

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

ATTENDEES:

NEIL SIMPSON	PRESIDENT URBAN ENTITY
ALAN BURGE	PRESIDENT NARANJOS 2, LEVEL 2
FEDERICO MESA	PRESIDENT JARDINES 2, LEVEL 2
ENRIQUE HERRERO	GNK DESARROLLOS
PETER BEATT	VICE PRESIDENT NARANJOS 1, LEVEL 2
FRANCISCO JAVIER BENITO	VICE PRESIDENT JARDINES 2, LEVEL 2
ANTONIO JOSE CAJA	URBAN PLANNING COUNCILLOR FROM TOWN HALL
JOSE MONTOYA DEL MORAL	URBAN ENTITY LAWYER
ANTONIO CASTRILLO	ADMIBURGOS
ADRIAN ZITTELLI	ADMIBURGOS
Via SKYPE	
ANDY WATKISS	PRESIDENT LA ISLA, LEVEL 2
IAN WHYTE	PRESIDENT NARANJOS 1, LEVEL 2
MARK AMBRIDGE	VICE PRESIDENT NARANJOS 2, LEVEL 2

The abovementioned, having been duly summoned, gathered in second summons in the meeting room at the Admiburgos office in Condado de Alhama de Murcia at 16:00 hours on 11th June 2018, under the following:

AGENDA

- 1. Approval of the previous meeting minutes.**
- 2. Debtor situation. Debt claims via administrative procedures.**
- 3. Update on La Isla lake (water levels, landscaping, boundaries).**
- 4. Public lighting, solution to problem with lampposts and theft of electric cabling. (Town Hall).**
- 5. Solution regarding irrigation water pipes. (Town Hall).**
- 6. Update on latest developments regarding collaboration with local police.**
- 7. Update on La Isla park. (Town Hall).**
- 8. Agreement on location of the pharmacy. (Town Hall).**
- 9. Removal of trees on inner ring. (Alan Burge).**
- 10. Request to the Council, if applicable, to review on their own initiative a declaration of nullity for each of the administrative acts applied to the service contracts linked to the Urban Conservation Entity of Condado de Alhama, carried out by the company STV Gestión, for the collection of rubbish, street cleaning and gardening /maintenance of green areas. (Federico Mesa and José Ángel Escrig).**

11. Agreement, if applicable, to sign the new STV contract, which includes the landscape remodelling on the outer ring.
12. Request to Alhama de Murcia council to commit, via a written document, to the cost of the modification of the layout of the Vereda de la Coquela path, which affects the outer ring of the complex. (Federico Mesa and José Ángel Escrig).
13. Notification to Alhama de Murcia council of the debtor members (owners and co-owners) of each of the plots that forms ANNEXE I of the statutes, according to their corresponding share within the Urban Entity, to claim this via administrative procedures. (Federico Mesa José Ángel Escrig).
14. Closure of unused parking on the outer ring. (Alan Burge).
15. Closure of part of the outer ring road after the summer, when the Alcanara gate is closed permanently. (Alan Burge).
16. Dog enclosure within La Isla park (as agreed by owners and the Urban Entity in the AGM's. (Alan Burge).
17. Proper name for the park being referred to as "La Isla park" (Alan Burge).

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

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

1. Approval of the previous meeting minutes.

Antonio Caja commented that, in his opinion, in item 4 of the minutes of the previous Meeting, the wording is inaccurate in relation to the implementation of guarantees and the irrigation pipes.

The other Presidents and proxies made no objections to the wording of the content of the minutes.

2. Debtor situation. Debt claims via administrative procedures.

The updated list of debtors in the Urban Entity was presented, which is as follows:

P	PROPIETARIO	DEUDA	FINCA	OBSERVACIONES
2	C-1.2 EQ. DEPORTIVOS CONDADO C	570,27 €	42334	
4	R-2.1 AGROFRUITS LEVANTE SL	80.705,57 €	42338	ENVIADO BUROFAX / CERTIFIED LETTER SENT
6	C-3 AGROFRUITS LEVANTE SL	8.608,24 €	42342	ENVIADO BUROFAX / CERTIFIED LETTER SENT
7	R-4 SAREB (BANKIA)	8.353,35 €	42344	INCIDENCIA ABIERTA CON SAREB. A ESPERA QUE UN GESTOR SE PONGA EN CONTACTO CON NOSOTROS / CLAIM OPENED WITH SAREB, WAITING FOR THEIR STAFF TO CONTACT US
8	R-5 POLARIS WORLD REAL ESTATE,	127.519,57 €	42346	
9	R-6 AGROFRUITS LEVANTE SL	66.000,53 €	42348	ENVIADO BUROFAX / CERTIFIED LETTER SENT
11	R-8 ALISEDA, SA	2.673,60 €	42352	PAGAN BIEN POR TRIMESTRE, RECLAMO EL SALDO DEUDOR. PENDIENTE QUE CONTESTEN EMAIL / THEY ARE PAYING REGULARLY BY QUARTER, THE OWED AMUOUNT WAS CLAIMED. AWAITING AN ANSWER.
12	R-9 NAR-I COM. PROP. NARANJOS	246.714,40 €	42354	
15	R-12 NAR-II COM. PROP. NARANJO	301.103,57 €	0	
16	C-13 AGROFRUITS LEVANTE SL	19.317,48 €	42360	ENVIADO BUROFAX / CERTIFIED LETTER SENT
17	R-14.1 SAREB (BMN)	18.997,86 €	42362	INCIDENCIA ABIERTA CON SAREB. A ESPERA QUE UN GESTOR SE PONGA EN CONTACTO CON NOSOTROS / CLAIM OPENED WITH SAREB, WAITING FOR THEIR STAFF TO CONTACT US
18	R-15 ALISEDA, SA	3.402,01 €	42364	PAGAN BIEN POR TRIMESTRE, RECLAMO EL SALDO DEUDOR. PENDIENTE QUE CONTESTEN EMAIL / THEY ARE PAYING REGULARLY BY QUARTER, THE OWED AMUOUNT WAS CLAIMED. AWAITING AN ANSWER.
19	R-16 AGROFRUITS LEVANTE SL	9.691,66 €	42366	ENVIADO BUROFAX / CERTIFIED LETTER SENT
24	C-29 SH.R SAREB, S.A.	6.058,71 €	42376	INCIDENCIA ABIERTA CON SAREB. A ESPERA QUE UN GESTOR SE PONGA EN CONTACTO CON NOSOTROS / CLAIM OPENED WITH SAREB, WAITING FOR THEIR STAFF TO CONTACT US
25	ST-59 POLARIS WORLD REAL ESTAT	6.689,68 €	42386	
26	ST-60 POLARIS WORLD REAL ESTAT	6.689,68 €	42388	
27	ST-61 POLARIS WORLD REAL ESTAT	6.689,68 €	42390	
28	ST-62 POLARIS WORLD REAL ESTAT	6.689,68 €	42392	
29	ST-66 POLARIS WORLD REAL ESTAT	6.689,68 €	42400	
30	ALKASAR COM.PROP.CENTROCOME	9.534,75 €	48347	
31	R-12 SOLARES EDANTRI XXI, S.L.	8.572,48 €	42358	CONTACTO CON EMPRESA POR TELEFONO. NO SABEN CON QUIEN PONERME. DIFICIL CONTACTO / CONTACTED COMPANY BY PHONE. THEY COULDN'T REFER US TO THE CORRECT PERSON. DIFFICULT TO CONTACT THEM
32	R-9 SOLARES GNK DESARROLLOS S.	674,96 €	0	RECLAMADO EMAIL. DEUDA PARTE DEL 1ER TRIMESTRE / CLAIMED BY EMAIL. PART OF 1ST QUARTER OWED
36	R-14.2 ALISEDA, SA	1.204,50 €	42362	PAGAN BIEN POR TRIMESTRE, RECLAMO EL SALDO DEUDOR. PENDIENTE QUE CONTESTEN EMAIL / THEY ARE PAYING REGULARLY BY QUARTER, THE OWED AMUOUNT WAS CLAIMED. AWAITING AN ANSWER.

Antonio Castrillo explained that we are working with each of them in order to recover these fees owed, using notification via burofax. He commented that as can be seen, the debt for Polaris World is quite significant, equal to that of Naranjos, who we are working with this year to restructure this debt. Sareb were contacted in March. Agrofruits Levante, S.L. is a new owner, whose data we did not have until November last year and from whom we have requested payment via formal means. Antonio Caja asked if the bankruptcy administrator for Polaris World had been contacted; Antonio Castrillo explained that an attempt was made to contact them last year, but they have not yet replied.

José Montoya explained that Agrofruits Levante, S.L. has presented an appeal at the Town Hall and the Municipality has sent this to the Community for it to make any arguments it deems necessary. The appeal is being looked at in order to respond to this requirement in a few days. Those present agreed unanimously to present the arguments deemed appropriate from a legal and administrative point of view.

3. Update on La Isla lake (water levels, landscaping, boundaries).

Neil Simpson explained that in the recent meeting of the committee dealing with irrigation water, it had been decided to set up an action protocol in case the Resort suffers a water emergency situation and/or restrictions in the supply of irrigation water. The main points of this protocol are:

1). Once this protocol is activated, the main priority is to maintain the level of water in the ornamental lake above 1.30 mts, in order to keep the circulation motors and the aerators working

and avoid a deterioration in the lake, which could cause serious problems and even unhealthy conditions for the residents.

2) In order to guarantee the level of the ornamental lake, the remaining water in the irrigation lake will be used, plus the rainwater ponds and other source of supply available. In the event that we do not have more water and taking into account evaporation through temperature, a week before the aforementioned limit irrigation will be suspended throughout the Resort until the emergency situation has been overcome.

3) At this time, residents will be requested to irrigate their own private gardens for the duration of the emergency.

It was reported that the levels of water in the ornamental have now been installed.

Regarding the question of the boundaries affecting the lake, it was reported that we are waiting for a reply from the Municipal Secretary to the communication sent last year. Antonio Caja confirmed that the reply will be sent to us in a few days.

4. Public lighting, solution to problem with lampposts and theft of electric cabling. (Town Hall).

Neil Simpson explained the problems which have occurred recently with lampposts on the outer ring which had fallen in the wind, and the theft of the cabling, both on the inner ring and the outer ring. Antonio Caja commented that this is a complex issue, and that it is necessary for the Entity to obtain a technical report specifying the condition of each streetlight and the reasons leading to their collapse, in order to submit this to the study of the council. Alan Burge asked Antonio Caja what would happen if the collapse of one of these features caused personal and/or material damage, and who would be responsible. Antonio Caja replied that responsibility would have to be established according to the case, depending on whether the collapse is attributable to the Council, as the owner of the feature, to a lack of maintenance by the Entity, or a result of extraordinarily strong winds, which in that case would be consortiable damage.

Approval was given to request an expert opinion on this to determine whether the fracture in the lampposts as a result of an original fault.

Regarding the theft of the cabling and the transfer from the Entity to the Council so it can go ahead with making claim from the municipal insurance company, Antonio Caja commented that he had no news. This has been requested from the Secretary, it is also understood that the Council would have to replace the cabling in the event that this is not covered by the community insurance.

5. Solution regarding irrigation water pipes. (Town Hall).

This was an update on the issue of the pipes and pending actions by the Council according to what was agreed in the last meeting in April. Antonio Caja commented that there was still no news, the Secretary had still not sent the notifications to Bankia and Sareb. Neil Simpson, as President of the

Urban Entity, urged the councillor to comply with the commitments undertaken in the meetings and within a reasonable period, especially with respect to the serious problem suffered by the Entity with regard to the supply of irrigation water, and he warned that a continued lack of action from the Council could produce unwanted and unnecessary results. Antonio Caja replied that he considered that the current Corporation had acted with absolute cooperation with the Entity and with the Complex, and that municipal procedures needed time to be implemented. Neil Simpson replied that he understood the difficulty with the issues, but he was requesting tangible progress with the commitments obtained in the meetings. Antonio Caja assured that the documents will be sent before the end of the month.

6. Update on latest developments regarding collaboration with local police.

Neil Simpson reported on the procedures carried out in the last few months with the Local Police, in particular the cooperation between the Entity and the new Chief Officer of Local Police, Mr. Toral. They have carried out inspections of vehicles within the inner ring which did not comply with current regulations, and these were removed by the Police; they have also had an information meeting with traders in the Al Kasar commercial centre; they have undertaken to deal with complaints caused by disturbance from dogs in properties, and they are working on a cooperation protocol with the staff from Security in order to increase surveillance in the Urbanisation this summer.

7. Update on La Isla park. (Town Hall).

The Council confirmed that the pending works are now finished; only the following remain pending on their part:

- Registering for supply for the kiosk (water and electricity).
- The grass on the pitch and some trees are affected by rabbits.

They confirmed that they have repaired the damage caused by the wind to the storehouse and the railing, and an earth ditch has been made to avoid damage in the park from runoff of water during periods of heavy rain.

A meeting has been organised with the Council and the Entity for next Monday, 18th June, with the aim of supplying information and technical data on the park.

Antonio Caja reported that for this year, it will not be possible for them to take out a concession for the sports facilities, but they will prepare this in time for next year. He also mentioned the possibility of including the jetty in this concession, to the categorical refusal of the President. Neil Simpson explained to Antonio Caja that the option of the jetty was included in the original Project but at the request of the Entity, it was withdrawn in a General Meeting due to complete disagreement from residents on La Isla.

8. Agreement on location of the pharmacy. (Town Hall).

Antonio Caja explained that the Department of Health sent a reply to the request from the Council, at the behest of the Association of Residents, for the installation of a pharmacy in the area of Condado de Alhama. The reply confirmed that this can be allowed in the event of finding a suitable location on municipal land. The only area available for this summer is the storehouse in the public park. This proposal was passed to the Urban Entity for them to look at it and make a decision; in fact, he confirmed that the change in use of the storehouse must be made at the behest of the Entity. The President commented that he did not agree with this item being put on the agenda without having received any information at all on the subject and the matter could not be discussed without first receiving all the relevant information. The cooperation and support of the UE could not be given until all this was received and before discussing it with the Council. If it was voted on now, the majority would vote against it due to the lack of substance, therefore he proposed that this vote be postponed until the UE and all relevant information. It was agreed to collect more information before the next Meeting.

9. Removal of trees on inner ring. (Alan Burge).

Alan Burge commented that many complaints have been received from owners about the inconvenience caused by trees located next to the back patios of properties (dirt, roots that lift up the soil, etc). He reported that solutions are being sought with STV to either relocate, replace or remove some trees. If asked if there were any objections to starting a study into this issue for subsequent approval in a future meeting; there were none.

10. Request to the Council, if applicable, to review on their own initiative a declaration of nullity for each of the administrative acts applied to the service contracts linked to the Urban Conservation Entity of Condado de Alhama, carried out by the company STV Gestión, for the collection of rubbish, street cleaning and gardening /maintenance of green areas. (Federico Mesa and José Ángel Escrig).

Federico Mesa proposed to submit these contracts to the study of the Council for them to analyse the possibility of cancellation. Antonio Caja commented that, in his opinion and that of his technical department, it was not appropriate to submit the study of these contracts to the Council, sharing the content of the legal report written by the Urban Entity lawyer. The President requested that it be submitted to the vote whether or not to accept this proposal, and that before discussing this question again, it should be based on a legal report to the contrary.

This request was refused by the majority of those present.

11. Agreement, if applicable, to sign the new STV contract, which includes the landscape remodelling on the outer ring.

Neil Simpson explained that the legal and formal details of the new contract for Gardening and Waste Collection were under negotiation, but the agreement proposed is based on approving the

financial conditions included with the summons, which include the works for landscape refurbishment required to ensure the sustainability of gardening on the outer ring, without adding extra costs.

Ian Whyte asked if the new agreement fully complied with the mandate agreed in the general meeting; Alan Burge commented that at the financial level it does comply, although in the duration of the contracts it was agreed to draw up a single contract with a total duration of 6 years, when currently the gardening contract expires within 4 years and that for waste collection within 6, therefore the unified contract has a duration of 6 years, in order to be financially viable.

Federico Mesa commented on two issues: he had observed a difference of approx. 14,000 m2 between the initial measurements and the last ones requested from STV, this will be looked at directly with STV. Secondly, he commented that out of his 7 presidents, 3 were for and 3 against; he asked José Montoya if signing this contract affected the ruling where the council is obliged to take on the waste collection service; the Lawyer commented that this contract did not change this aspect, given that the current contract prevents passing this service on to the Council. In 6 years, this decision can be reviewed with all owners.

Federico Mesa proposed that the Council be given a copy of the contract before signing it, and that the clause be reviewed on the period of commitment to regular payment.

Antonio Caja commented that up to today he had not been aware of all the information about this project, given that he had not been provided with the draft of the contract. It was replied that it has still not been finalised, in this meeting only the financial proposal could be voted on.

Antonio Caja commented that it was not known where the 80,000€ in savings came from. It was clarified that the details of the saving in water were included in the documentation delivered to the Council.

Antonio Caja clarified that the authorisation granted by the Council is only for the technical aspects. He commented that they did not agree with the proposed repayment.

The lawyer José Montoya indicated that, according to his advice, the gardening contract should not be extended because, although this two-year extension responds to a legitimate cause, as it is to equalise the duration of the two contracts (gardening and waste collection) and allow a reasonable repayment for the landscape enhancement works, this proposal could contradict the agreement adopted by owners in the General Meetings which set out, as a premise of the negotiation with STV, not to extend the periods set out in the contracts currently in force.

The President decided to postpone the vote until we have the specific draft of the contract and it is submitted to the vote in an Extraordinary General Meeting.

12. Request to Alhama de Murcia council to commit, via a written document, to the cost of the modification of the layout of the Vereda de la Coquela path, which affects the outer ring of the complex. (Federico Mesa and José Ángel Escrig).

It was reported that the Council has confirmed in writing that the cost of this work, which will be carried out under the developer's guarantees, is 36,519.58€ + VAT.

It was requested to take this work into account in the project for landscape remodelling.

13. Notification to Alhama de Murcia council of the debtor members (owners and co-owners) of each of the plots that forms ANNEXE I of the statutes, according to their corresponding share within the Urban Entity, to claim this via administrative procedures. (Federico Mesa José Ángel Escrig).

The Entity's lawyer, José Montoya, confirmed that this measure is not viable given that it contradicts article 13 of the Statutes, as was set out in detail in a previous written report, which was shown to and discussed with those present.

This proposal was rejected.

14. Closure of unused parking on the outer ring. (Alan Burge).

Alan Burge proposed closing the first two car parks located between the main entrance roundabout and the Alcanara sur gate, in order to avoid maintenance costs. All were in agreement.

15. Closure of part of the outer ring road after the summer, when the Alcanara gate is closed permanently. (Alan Burge).

Alan Burge proposed closing the roads on the outer ring which will not be used in winter, when the Alcanara norte gate is closed, in order to avoid maintenance costs. Antonio Caja indicated that both proposals should be presented in writing to the Council in the form of a project for its authorisation. Both measures were agreed and it was agreed to send them to the Council.

16. Dog enclosure within La Isla park (as agreed by owners and the Urban Entity in the AGM's. (Alan Burge).

Alan Burge commented that, as approved in the General Meetings in February, authorisation is going to be requested from the Council to put up a fence within the park, once it has been accepted by the Entity and is open to the public. Antonio Caja indicated that a plan of the location needs to be presented to the Council in order to obtain its authorisation.

17. Proper name for the park being referred to as "La Isla park" (Alan Burge).

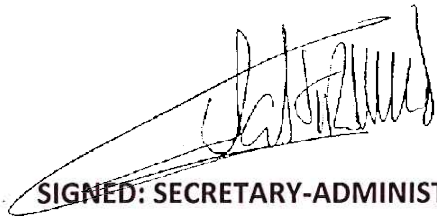
It was decided to name this as "Condado de Alhama Public Park". This will be requested in writing from the Council.

18. AOB.

- Neil Simpson asked the Administrator to communicate with the administrators of the Al Kasar in order to obtain authorisation to use the public notice boards.

- Antonio Caja reported that the works implemented under the guarantees are almost finished.

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

A handwritten signature in black ink, appearing to be "Antonio Caja", written over a horizontal line.

SIGNED: SECRETARY-ADMINISTRATOR

A handwritten signature in blue ink, appearing to be "N. M.", written over a horizontal line.

APPROVAL OF THE PRESIDENT