

February 27, 2013

Dear Darryl Levendal:

I am writing to discuss the contract we signed on August 26, 2010 for your exclusive territory of South Africa. You are in breach of this contract for the following reason: Schedule B- Payment Schedule of the contract states “The licensee understands that this agreement is for 12 months, and on agreements 12 month anniversary $5,000 will be owed again to remain an active exclusive distributor.” An invoice was sent on August 8, 2011 for the Exclusive payment due. The licensee failed to pay $5,000. As of February 27, 2013 you are in breach of this contract.

This is written notice that the rights of exclusive territory of South Africa has been officially terminated and will be opened up to the public as of March 1, 2013.

Sincerely,

Hotels Etc.