

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE URBAN
CONSERVATION AND COLLABORATION ENTITY OF
CONDADO DE ALHAMA**

ATTENDEES:

NEIL SIMPSON	PRESIDENT URBAN ENTITY
FRANCISCO JAVIER BENITO	VICE PRESIDENT JARDINES 2, LEVEL 2
ANTONIO JOSE CAJA	URBAN PLANNING COUNCILLOR FROM TOWN HALL
ANTONIO GARCÍA	COUNCILLOR FOR PUBLIC SERVICES AND INFRASTRUCTURES
BOB WHITTY	VICE PRESIDENT JARDINES 2
ALAN BURGE	PRESIDENT LEVEL 1
FEDERICO MESA SUAREZ	PRESIDENT JARDINES 2
IAN WHYTE	PRESIDENT NARANJOS 1
STEVE SIMMONS	VICE PRESIDENT LA ISLA, LEVEL 2
MARK AMBRIDGE	VICE PRESIDENT NARANJOS 2, LEVEL 2 (VIA SKYPE)
JOSE MONTOYA DEL MORAL	URBAN ENTITY LAWYER
ANTONIO CASTRILLO	ADMIBURGOS
ADRIAN ZITTELLI	ADMIBURGOS
JOSE MONTOYA DEL MORAL	URBAN ENTITY LAWYER

The abovementioned gathered in second summons in the meeting room at the Admiburgos office in Condado de Alhama de Murcia at 16:00 hours on 8th November 2018, under the following

AGENDA

1. Update on the negotiation of the new STV contract and the legal reports into the current contract. Ratification, if appropriate, of the agreement adopted in item 10 of the agenda of the Urban Entity Extraordinary General meeting of 11th June 2018.
2. Debtor situation. Claims via administrative proceedings.
3. Conclusions and agreements resulting from the meeting with the mayor of Alhama de Murcia and issues pending a response/resolution by Alhama de Murcia council:
 - Ownership of Sareb pipes.
 - Installation of an independent pipe for the supply of irrigation water.
 - Municipal park.
 - Urban planning agreement with Alhama de Murcia council for 2019.
 - Clarification of boundaries of the lake on La Isla.
 - Replacement of public street lighting cables.
4. Update on the request for a concession for irrigation water from the Segura Water Authority.
5. Partial closure of roads and parking on the outer ring and closure of the Alcanara gate.
6. Presentation by the Council of the specific project linked to the modification of la Coquela

pathway which is due to be carried out towards the end of 2018. (Item added at the request of Federico Mesa Suarez).

7. Support, if appropriate, from the Entity for the Ex Officio Review produced by the Association of Residents with the support of the legal advice provided, in relation to item 1. (Item added at the request of Federico Mesa Suarez).
8. To undertake, if appropriate, actions claiming for the Polaris bonds negotiated by the mayor with BMN at the end of 2015 and an update from the Council on the Polaris claim in view of this bond negotiation in June 2016. (Item added at the request of Federico Mesa Suarez).
9. Support, if appropriate, from the Entity for the document from the Association of Residents requesting that the Council carries out the authorisation of the two municipal buildings in the new park next to La Isla as health assistance points for the Murcian Health Service and a first aid area, rectifying any defects, and for which authorisation has been given from the Autonomous Community due it being on the outer ring. (Item added at the request of Federico Mesa Suarez).
10. AOB.

The meeting began with the Presidents and Vice Presidents present and represented as shown above.

Neil Simpson, President of the Entity, took the floor, greeting all owners and the Councillors, in order to indicate that the extraordinary meeting of the Community had begun.

1. **Update on the negotiation of the new STV contract and the legal reports into the current contract. Ratification, if appropriate, of the agreement adopted in item 10 of the agenda of the Urban Entity Extraordinary General meeting of 11th June 2018.**

The meeting was attended by Lorenzo Peñas Roldan, a resident in the community and practising lawyer, from whom the AVPCA had requested a report into the contract signed with STV.

Mr. Peñas indicated that the AVPCA had asked him to study the contract signed by the Urban Entity with STV and report on the public or private character of this. Sticking exclusively to the purpose of the pre-report presented, he stated that we are undoubtedly looking at a public contract and affirmed that it is clearly feasible to have it annulled by legal means. To support such conclusions, he offered those present a summary explanation of what was included in his report, which had been sent previously to all members of the Entity.

Mr. Montoya, the Entity lawyer, then took the floor, and was not so resounding about the nature of the contract, affirming that there are a series of doubts about its public character, as explained by him in his report, and nor was he as optimistic as Mr. Peña about the Entity's possibilities of obtaining a favourable result in the event of going to the Courts of Justice. For this reason, from his point of view, it is essential to bear in mind that, if any legal action is unsuccessful, the contract would remain in force and the members of the Entity would have to face high costs, for the reasons explained in detail in his report to which, for the reasons explained above, we also refer.

Mr. Peñas wished to make it clear that at no time had he been asked for an analysis of the risks of a possible court action nor of its consequences although, at the request of the owners, he insisted that, from his professional point of view, the Entity should go to court and pointed out that if the case were dismissed, the costs would be around 30% of the price agreed in the contract with STV, as this would be the financial criteria for setting the amount for the proceedings and, as a result, the legal expenses.

Mr. Montoya finally stated that he had always been critical of the contract, but this did not mean that its annulment could be obtained legally, the risk being high from a professional point of view; for this reason he was professionally obliged to offer his client a cautious diagnosis, although, once the Entity had been informed of the difficult nature of the matter and the assumed financial risk, he had no problem with presenting a quote for starting the legal action to be agreed on, if things were decided this way.

Mr. Caja, the Councillor from the Town Hall, clarified that the Administration had no responsibility whatsoever, given that they were not here in 2015, and advised against any approving any extension to the contract while the nature of the contracts has not been clarified.

Please find attached to these minutes the legal reports from Mr. Montoya and Mr. Peñas, as annexes.

In view of the positions maintained, the President submitted this to the consideration of the General Meeting, and those present with the right to vote UNANIMOUSLY approved the ratification of the agreement adopted in item 10 of the agenda of the Urban Entity Extraordinary General Meeting held on 11th June 2018, requiring the council to offer a legal opinion on the issue, the councillor Mr. Caja being expressly required to ensure this municipal report is drawn up as soon as possible and, at the latest, within a month from the date of this meeting.

2. Debtor situation. Claims via administrative proceedings.

Antonio Castrillo explained that this item had been added to the agenda in order to go ahead with approving the debt outstanding on 30th September 2018 and to be able to act via administrative channels if required. A copy of the updated list of debtors was handed over. It was explained that, once the Council confirmed the agreements contained in the minutes of the Annual General Meeting from last February, the procedure set out for claiming this debt via administrative proceedings has been continued. Regarding the Sareb plots, in view of the difficulty of contacting this organisation, it was explained that we have linked the pending payment for the pipe to the settlement of debtor balances in these plots. Regarding the company EdantriXXI, the owner of plot R12, it was explained that we are continuing to try to contact them without any results, and this is in a process of investigation, given that this company could be linked to Altamira.

Regarding the debt on Naranjos 1 and 2, it was explained that the accumulated debt is generated due to insufficient money being collected from fees in the last few years. Alan Burge commented

that they are in the process of obtaining justification of the accounts owed for these years, via the audit currently under way.

Submitted to the consideration of those present and represented, the debtor balances from 30th September 2018 and claims for debtor balances via administrative proceedings were UNANIMOUSLY approved.

ENTIDAD URBANÍSTICA DE CONSERVACIÓN					
Codigo/ code	Parcela y Propietario/ plot and owner	Tipo/ type	deuda 30 junio/ debt 30th June	deuda 30 septiembre / debt 30th September	Observaciones/ observations
2	C-1.2 EQ. DEPORTIVOS CONDADO C	2	570,27 €	0,00 €	paga por transferencia/ pays by transfer
22	C-27 ALISEDA, SA	2	16,79 €	16,79 €	paga por transferencia, enviados extractos con las cantidades pendientes, a la espera de respuesta/ pays by transfer, sent statement with the outstanding amounts, waiting for answer.
21	R-18 ALISEDA, SA	2	72,29 €	72,29 €	paga por transferencia, enviados extractos con las cantidades pendientes, a la espera de respuesta/ pays by transfer, sent statement with the outstanding amounts, waiting for answer.
14	C-11.2 GNK DESARROLLOS S.L.	2	0,00 €	448,07 €	PAGADO/ PAID
13	9BIS GNK DESARROLLOS S.L.	2	0,00 €	1.137,41 €	PAGADAS VARIAS CANTIDADES/ PAID VARIOUS AMOUNTS
36	R-14.2 ALISEDA, SA	2	1.204,50 €	1.204,50 €	paga por transferencia, enviados extractos con las cantidades pendientes, a la espera de respuesta/ pays by transfer, sent statement with the outstanding amounts, waiting for answer.
32	R-9 SOLARES GNK DESARROLLOS S.	2	674,96 €	1.373,70 €	PAGADO/ PAID
23	EP-28 GNK DESARROLLOS S.L.	2	0,00 €	1.713,95 €	PAGADO/ PAID
11	R-8 ALISEDA, SA	2	2.673,60 €	2.673,60 €	paga por transferencia, enviados extractos con las cantidades pendientes, a la espera de respuesta/ pays by transfer, sent statement with the outstanding amounts, waiting for answer.
18	R-15 ALISEDA, SA	2	3.402,01 €	3.402,01 €	paga por transferencia, enviados extractos con las cantidades pendientes, a la espera de respuesta/ pays by transfer, sent statement with the outstanding amounts, waiting for answer.
25	ST-59 POLARIS WORLD REAL ESTAT	2	6.689,68 €	6.946,62 €	concurso de acreedores/ bankruptcy process
26	ST-60 POLARIS WORLD REAL ESTAT	2	6.689,68 €	6.946,62 €	concurso de acreedores/ bankruptcy process
27	ST-61 POLARIS WORLD REAL ESTAT	2	6.689,68 €	6.946,62 €	concurso de acreedores/ bankruptcy process
28	ST-62 POLARIS WORLD REAL ESTAT	2	6.689,68 €	6.946,62 €	concurso de acreedores/ bankruptcy process
29	ST-66 POLARIS WORLD REAL ESTAT	2	6.689,68 €	6.946,62 €	concurso de acreedores/ bankruptcy process
24	C-29 SH.R SAREB, S.A.	2	6.058,71 €	6.970,52 €	Se contacta con Altamira para comprobar si gestiona la parcela, a la espera de respuesta / Contacted Altamira to check if they are managing the property, awaiting an answer.
6	C-3 AGROFRUITS LEVANTE SL	2	8.608,24 €	9.639,12 €	segundo burofax enviado, recibido, a espera de respuesta de Agrofruits/ Second burofax sent to the company, received by them, awaiting answer.
31	R-12 SOLARES EDANTRI XXI, S.L.	2	8.572,48 €	9.941,76 €	Según nota simple registral de diciembre de 2017 pertenece a ALHAMA GOLF RESORT,nueva nota simple registral, no contestan a llamadas, ni tenemos más datos de contacto/ According to registry note of december of 2017 belongs to ALHAMA GOLF RESORT, new registry note asked, do not answer calls, and neither have we more contact information
19	R-16 AGROFRUITS LEVANTE SL	2	9.691,66 €	11.242,67 €	segundo burofax enviado, recibido, a espera de respuesta de Agrofruits/ Second burofax sent to the company, received by them, awaiting answer.
7	R-4 SAREB (BANKIA)	2	8.353,35 €	12.426,72 €	Se contacta con Altamira para comprobar si gestiona la parcela, a la espera de respuesta / Contacted Altamira to check if they are managing the property, awaiting an answer.
30	ALKASAR COM.PROP.CENTROCOM	2	9.534,75 €	14.184,65 €	PAGADO/ PAID
16	C-13 AGROFRUITS LEVANTE SL	2	19.317,48 €	21.372,96 €	segundo burofax enviado, recibido, a espera de respuesta de Agrofruits/ Second burofax sent to the company, received by them, awaiting answer.
17	R-14.1 SAREB (BMN)	2	18.997,86 €	21.676,88 €	Se contacta con Altamira para comprobar si gestiona la parcela,gestiona solamente R-14.1, enviada documentación para pago a la espera de respuesta / Contacted Altamira to check if they are managing the property, only manage plot R-14.1, sent the documents so taht the pay, awaiting an answer.
20	R-17 ISLA COM.PROP. LA ISLA DE	2	1.960,03 €	0,00 €	paga por transferencia/ pays by transfer
1	R-1.1 JAR-I COM. PROP. JARDINE	1	0,00 €	0,00 €	paga por transferencia/ pays by transfer
3	1.3 JAR-II COM. PROP. JARDINES	2	0,00 €	0,00 €	paga por transferencia/ pays by transfer
9	R-6 AGROFRUITS LEVANTE SL	2	66.000,53 €	76.556,81 €	segundo burofax enviado, recibido, a espera de respuesta de Agrofruits/ Second burofax sent to the company, received by them, awaiting answer.
4	R-2.1 AGROFRUITS LEVANTE SL	2	80.705,57 €	92.928,80 €	segundo burofax enviado, recibido, a espera de respuesta de Agrofruits/ Second burofax sent to the company, received by them, awaiting answer.
8	R-5 POLARIS WORLD REAL ESTATE,	2	127.519,57 €	132.413,88 €	concurso de acreedores/ bankruptcy process
15	R-12 NAR-II COM. PROP. NARANJO	2	148.170,97 €	65.179,28 €	paga por transferencia/ pays by transfer
12	R-9 NAR-I COM. PROP. NARANJOS	2	238.639,77 €	213.364,48 €	paga por transferencia/ pays by transfer

Propietario	Resumen/ Summary
Agrofruits	Enviado segundo Burofax, a la espera de contestación, preparación documentación para procedimiento Administrativo/ Second Burofax sent, awaiting an answer , preparation of documents for the Administrative Process.
Sareb	Pendiente de pago de una factura por Comunidad hasta que solucione la situación/ Payment pending of a receipt by the Community until this situation is solved
Nivel 2/ Level 2	Pago según posibilidades económicas/ Payments according to economic possibilities.
Polaris	Concurso de Acreedores/ Bankruptcy Process
Aliseda	Informados de la deuda, a la espera de respuesta/ informed of the debt, awaiting an answer
GNK	notificada deuda, pagada en casi su totalidad/ debt notified, paid almost all of the amounts.
Solares Edantri XXI	Pedida nota simple, no posible obtener por segregación de la parcela en 23, petición de nota simple de finca segregada para averiguar el titular/ Asked for land registry note, not possible to obtain it because the plot has been divided in 23, asked for land registry note of one of the segregated plots to know the owner.

3. Conclusions and agreements resulting from the meeting with the mayor of Alhama de Murcia and issues pending a response/resolution by Alhama de Murcia council:

- **Ownership of Sareb pipes.**
- **Installation of an independent pipe for the supply of irrigation water.**
- **Municipal park.**
- **Urban planning agreement with Alhama de Murcia council for 2019.**
- **Clarification of boundaries of the lake on La Isla.**
- **Replacement of public street lighting cables.**

It was explained to those present that on 6th November a meeting was held in the town hall with the mayor of Alhama de Murcia, Mariola Guevara Cava, councillors Antonio José Caja (Urban Planning) and Antonio García (Public Services and Infrastructures), Neil Simpson, President of the Entity, the Administrators of the Entity (Admiburgos) and the lawyer for the Entity, José Montoya. This meeting dealt with the following items relating to the Urban Entity:

Registration of owners from Condado de Alhama:

We discussed the proposal from the Entity for promoting, together with the Council, a campaign for registration on the Resort, in order to facilitate registration of Condado owners in the municipal register (especially foreign owners). It was explained to the Mayor that this measure would be very beneficial, both for residents of Condado and for the Council. Taking into account the fact that the council has a municipal office on the Al Kasar, it was proposed to organise a 2-week campaign where residents can go to this office and register with the town hall. Both the Mayor and the Councillor were in favour of the proposal, and it was agreed to make preparations to organise the campaign for Easter week next year.

Pipes for irrigation supply and ownership of existing pipes:

The Mayor was informed of the serious potential harm involved due to the fact that there is only one source of an irrigation water supply for the whole Resort, coming from a pipe which is currently owned by Sareb, as a result of the management of Polaris World assets when they went bankrupt. It was explained that several solutions have been weighed up since we started to look at this issue last year, and we have concluded that the best solution is for the Urban Entity to have a new pipe,

exclusively providing irrigation water. For this reason, various actions have been proposed, which up to now have not been moved forward in a conclusive fashion. The Councillor indicated that they are looking at options for this required initiative to be put into effect.

Regarding the ownership of the pipes connecting the rainwater ponds and the WWTP with the lake on La Isla, it was pointed out to the Mayor that the Entity had asked, via a request in March 2018, for written confirmation of the acceptance of all these pipes, given that the Council delivered us copies of the acceptance minutes for some of these facilities, but these are not sufficiently conclusive. It was pointed out to us that the Municipal Secretary is in charge of replying to this letter; the Mayor undertook to look at this issue with the Secretary and to try to issue a response as soon as possible.

Urban planning agreement:

In relation to the landscaping refurbishment works, it was explained to the Mayor that the Entity needs to rethink the concept of the urban planning agreement currently signed with the Council, in order for the amount of this agreement to serve to maintain and improve Entity infrastructures. The idea is to have an agreement for 3 or 4 years, allowing the Urban Entity to take on some of the planned investments, and at the same time for residents to understand that their Council ostensibly and continuously supports these investments, which will improve residents' perception of the Council. The Councillor showed himself to be in favour of negotiating a contract to last for several years in 2019, indicating that it would be difficult to start this new agreement in 2019 due it being an election year and the budget being very tight.

Municipal park:

Regarding the damage caused by the runoff of water coming from the adjoining plot, which has caused the closure of the park for safety reasons, the councillor reported that he had contacted the owners of the adjacent land, (Agrofruits) and he had urged them to carry out the works required to prevent water from crossing the park so that it can be diverted to the lake correctly. The Councillor has a report proving this fact and expressing a wish by Agrofruits to resolve this shortly.

4. Update on the request for a concession for irrigation water from the Segura Water Authority.

Adrián Zittelli explained to those present that the request procedure for a concession for desalinated water from the Valdelentisco plant had been completed on time and in the correct manner before the Segura Water Authority. It was explained that the process has currently been stopped, and the projects included in the file are sealed and stored in Madrid, waiting for the Authority to make a decision on this process. Meanwhile, the consultant company hired for this process, Tabala S.L., has indicated to us that it was necessary to make a temporary concession request to Acuamed (the public company in charge of managing the desalination plant) and the Authority itself, in order to ensure the supply of irrigation water while the situation is being clarified. This solution was presented to both bodies on behalf of the Entity.

5. Partial closure of roads and parking on the outer ring and closure of the Alcanara gate.

The Councillor explained that a technical report had already been obtained from the Local Police for the closure of these roads, although he did not understand the reasons for the partial closure of the roads very well, nor the benefit that would be obtained in doing this. Initially it was to improve security in these areas and prevent visitors from trying to gain access via the back gate, which has been closed since 1st November, as agreed at the General Meetings in February.

Finally, it was agreed that there not sufficient arguments to close the roads. The problem of parking areas on the outer ring was also discussed, as these are used by many vehicles to avoid speed bumps and entail a potential danger of accidents. The Councillor commented that this dangerous situation will be submitted to the study of the Police and the Council, and the most appropriate measures to avoid it would be taken.

6. Presentation by the Council of the specific project linked to the modification of la Coquela pathway which is due to be carried out towards the end of 2018. (Item added at the request of Federico Mesa Suarez).

The Councillor supplied the Entity with a series of plans on the project, confirming that the technical project is already finished and currently they are at the stage prior to tendering for the works, which are expected to start next year. It was clarified that these works will be implemented with the guarantees retained from the developer.

7. Support, if appropriate, from the Entity for the Ex Officio Review produced by the Association of Residents with the support of the legal advice provided, in relation to item 1. (Item added at the request of Federico Mesa Suarez).

Debated in item 1 of the agenda.

8. To undertake, if appropriate, actions claiming for the Polaris bonds negotiated by the mayor with BMN at the end of 2015 and an update from the Council on the Polaris claim in view of this bond negotiation in June 2016. (Item added at the request of Federico Mesa Suarez).

The Councillor explained that they are obliged to implement the outstanding works left pending by the developer, using the guarantees. Most of these works have already been carried out, at an approximate value of 1.8 million euros.

9. Support, if appropriate, from the Entity for the document from the Association of Residents requesting that the Council carries out the authorisation of the two municipal buildings in the new park next to La Isla as health assistance points for the Murcian Health Service and a first aid area, rectifying any defects, and for which authorisation has been given from the Autonomous Community due it being on the outer ring. (Item added at the request of Federico Mesa Suarez).

For this item, Ms. Mateo, attending as a listener, tried to give the attendees a document relating to this item, which had not been made available to the President before the Meeting. The President

did not allow this, indicating to Federico Mesa that if this item required the provision of this document, it should have been supplied in advance, as requested.

On the issue of the pharmacy in the park, the position of the urban entity has not changed since the last Meeting. The President explained that a project of this nature cannot either be supported or opposed without having the details of its implementation.

It is understood to be the responsibility of the Council (for having to be located on public land) to present a specific project, whether inside the park or in any other public location. All those present clarified that any service improving the quality of life of their members will be approved by the different Boards, but under no circumstances would they take responsibility for deciding which is the best location, as this falls under the remit of the Council.

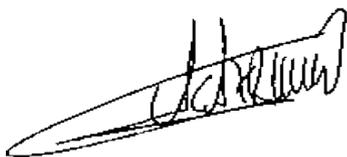
The Councillor reported that the Council is looking at other alternatives for locating these facilities.

10. AOB.

Bins: it was proposed to relocate some of the bins on the outer ring and place them in the Villas Jana area, inside the complex. The urban planning councillor indicated that this was not possible, given that these bins form part of the municipal assets and cannot be used in private areas.

Olive collection: it was reported that the Entity had decided to entrust the task to STV, in order to avoid destruction of public areas, trees and nearby areas; this work will be done at no cost to the Entity.

There being no further business, the meeting was adjourned at 20:15 hours, in the place and on the date indicated above, and whose content I bear witness to and sign as Secretary/Administrator, with the approval of the President.



SIGNED: SECRETARY-ADMINISTRATOR



APPROVAL OF THE PRESIDENT