



Escrow Number \_\_\_\_\_

## ESCROW AGREEMENT

### **THIS ESCROW AGREEMENT MERELY COVERS DEPOSIT OF CONTRACT AND EARNEST MONEY FOR SAFEKEEPING SUBJECT TO THE JOINT DIRECTION OF THE SIGNERS.**

In accordance with this Agreement, the parties mutually desire to create an Escrow Account with the Escrow Agent for purposes of receiving, holding, managing, distributing and disbursing the funds deposited as required herein (the "Escrow Funds"). This agreement is subject to the terms and provisions of the following general conditions of escrow. Notwithstanding the written settlement instruction executed by all parties and accepted by Latinamerica Title Company, S.A. (LATCO), these general conditions of escrow shall apply to this Escrow, and the property received hereunder.

- 1 LATCO will comply with disbursement instructions and will not be responsible for said instructions. As payment for the services performed by Escrow Agent, pursuant to this Agreement, Buyer hereby agrees to pay directly to Escrow Agent an amount equal to 0.25% of the Purchase Price, where 0.25% will be deducted of each deposit made to our account plus Bank fees, or a Flat Fee of USD\$350 if the Escrow amount is equal to or less than \$150,000,00, plus Bank Fees.
2. **DEPOSITS:** All funds will be processed for collection in the normal course of business. No disbursements will be made until the funds deposited have been irrevocably credited to LATCO's account. The Escrow Fund shall be deposited in an Escrow Business Account opened by the Escrow Agent at Bank selected by the Escrow Agent. Neither the Depositor nor any intended payee shall be entitled to earn or receive interest from the Escrow Fund.
3. **LIMITATIONS OF LIABILITY:** Without limitation, unless otherwise caused by its own willful misconduct or gross negligence, LATCO shall not be liable for any loss or damage resulting from the following:
  - a. The effect of the transaction underlying this escrow or of any element of that transaction, including without limitation, any failure or delay in the surrender of possession of the property; the rights or obligations of any party in possession of the property; the financial status of insolvency of any other party, and any misrepresentation made by any other party.
  - b. Any legal effect, insufficiency, or undesirability of any instrument deposited with or delivered by LATCO or exchanged by the parties hereunder, whether or not LATCO prepared such instrument.
  - c. The default, error, action, or omission of any party to the escrow.
  - d. Any loss or impairment of funds that have been deposited in escrow while those funds are in the course of collection or while those funds are on deposit in a financial institution if such loss or impairment results from the failure, insolvency or suspension of a financial institution. Any penalties, or loss of principal or interest or any delays in the withdrawal of the funds which may be imposed as a result of the making or redeeming of the investment pursuant to instructions of the parties.
  - e. Any defects or conditions of title to any property that is the subject of this escrow, provided however, that this limitation of liability does not limit or affect the liability of LATCO under any title insurance policy which it has issued or may issue and no title insurance liability is created by this agreement.
  - f. The expiration of any time limit or other consequence of delay, unless a properly executed settlement instruction, accepted by LATCO has instructed LATCO to comply with said time limit.
  - g. LATCO's compliance with any legal process, subpoena, writs, orders, judgments and decree of any court whether issued with or without jurisdiction and whether or not consequently vacated, modified, set aside or reversed.
4. **GOVERNING LAW AND ARBITRATION:** this document is governed by the laws of Costa Rica. Any and all disputes, claims, differences, disputes or controversies arising out of or in relation to any aspect of this Agreement between the Escrow Agent and the parties, its business matter, performance, liquidation, interpretation, validity or any breach thereof, shall be resolved by arbitration of law in accordance with the bylaws of the International Center for Conciliation and Arbitration of the Costa Rican-American Chamber of Commerce ("CICCA"). The parties hereby agree to submit voluntarily and unconditionally to its rules and bylaws and claim knowledge thereof. The conflict shall be governed by the substantive laws of the Republic of Costa Rica. An arbitration tribunal of three shall decide the matters subject to the arbitration procedure. The arbitrators shall be appointed by the CICA. The award rendered pursuant to such arbitration shall be in writing and shall be final, binding and conclusive between the parties. The award shall have no further recourse, except for those provided for review and nullity. Once the award is rendered and is final, it will produce the effects of resjudicata and the parties shall comply with the award without delay. Costs related to arbitration procedure and arbitrators shall be borne by the parties in equal proportion as the arbitration procedure advances, unless the Tribunal decides otherwise. The fees of the attorneys and other consultants or advisors designated by the parties shall be borne by the corresponding party; this shall not preclude the obligation of the losing party to pay all costs, including any legal fees, due to legal counselors, attorneys and barristers.



- 5. **ATTORNEY'S FEES:** All parties hereto agree (a) to indemnify LATCO of all attorney's fees, court costs and expenses and (b) to the extent that LATCO holds a fund under the terms of this escrow, LATCO may charge that fund with any such attorney's fees, court costs and expenses as they are incurred by LATCO as well as any service charges which may be unpaid.
- 6. **DISBURSEMENT INSTRUCTIONS:** The Escrow Funds will be disbursed by the Escrow Agent pursuant to the Disbursement Instructions shown in "Exhibit C" attached hereto and made a part hereof for all purposes and subject to the terms of this agreement. "Exhibit C" is either a Purchase and Sales Agreement or any other similar agreement duly executed and signed by Seller and Purchaser (Depositor), referring to the terms, conditions, stipulations and payments of the real estate transaction to be made. The parties (seller and depositor) could jointly modify the terms and conditions of this Agreement only by written means. In case that the parties have not executed an agreement as the ones mentioned above, a written disbursement instruction letter must be provided by the Depositor, just written and signed modifications to this document will be accepted. In the event of any conflict this Escrow Agreement and the "Exhibit C" or the parties' disbursement instructions, this agreement shall prevail. The parties herein authorize Escrow Agent to release the funds in accordance with the information contained in this Agreement including its Exhibits and Instructions, prior to the Closing Date. In this sense, the parties state that the signatures of such instructions sent by fax will be considered for all legal purposes as original signatures, and therefore Escrow Agent is authorized to release the funds accordingly, without any liability derived from the authenticity of such signature. The balance, if any, of Escrow Funds remaining after all disbursements have been made and all escrow funds and related fees have been paid will be returned to Depositor. Please be advised that if these funds are not solicited by the depositor in the next six months after closing, the funds will be property of the Escrow Agent. Due to Costa Rican Banking System, funds may not be available immediately upon request; therefore all request of disbursement must be made at least **two working days** prior to the day of the requested disbursement.
- 7. **REQUESTS FOR WIRE TRANSFERS:** If disbursement is to be made by wire transfer, and provided that LATCO transfers such disbursement in accordance with written instructions, LATCO shall not be liable for any act or omission of any financial institution, or any other person, nor shall LATCO have any liability for loss of funds or interest thereon. In no event will damages exceed interest at a rate equal to the Federal Funds rate, adjusted daily, for the number of days that such funds are unavailable. The party requesting the wire transfer shall indemnify and hold harmless LATCO, its successors or assigns, from any loss, liability, and/or cost incurred as a result of any incorrect information supplied. In no event shall LATCO be liable for any special, consequential, indirect or incidental damages, regardless of whether any claim is based on contract or tort, or whether the likelihood of such damage was known to LATCO.
- 8. **SERVICE CHARGES:** Buyer/Depositor shall also reimburse Escrow Agent for all wire fees, bank service fees, international calls, facsimile transmissions, express mail or delivery services, or other services, or out-of-pocket fees and expenses incurred hereunder.
- 9. **The parties signing these declarations and authorizations:**
  - 1. Confirm that each person signing below is authorized to complete and sign this Agreement and its Exhibits and bind parties to the terms and conditions of this Agreement.
  - 2. Authorize Latinamerica Title Co, S.A. to request, inquire and obtain any information about the parties, owners, directors or officers, including but not limited to bank references and criminal background reports.
  - 3. Confirm that the Agreement is not effective until Latinamerica Title Co, S.A. receives all required documents and instructions, completes all reviews and receives a written approval.
  - 4. Certify that the information in this Agreement along with all Exhibits and attachments are true, complete, and contain no false or misleading information.

By the execution hereof, the undersigned Parties fully agree to the terms of this Agreement. Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

**Notices:** Any notice required or sought to be delivered hereunder shall be deemed delivered to:

Buyer's name: \_\_\_\_\_

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

Email: \_\_\_\_\_

Seller's name: \_\_\_\_\_

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

Email: \_\_\_\_\_

Escrow Agent: Latinamerica Title Co. S.A.  
 Edificio Colón, Penthouse  
 Paseo Colón, San José, Costa Rica  
 Telephone (506) 2256-9697, Facsimile (506) 2258-2175



## **EXHIBIT A**

Please be aware of the following requirements:

### **A) DOCUMENTS REQUIRED TO OPEN ESCROW ACCOUNT**

If Corporation:

- a. Owner or president or an authorized person (proof of authorization required: special power of attorney for example) must sign all documents.
- b. Sufficient documents of legal representative (showing legal capacity to act on behalf of the company, such as bylaws, power of attorneys, etc.)
- c. Copy of corporate I.D. (Proof of Tax ID number, for example)
- d. Articles of Incorporation or any other legal document that evidences the incorporation of the legal entity and its good standing
- e. Legal representative and shareholder's certificate
- f. If the Client is a corporation, the president or an authorized person (proof of authorization required: special power of attorney for example) or capital stock owner must sign all documents.
- g. Plus the following requirements

If Individual:

1. Know Your Client Form (Exhibit B): all fields must be completed, and a clear explanation of source of funds.
2. Escrow Agreement completed and signed. Due to bank regulations LATCO is not allowed to disburse funds without having the Escrow Agreement and the Know Your Client form (Exhibit B) duly completed. All pages must be signed and initialized and be submitted with all Annexes and Exhibits. All fields must be completed including city, state or province, zip code and country.
3. Purchase and Sales Agreement: All pages must be signed and initialized by the parties.
4. Copy of passport with its amendments if applicable (applicable to individuals and legal representatives of corporations).
5. Bank Statement of the account from which the funds will be transferred.

**DEPOSIT INSTRUCTIONS OF ESCROW FUNDS:** Escrow Agent will be notified by the Depositor of any wire transfers or deposits made in the escrow account. Such notification must clearly indicate the following:

1. Name, nationality and identification number of depositor.
2. Amount deposited.
3. Escrow account number.
4. Date.
5. Copy of the bank receipt, which serves as proof that the wire transfer or deposit was made.
6. If money is deposited by wire transfer (add an additional \$27.25 to total amount transferred to international bank commission fees).
7. Please add \$10 for every certified check, if according to "Disbursement Instructions" the payments have to be made with certified checks.

Please add the escrow fee to your payment.

### **Important Notice:**

- If funds are going to be wired from a corporate account, satisfactory proof as to the respective representation must be attached as well as the signature of such representative authorizing the disbursement.
- The release instructions of the funds or any other related document instructing the disbursement of funds must be given and signed by the same person/entity that appears in the bank statement as the sender of the funds, or the documentary evidence showing the relationship between the parties must be shown. Every communication must be in written form.
- The Escrow Agent will not disburse until it has received final credit for any funds deposited in the Escrow Fund.
- If the Buyer fails to provide any documentation required by this Escrow or by the disbursement instructions, the Escrow Agent will not be liable for any delay in disbursement, including, without limitation, any amounts payable to third parties.
- Buyer or Depositor will reimburse Escrow Agent for all wire fees, bank service fees, international calls, facsimile transmissions, express mail or delivery services, or other services, or out-of-pocket fees and expenses incurred hereunder.
- If funds are wired by a third party, such third party shall deliver to Escrow Agent release instructions for the use of funds pursuant to this Escrow Agreement, signed by the sender of the funds.
- The payment or deposit of funds through checks shall be effective as soon as the funds are credited by the receiving Bank in the Escrow account. If checks are returned, a \$20 fee will be charged.

### **Wire Transfer Information**

The wire transfers can be done through three different bank accounts, following the instructions provided below. It is important to indicate the number of your Escrow Account or provide the full name (first and last name) of the person making the deposit on the REFERENCE OF THE WIRE TRANSFER.



## WIRE TRANSFER INSTRUCTIONS

### Wire Transfer from Abroad

#### Option 1:

**Bank:** BANK OF AMERICA  
**Address:** Miami Branch, NationsBank Tower, 100 S.E. 2<sup>nd</sup> Street, Miami, FL 33131  
**Beneficiary:** BCT Bank International  
**ACCOUNT No.:** 1901308820  
**SWIFT:** BOFAUS3M  
**ABA Routing:** 026009593

**For further credit to:**  
**Beneficiary:** Latinamerica Title Company, S.A.  
**Escrow Account No:** 50104

#### Option 2:

**BANK:** DRESDNER BANK AG  
**Address:** FRANKFURT, GERMANY  
**Beneficiary:** BCT Bank International  
**ACCOUNT No:** 4990800646500400  
**SWIFT:** DRESDEFF

**For further credit to:**  
**Beneficiary:** Latinamerica Title Company, S.A.  
**Escrow Account No:** 50104

### Wire Transfer from Costa Rica

Beneficiary: Latinamerica Title Company, S.A., Cédula Jurídica 3101-428274

**Banco BCR** cuenta corriente  
# 001-0259166-9  
Cuenta cliente **SINPE** # 15201001025916694, en dólares.

**Banco BCT**, Cuenta corriente: 4480-7  
Cuenta Cliente **SINPE** # 10700000000044807, en dólares

### National Deposit

Beneficiary: Latinamerica Title Company, S.A., Cédula Jurídica 3101-428274

**Banco BCT**, Escrow Account  
# BBI 50104

### Check Deposits

All checks must be issued to:

## LATINAMERICA TITLE COMPANY

B) DISBURSEMENT POLICIES: Escrow Agent will disburse Escrow Funds when the following has occurred:

1. Wire Transfers have been completed four (4) days prior to proposed closing date.
2. Legal Documents/Transactional information provided to LATCO – Seven (7) days prior to proposed closing date or closing date could be subject to change.

Closing date is subject to change if these requirements are not met.



**EXHIBIT B**

**KNOW YOUR CLIENT**  
**Section I: Personal information**

**First Name:** \_\_\_\_\_  
**Last Names:** \_\_\_\_\_  
**Identification Number:** \_\_\_\_\_  
**Social Security Number:** \_\_\_\_\_  
**Marital Status:** \_\_\_\_\_  
**Country of Citizenship:** \_\_\_\_\_  
**Country of Residence:** \_\_\_\_\_  
**Occupation:** \_\_\_\_\_  
**Physical Address:** \_\_\_\_\_  
**P.O. Box:** \_\_\_\_\_  
**E-mail Address:** \_\_\_\_\_  
**Telephone:** \_\_\_\_\_ **Home:** \_\_\_\_\_ **Office:** \_\_\_\_\_  
**Cel:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**Statements received:** \_\_\_\_\_ **Mail:** \_\_\_\_\_ **Email:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

Do you or any relative hold a position related to Politics? Yes \_\_\_ No \_\_\_  
If yes, please explain: \_\_\_\_\_

Please provide sources of income and explain how the Purchase will be funded (investments, savings, salary, family wealth, etc):  
\_\_\_\_\_  
\_\_\_\_\_

**Section II: Business activity**

**If Corporation, describe the business activity:** \_\_\_\_\_

**If Self employed or Individual, describe the activity** (please include Company's name, physical address, phone and fax numbers):  
\_\_\_\_\_  
\_\_\_\_\_

**Are you/your business involved in any of the following activities?**

a) Systematic or substantial Money Exchange and transfer operations through instruments such as checks, bank drafts, bills of Exchange, or other similar instruments: Yes \_\_\_ No \_\_\_

b) Systematic or substantial issue, sale, exchange, or transfer of traveler's checks or money orders: Yes \_\_\_ No \_\_\_

c) Trust administration or any other type of administration of resources carried out by persons or corporations that are not financial intermediaries: Yes \_\_\_ No \_\_\_

Has your company or any of its owners, directors, or officers been sued or had a judgment entered against them? Yes \_\_\_ No \_\_\_

If yes, please explain: \_\_\_\_\_

Has the Applicant, owners, directors, or officers now or previously been the subject of any criminal investigation? Yes \_\_\_ No \_\_\_

If yes, please explain: \_\_\_\_\_

**I hereby declare that my income and assets come from licit and legal activities. I hereby confirm that I have never been involved and I am not involved in any Money Laundering activity or any activity that can be considered illegal or against regulation regarding money laundering or any illegal activity.**

I hereby certify that all the above information is true and correct

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

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_



**EXHIBIT C**

**DISBURSEMENT INSTRUCTIONS**