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### **CAPE TOURISM TRUST**

SANTANDER MEXICO BANK, CORPORATION, FULL-SERVICE BANKING INSTITUTION,  
SANTANDER MEXICO FINANCIAL GROUP, IN ITS CAPACITY AS TRUSTEE OF THE  
IRREVOCABLE INVESTMENT TRUST, ADMINISTRATION  
AND SOURCE OF PAYMENT FOR THE MUNICIPALITY OF THE CAPES.

### **ANNEX II. TECHNICAL ANNEX REPRESENTATION SERVICES IN GERMANY, FOR THE DESTINATION OF THE CAPES, LOWER SOUTHERN CALIFORNIA.**

**A. DESCRIPTION OF THE SERVICE THAT IS THE SUBJECT OF THE CONTRACT.** The services that are the subject of this contract, specifications and terms of reference required by **Banco Santander México, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Santander México**, in its capacity as trustee of the Irrevocable Investment Trust, Administration and payment source for the Municipality of Los Cabos, hereinafter **FITURCA**, are the following:

**Overall Objective:** Contract the Representation **Services in Germany, for the destination Los Cabos, Baja California Sur**, in order to design and execute an effective communication strategy aimed at and adapted to consider the activities, means and resources that contribute to increasing the knowledge and dissemination of the destination *brand* in the market in Germany, in order to generate a greater intention of travel to the destination.

**B. JUSTIFICATION.** The representation actions, in emerging markets like Germany, are considered critical to contribute to market diversification and new audience generation to Los Cabos, Baja California South, to complement the tourist and currency flows from that country, in addition to mitigating the negative impact on the economic spillage towards the destination's tourist service providers due to a decrease in the flow of visitors caused by a supervening situation (travel alerts, sensationalistic messages, immigration matters, safety, etc...).

Representative services in Germany will facilitate the establishment of long-term relationships through the interaction of media and business partners, in order to contribute to the increase of tourist visits with the consequent positive impact on the economic spill for the destination tourist industry, service providers and related population directly and indirectly in the value chain generated by tourist activity in Los Cabos.

As indicated above, the contracting of the services subject to the Tender is considered of special relevance, since global competition between tourist destinations requires the implementation of representation actions, communication and promotion in emerging markets considered to be incurred with the destination's tourist offer, to clearly communicate your differentiators, through



continuous two-way communication mechanisms established according to the profile of consumers in each market.

For this purpose, the Winning Bidder, you need to generate a representation strategy, to consolidate the *LOS CABOS* brand and increase interaction with multiple audiences related to the generation of tourist flows, including the media, business partners, consumers and other audiences, strengthening the presence of the destination in Germany, to increase the scope of promotional actions in the different segments in addition to supporting air connectivity that will result in the increase of the number of visitors to the destination.

**C. DESCRIPTION OF THE SERVICES TO BE CONTRACTED:** The Representative **Service in Germany, for the destination Los Cabos, Baja California Sur**, must consist of:

**C.1 GERMAN REPRESENTATION STRATEGY PROPOSAL.** The Winning Bidder must propose the strategic representation planning in the Germany market by preparing a scheduled work program that considers the representation, public relations and promotion actions to be carried out during the term of the contract.

The Winning Bidder must propose the aforementioned Work Plan within a period of no more than 30 (thirty) business days after the decision, which must consider at least the following actions for the fulfillment of the object of the contract:

1. Relationship and representation with the tourism industry.
2. Promotion actions and events to the consumer or potential customers.
3. Media relations.
4. Familiarization trips (Media and Tourism Industry).

The Work Plan may be presented in free format and must comply with at least the following characteristics:

- a) You should consider clear objectives for each of the actions and, where appropriate, an estimate of goals that consider clear metrics of the results to be obtained.
- b) It must be disaggregated in accordance with the actions referred to in numeral **C.1.** of this document and in accordance with the specifications detailed in the subsequent numerals.
- c) Each of the actions must be scheduled and integrated in a roadmap or schedule that details the execution period, market to which it is addressed, as well as the corresponding budget estimate, which together may not exceed the maximum amount of the budget allocated for the execution of the contract.
- d) Generation of monthly activity reports, an annual closing report and a final closing report that considers all actions carried out, their cost, as well as the results obtained that refer to the sources of information that support them that integrate the corresponding documentary evidence.

The corresponding shares and budget estimates may be modified during the period of execution of the services, at the request of the Winning Bidder or according to the needs of **FITURCA**, in order to adapt the Work **Plan**, to the opportunities, market conditions or other supervening situations that arise, without at any time exceeding the maximum amount of the budget assigned for the execution of the contract.

All modifications to the Work Plan must be agreed in advance and approved in writing, by signing both parties to the modified Work Plan, a situation in which the Winning Bidder will refrain from carrying out any action that is not considered and approved in the original Work Plan or its modifications.

In crisis situations that arise during the term of the provision of the services derived from surviving situations identified by the Winning **Bidder** or at the request of **FITURCA**, will not require modification of the work plan, unless it is necessary to reallocate resources from the budget estimates planned for the originally scheduled actions, notwithstanding that such crisis management actions may be executed immediately upon approval by email from the Contract Administrator appointed by **FITURCA**.

## **C.2. EXECUTION OF THE REPRESENTATION AND PROMOTION STRATEGY IN GERMANY.**

The **Winning Bidder** will be responsible for executing the actions considered in the Work Plan referred to in the previous section, in accordance with the following specifications:

**C.2.1. Relationship and representation with the tourism industry.** The Winning **Bidder** must carry out the relationship and representation actions with the tourism industry in Germany, which are included in the Work Plan referred to in section **C.1.**, and which are listed below:

- Establish a communication channel and strong relationship with the destination's main business partners in Germany, including travel agencies, wholesale operators and airlines and search for new associates to increase the destination's presence in Germany.
- Provision of seminars and training actions in order to impart knowledge about the destination to operators, *tour operators*, travel agencies and other actors who contribute to the promotion and generation of tourism to the destination, for the different segments of the market in Germany.
- Identify new sales opportunities in segments or markets in Germany.
- Organization, participant selection, agenda design, confirmation of all agenda logistics, and reporting *fam travel results* for industry representatives such as travel agents, tour operators, airlines, among others.
- Represent **FITURCA** at tourism trade shows and industry special events.
- Organizing destination events with the main media and actors of the tourism industry at the request of **FITURCA**.



- Attendance and coordination of the Los Cabos agenda at fairs and events relevant to the destination in Germany.

**C.2.2. Promotion actions and events to the consumer or potential customers.** The Winning Bidder will propose a series of consumer-directed actions that generate interest from the target audience (*target*) to travel to Los Cabos, which must be considered in the Work Plan referred to in numeral **C.1**.

Among the promotional actions, it must consider the assembly, coordination, summons and confirmation of appointments, for **FITURCA** officials who attend such events, as well as the necessary logistical support.

**C.2.3. Relationship with the media.** A close communication relationship with journalists, columnists, opinion leaders and *influencers should be established and maintained*.

Among the activities to be carried out is the execution of specific and efficient actions that allow the media to be kept informed and to incentivize positive coverage on the tourist offer of the destination through:

- Program for the preparation of press releases and regular sending of media material, such actions shall also be carried out in crisis situations in those cases arising from surviving situations identified by the Winning **Bidder** or at the request of **FITURCA**, in the latter case when derived from fortuitous causes or force majeure, will not imply the modification of the Work **Plan**, unless it is necessary to reallocate resources from the budget estimates planned for the originally scheduled actions.

Additionally, in the event of a possible crisis identified by the Winning Bidder, which could imply the impact of the image of Los Cabos as a tourist destination, it must propose actions for its attention and reverse or mitigate any possible negative impact on it.

- Calls for fairs and/or events in charge of **FITURCA** or in an international presence in which the destination participates.
- Coordination of meetings and meetings with media in different formats, in accordance with the communication strategy developed and the lines of action established by **FITURCA**.

**C.2.4. Familiarization trips (Media and Tourism Industry)** During the term of the contract, the Winning Bidder, can arrange and take familiarization trips to Los Cabos, provided that they are considered in the Work Plan referred to in numeral **C.1** of this Technical Annex, in which the media may participate, opinion leaders, *influencers* and prominent personalities of the tourism industry in Germany, so that they know the tourist product and communicate its attributes or generate elements of greater understanding of the aspects and differentiators of the destination in support of the destination's marketing strategy.

For this purpose, the Winning Bidder shall:



- Integrate into the Work **Plan**, an annual program of individual and/or group familiarization trips, indicating both the segments to be promoted and the target audience.
- Prepare a proposal of participants for each familiarization trip that must be approved by **FITURCA**, which considers necessary information that justifies their participation, such as profile, curricular trajectory, scope, benefits and, where appropriate, cost-benefit or return-on-investment estimation.
- Prepare an agenda and detailed description of logistics for each trip, which considers the activities of organizing, coordinating, and carrying out the trips, considering the assistance of hotels, *DMCs* and tourism service providers in Los Cabos.
- In the case of media, opinion leaders and *influencers*, the Winning **Bidder** must send **FITURCA** the estimated dates of publication in media, news monitoring in order to integrate areport with the witnesses (*clipping*), as well as the quantification of the return on investment (ROI) that will be part of the verification of the services.

**C.3. SPECIFIC APPROVALS FOR THE EXECUTION OF ACTIONS CONSIDERED IN THE WORK PLAN.** All actions and activities provided for the execution must be approved in the Work Plan or modifications thereto in accordance with the provisions of section **C.1.**, the activities related to the execution of the services that make up section **C.2.**, that require specific approval from **FITURCA**, such as: familiarization trips, per diem, press releases, crisis management actions, work schedules, etc..., must invariably have the approval of the Contract Administrator, for which the Winning Bidder must make the corresponding request by email, which may be approved or rejected by **FITURCA** by the same means, for which only the email addresses defined for this purpose in the links and communication section of the corresponding contract must be used, without the validity of any request or approval made orally or at email addresses not established for this purpose in the contract.

**C.4. CHECK OF SERVICES.** During the term of the contract, the Winning Bidder will send the invoices, the reports referred to in section **C.2.**, as well as the verification and witnesses of all the actions executed in the Work **Plan**, **to the Administrator of the FITURCA Contract for review and approval**, which cover the amount of the services provided, in accordance with the following table:

| Activity.   | Periodicity. | Description.  | Check format.                |
|---|--------------|---|------------------------------|
| 1. Relationship and representation actions with the tourism industry. | Monthly.     | Reports of activities carried out with destination business partners, tour operators, travel agencies, wholesale operators and airlines, including at least a brief profile of the industry representative, identification and contact details (name, telephone, email, address), | Electronic media/PDF format. |

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|--|--|---|--|
|  |  | <p>scope and benefits obtained or to be obtained in the short and medium term, where applicable, sales opportunities generated in segments or markets in Germany.</p> <p>List of seminars and training actions carried out with identification and contact details (name, telephone, email, address).</p> <p>List of tourism trade fairs and special industry events in Germany attended, number of business appointments carried out, identification and contact details (name, telephone, email, address), scope and benefits obtained or to be obtained in the short and medium term, where applicable, sales opportunities generated in segments or markets in Germany.</p> <p>List of events organised by the Winning Bidder with the media and actors of the tourism industry, identifying and contacting information of the participants (name, telephone, email, address), scope and benefits obtained or to be obtained in the short and medium term, where appropriate, sales opportunities generated in segments or markets in Germany.</p> <p>Participation of Los Cabos in fairs relevant to the destination in Germany.</p> <p>For investment proposals and business partners for the execution of a cooperative campaign in 2023, 2024 and 2025, A document identifying potential business partners with whom it is feasible to execute a cooperative campaign that includes a brief profile must be</p> |  |
|--|--|---|--|

|  |          |   |                              |
|--|----------|---|------------------------------|
|  |          | <p>submitted, identification and contact details (name, phone, email, address), justification for the experience and potential of society, the amount of the investment, the actions to be executed together and the results to be obtained in addition to a final report of the results of said campaigns.</p> <p>Witnesses:</p> <ul style="list-style-type: none"> <li>● Invitations.</li> <li>● Communications with business partners by email or in writing.</li> <li>● Agendas.</li> <li>● Attendance List.</li> <li>● Photo Witnesses.</li> <li>● Press Releases (if applicable).</li> </ul>  |                              |
| <b>2. Promotion actions and events aimed at the consumer or potential customers.</b> | Monthly. | <p>Technical data sheet of promotional actions and events aimed at the consumer or potential customers that includes the description of the action taken, date(s) on the date(s) that was carried out, scope or assistance, where applicable a brief profile of the consumers or potential customers, scope and benefits obtained or to be obtained in the short and medium term, where applicable generated sales opportunities.</p> <p>Witnesses:</p> <ul style="list-style-type: none"> <li>● Invitations.</li> <li>● Agendas.</li> <li>● Attendance List.</li> <li>● Photo Witnesses.</li> <li>● Press Releases (if applicable).</li> </ul> | Electronic media/PDF format. |
| <b>3. Relationship with media.</b>   | Monthly  | List of media with which communication actions were performed with a brief description of the action taken.   | Electronic media/PDF format. |

|  |  |  |                              |
|--|--|--|------------------------------|
|  |  | Calls, invitations to fairs and/or events, and invitations to meetings and gatherings.   |                              |
| <b>4. Familiarization trips (Media and Tourism Industry)</b> | When carried out in accordance with the Work Plan. | <p>Summary of Product Characteristics for each familiarization trip made with the following information:</p> <p>Participants, the period in which it was carried out, activities performed, in the case of the media, media and <i>influencers</i> estimated dates of publication in media, news monitoring and witness reporting (<i>clipping</i>) quantification of return on investment (ROI), cost-benefit, in the case of tour operators, travel agencies and other members of the travel industry promotional benefits to be earned, where appropriate, a brief description of the assistance actions obtained from hotels, <i>DMCs</i> and tourism service providers.</p> <p>Witnesses:</p> <ul style="list-style-type: none"> <li>● Invitations.</li> <li>● Agenda.</li> <li>● Photographs.</li> <li>● Press Notes generated.</li> <li>● Thank you.</li> </ul> | Electronic media/PDF format. |

#### **C.5. PREPARATION OF SERVICE REPORTS AND FINAL CONTRACT CLOSURE REPORT.**

The Winning **Bidder** must prepare monthly service reports and a final closing report that considers all actions taken, cost in terms of the provisions of the contract, as well as the results obtained that refer to the sources of information that support it, integrating the corresponding documentary evidence.

##### **I. Monthly service reports should consider at least the following information:**

- a) A summary of the activities carried out by the Winning Bidder, including a brief description of the activities carried out, dates, participants and investment, as well as the quantitative and/or qualitative results as scheduled in the Work **Plan**.
- b) A cumulative physical-financial progress report of each activity executed in accordance with

the budget estimates established in the Work Plan or its modifications, which includes information corresponding to the budget exercised, invoiced and available by activity, referring to the actions carried out, date of execution and invoice number issued by the Winning Bidder.

**II. The final annual closing report must consider at least the following information:**

- The totality of actions carried out for one year in accordance with the Work Plan and its modifications, which integrate the budget authorized and exercised in each, as well as the results obtained in accordance with the objectives and goals of the corresponding actions, which refer to the sources of information that support them that integrate the corresponding documentary evidence.

**III. The final closing report must consider at least the following information:**

- The totality of actions carried out in accordance with the Work Plan and its modifications, which integrate the budget authorized and exercised in each, as well as the results obtained in accordance with the objectives and goals of the corresponding actions, which refer to the sources of information that support them that integrate the corresponding documentary evidence.

**Note:** The aforementioned reports must be sent to the Contract Administrator designated by **FITURCA** for approval along with the other verification generated for each of the services provided.

**D. HUMAN RESOURCES TEMPLATE.** The Winning **Bidder** must have the necessary human resources to comply with the request in this Technical Annex. It will be the responsibility of the Winning **Bidder** to ensure the experience and capacity of each of the team members under the terms established in the evaluation criteria.

The personnel staff assigned by the Winning Bidder, for the provision of services to **FITURCA**, may request any information that allows it to have sufficient knowledge about Los Cabos, such as: geographic location, attractive, aerial connectivity, tourist activities, climate, as well as the main market segments that are target of the destination, in order to have a technical basis that allows you to carry out the promotional activities effectively, for that purpose, the Contract Administrator, will provide you with any information that is requested during the term of the provision of the services.

Staff dedicated to the account must notify the **FITURCA** Contract Administrator of any extra items or vacations at least 10 business days in advance, also establishing the personnel who will follow up on the absentee's functions, in case of crisis situations that could negatively impact the image of Los Cabos as a destination, The Winning Bidder must assign a responsible executive with decision-making capacity who must be available 24 hours a day in order to support **FITURCA** until the crisis management actions have been executed or the latter has concluded.

**FITURCA** may request the Winning Bidder to replace or relieve the executives who serve the



account when it identifies omissions, breaches or deficiencies in the ability of personnel to properly perform the services, having to notify by email and require the Winning Bidder, the appropriate relief, which must be performed within a period of no more than 3 business days, in order not to affect continuity in the provision of the service, if you don't, will be subject to a **penalty equivalent to 1%** of the maximum amount of the contract that will be applied as a deduction against the amount of the services billed for the immediately subsequent period.

In the event that the Winning Bidder requires the replacement of an executive on its own behalf, must inform the **FITURCA Contract Administrator by email** 5 business days in advance, pointing out the causes as well as the name and contact details (phone, email), of the new executive, if you don't, will be subject to a **penalty equivalent to 1%** of the maximum amount of the contract that will be applied as a deduction against the amount of the services billed for the immediately subsequent period.

The subcontracting of third parties to provide the services subject to the contract that are awarded to the Winning Bidder shall not be permitted. it is not considered to subcontract support services and related expenses incurred by the Winning Bidder for the proper provision of the services, such as: air transportation, leasing event spaces, power, per diem, participation in fairs, promotional material, media insertions, transportation, self-hosting and third-party hosting, among others, provided that they correspond to the activities provided for in the Work Plan referred to in numeral **C.1.** of this technical annex.

Administrative costs and expenses associated with account management, such as office equipment, material, telephony, overtime, attendance at boards, customer visits etc. must be considered in the price of the service, mentioning that **FITURCA** shall not be obliged to pay the cost of any service that is not duly integrated into the Work Plan or the modifications that are previously agreed and approved by the Contract Administrator appointed by **FITURCA**.

The per diems and expenses of the personnel of the Winning Bidder for the performance of the activities for the fulfillment of the purpose of the contract must be identified and approved by **FITURCA**, in accordance with the amounts provided for in the Work Plan referred to in numeral **C.1.** of this technical annex or its modifications, for which a maximum per diem rate not to exceed \$450 will be agreed.US\$00 (FOUR HUNDRED FIFTY US DOLLARS 00/US\$100) per day or its equivalent in national currency.

**E. PERIOD.** The provision of the services will be from September 1, 2023 to August 31, 2025, equivalent to **730 calendar days**.

**F. PLACE OF DELIVERY OF THE MATERIALS AND PROOF OF SERVICES.** The documentation proving the services performed will be made electronically to the institutional accounts indicated for this purpose by the Contract Administrator to the Winning Bidder, by monthly closing, that is, no later than five business days of each month.

**G. ESTIMATED INVESTMENT AMOUNT.** The type of contract that is formalized to the Bidder that is awarded will be open, in accordance with the provisions of Article 58 of the Law on Acquisitions,



Leases and Services of the State of Baja California Sur, the maximum budget is **\$5,000,000.00 (FIVE MILLION PESOS 00/100 M.N.)**, in accordance with the budget estimate approved by the **FITURCA Technical Committee**.

For this purpose, bidders must submit their economic proposal considering an estimated minimum itemized amount to carry out the actions and items of services to be considered in the Work Plan referred to in numeral **C.1. of** this technical annex, which may not represent an amount less than 40% of the maximum amount presented therein, without said amount exceeding the maximum budget referred to in the previous paragraph.

The financial proposal must be submitted in an itemized manner and in accordance with the format established in **ANNEX III. FINANCIAL PROPOSAL**, of the Bases.

The maximum and minimum amounts to be exercised in the contract will be subject to the budget availability obtained from the collection of the Tax on the Provision of the Accommodation Service in the Municipality of Los Cabos, Baja California Sur in the period of the provision of the services and that is approved by the Technical Committee of **FITURCA**.

**H. BUDGET POLICIES. FITURCA**, makes all participants aware, that it reserves the right at all times to suspend permanently or temporarily, partially or fully, the continuation and payment of the services subject to the contract, since the budget availability for its execution is subject to the collection of the Tax on the Provision of the Accommodation Service in the Municipality of Los Cabos, Baja California South; the above, in order for the Winning **Bidder to** take into account the probable budget restrictions and reserves that may arise during the term of the provision of the services; the total payment in any case may never be less than the minimum budget indicated in the call, therefore **FITURCA**, through the Contract Administrator, reserves the right to accept, decline or correct, the order and classification of the services subject to the contract referred to in the Contract and this Technical Annex.

During the period of provision of the **FITURCA services**, it will be possible to provide the Winning Bidder with printed materials, communications and any audio, video, film, radio or any other audiovisual media that are required in support of the services that are the object of the contract.

The errors made by the Winning **Bidder** in the services provided must be corrected or compensated by it, and may be subject to the application of the penalties established for this purpose in this Technical Annex.

At no time will **FITURCA** be obliged to pay for services and shares that are not considered in strategic planning or modifications to them that are not approved, in accordance with the provisions of this Technical Annex.

**I. OWNERSHIP OF MATERIALS. FITURCA**, shall be the copyright holder and the owner of intellectual and industrial property rights in any type of material, whether it's printed, audio-visual or of any kind, that occur under the contract being entered into, as well as, of those already existing and that **FITURCA** provides to the Winning Bidder for the execution thereof; except for those materials with respect to which third parties already hold copyrights or intellectual and industrial



property rights, in which case the Winning Bidder must inform **FITURCA** of such situation.

**J. DELIVERY OF MATERIALS, OWNED BY FITURCA.** At the end of the term of the contract or when **FITURCA** requires it, the Winning Bidder must deliver all materials produced under it or delivered for its execution, at no additional cost to the budget contemplated in the contract, for which the Winning Bidder must carry out all the necessary procedures, **FITURCA** being at all times the exclusive holder of the copyrights and intellectual and industrial property rights that are generated as a result of the services provided during the term of the contract.

**K. RESPONSIBILITY. FITURCA,** nor its personnel will be responsible for any costs incurred by the Winning Bidder as a result of the work carried out or in the preparation, nor for travel expenses and other expenses generated by the signing of the contract.

Rubrics:

From **FITURCA**  
**Cabo San Lucas, Baja California Sur, Mexico on July 7, 2023.**

**ARQ. RODRIGO SPONDA CASCAJARES**  
Chief Executive Officer of the  
Los Cabos **Tourism Trust** F/2110602-0

**LIC. MAURICE OF JESUS PEREZ SALICRUP**  
Secretary of the Technical Committee of the  
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