely:

"STRATUM, Lda." proposes to receive one of the two following set of Fees:

☒ Hour Rate package and Success fee

☐ Monthly Rate contract and Success fee

Regarding the economic financial consulting, advisory services in obtaining Bank financing of real estate projects and in the Administrative/Financial Support Service is proposed an hour value of 110 Euros.

- Hour Rate package

Regarding the total estimated time allocated to the project, for the time being we do not have a final and exact reference, given the specificity of the consultancy work requested and the elements that are currently known.

Therefore, is proposed that the initial package of 16 hours allocated to this dossier, could be renewed to a 32 hours new package, which can be increased and/or renewed as necessary.

- Monthly Rate contract

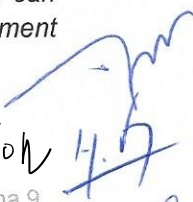
Regarding the estimated monthly work hours, of the consultancy Project team allocated to this project, is proposed 18 hours. Therefore, using the above hour value, the monthly rate will be 1980 Euro.

The monthly work period of 18 hours could vary up to 25% (plus or minus) and if so, the monthly fee remains the same. If the variation is more than 25% (plus or minus), the supplementary hours variation will be charged or deducted at 110 Euro per hour. It can be established a 6 month contract which can be automatically renewed.

- Success fee

Regarding the success fee we propose 0,35% of the bank finance loan

In the event that "CASTELO DA FANTASIA, Lda." requests "STRATUM, Lda" the financial economic advisory for more than one Project (previously explained) and provided that they can take place simultaneously, "STRATUM, Lda." could review the Consultancy Fees and Payment Terms applied.

Amir Madeson 
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Consultancy Fees are billed and immediately paid:

- *Hour Rate package*
 - *50% of the total amount awarded for the consultancy services package;*
 - *50% upon deliverables.*
- *Monthly Rate contract*
 - *100% of the Monthly rate value in the last day of the monthly period*
- *Success fee*
 - *100% of the total amount in the financing operation loan deed*

The amounts mentioned will be VAT added, at the legal rate in force at the time of invoicing.

This Proposal only concerns the services identified therein, not including any work of another nature.

Porto,January.2018

Anir Madegon