

**Associação de Proprietários da Quinta da Encosta Velha APQEV)
(Quinta da Encosta Velha Owners Association [OA])**

Minutes of Annual General Meeting

8th May 2016

Brown's, St.Martin's Lane, London

Attendance and apologies

The list of members attending and those who had sent apologies is attached to the minutes.

1. Welcome and Introduction

Ken Edis Chairman of the General Assembly Board welcomed those attending and referred to the apologies that had been received.

He referred to the recent death of Denzil Slumbers and spoke about the work that Denzil had done for the Association and the substantial contribution he had made to its development. He told members that, on behalf of the Association, a tree had been planted at QEV in memory of Denzil and in gratitude for his work.

2. Annual Accounts for the year to 31st December 2015

The annual accounts for 2015 and the report of the Fiscal Board had been circulated to all members in advance of the meeting.

The Treasurer spoke briefly about the arrangements for the production of the accounts and dealt with specific questions relating to provisions for late payers of the C&U charge. The Finance Committee is pursuing late payers and non-payers but a prudent provision had been taken against the value of non-member debts.

The Report of the Fiscal Board recorded that the accounts for 2015 had been reviewed to ensure that the activities they represent are in accord with the Articles of Association and approved by meetings of the Management Board and that they had been found to be satisfactory.

The Chairman proposed the following resolution:

“That the Annual Accounts for the year to 31st December 2015 be approved.”

The resolution was passed unanimously (In Favour : 615, including 275 proxy votes; Against : 0; Abstentions : 0).

3. Report and Update from the Management Board and Committees

Alan Midgley, deputizing for the Chairman of the Management Board, Tim Cooke who had sent apologies, gave a short report on various aspects of the activity of the Management Board and Committees. He referred to the written report recently circulated to members and briefly mentioned developments in respect of C&U costs and bad debts; deductions by GSA from owner accounts; work on the gardens, pools, manhole covers and sewers; and various other matters.

In response to questions about the poor state of the sewers, he confirmed that their maintenance had been taken over by the Camara and that complaints had been about the lack of progress in dealing with problems near the school and in parts of QEV. The merits of a formal complaint were discussed.

Further questions were raised and information given about the gardens programme, the replacement/renovation of manhole covers, and the commissioning and positioning of "Welcome" signs.

4. CCTV/Internet

Ian Hodges, Estate Manager, referred to the report on the CCTV/Internet project circulated with the meeting papers and confirmed that the project is moving into the execution stage. He mentioned the security improvements that the project will bring as well as access to fast/free fibre for Internet connection.

He confirmed, in response to questions, the Management Board view that the Association's role should be to make available a fast fibre Internet service and then allow members/residents to decide whether to connect and, if so, what services to provide for themselves. He expected that installation would be complete by the end of August 2016.

5. Election of the General Assembly Board

The following members, having been duly nominated for election, were unanimously elected to the General Assembly Board:

Chairman: Ken Edis
Vice Chairman: Tony Keck
Secretary: Peter Smith

6. Election of the Fiscal Board

The following members, having been duly nominated for election, were unanimously elected to the Fiscal Board:

Chairman: Philip Jordan
Secretary: Philip Mott
Reporter: Vernon Beamish

7. Election of the Management Board

The following members, having been duly nominated for election, were unanimously elected to the Fiscal Board:

Chairman: Tim Cooke
Secretary: Mags Jolly
Treasurer: John Mullin
Members: Jenny Marshall, Alan Midgley, Roger Starbuck, Mike Weaver

8. Sub-Committees

The Chairman reported that the Management Board proposes to constitute its sub-Committees as follows:

Fractional: Paul Darling, Philip Jordan, Alan Midgley, Philip Simpson, Roger Starbuck
Finance: Alan Midgley, John Mullin, Mike Weaver, Ian Hodges
M&I: Ian Hodges, Mags Jolly, Philip Simpson, Mike Weaver

9. Adoption of new Articles of Association and Rules for QEVOA

Peter Smith referred to the drafts of new Articles and Rules which had been circulated with the meeting papers and said that comments made by members following the last General Meeting had been taken into account by the Management Board in arriving at the final draft. He said that the draft of the Articles had been checked for compliance with Portuguese law and, once approved, would have to be notarized before they could come into effect. The Rules could be adopted and become effective (and subsequently amended when necessary) without the formality of notarization. The notary will be requested to allow the Articles to be brought into effect (with the Rules) on 1 October 2016 in preparation for the new membership year commencing on 1 January 2017.

The meeting was reminded that a 75% majority is required to adopt new Articles.

During discussion of the drafts, it was suggested that the Articles and/or Rules be amended to ensure that owners of a fractional property for which C&U had been paid in full could exercise 12 votes as of right and that the number of votes to be exercised should not be left to the discretion of the Chairman of the meeting. That suggestion received general support and, as a result, it was proposed that an amendment should be made to Article 35 and a consequential change to the Rules. The changes were to insert the words "Rules concerning the casting of votes by Registered Members who own a property fraction in a property where not all owners are Members may be included in the Association Rules" at the end of Article 35 and to substitute the words "The Chairman will" for the words "Special discretion is granted to the Chairman of the meeting to" in Rule 5.3.

Peter Smith referred to the requirement that all members present should initial the final version of the Articles agreed at the meeting and suggested that manuscript amendments be made to reflect the changes agreed. He then proposed the following resolution:

"That the original Articles of Association of the Associacao de Proprietarios da Quinta Encosta Velha (attached to the Incorporation of Association as an Additional Document) be amended

and replaced by new Articles of Association as set out in the document presented at the Annual General Meeting (including the manuscript amendment to Article 35 agreed at the meeting), initialled by all members present at the meeting, and attached to the minutes of that meeting.”

The resolution was passed by an overwhelming majority (In Favour : 603, including 263 proxy votes; Against: 12 (12 proxy votes); Abstentions: 0).

10. Future of the Pools and Reception Block – Survey Results and Next Steps

Ken Edis referred to the briefing and the results of the survey of members which had been circulated with the papers for the meeting.

He noted that:

- 130 individual responses to the survey had been received representing 88 properties (44 outright; 22 quarter fraction; 8 twelfth fraction; 14 corporate);
- The survey indicated that as much as €390,000 might be contributed by members for the purchase of the assets as a package provided that there is a reasonable return on investment and a viable business plan for the exploitation and management of the assets;
- The level of potential investment ranges across the spectrum - a group of just over 30 people expressed willingness to invest a total of almost €300,000 (19 x 5,000; 10 x 10,000; 2 x 20,000; 2 x 25,000) with a large number of smaller investors;
- 17 houses (out of 56) had expressed interest in investing in Pool 153 and 15 houses (out of 26) in Pool 154;
- Combining potential investment from “allocated” owners, multiple owners and owners who would like to have the right to use a different pool there appears to be just about enough investment to meet the anticipated full asking price of the pools.

He said that the purpose of the discussion at the meeting was to ascertain whether, in light of the results of the survey and the potential risks of allowing the assets to be acquired by an “outsider”, members are in favour of the Association committing time and a reasonable amount of resource to facilitating the acquisition of some or all of the assets by members.

Various points were made in the ensuing discussion concerning possible structures for an acquisition and the way in which the assets might be managed and operated following any acquisition.

Ken Edis proposed that the General Assembly Board, with assistance from Frank Sharpe, should be requested to take the project forward and, in particular, to:

- Confirm the current position with liquidator/creditors;
- Assess the feasibility of alternative approaches to acquisition based on survey information;

- Identify potential structures/operating models and methods of finance/implementation; and
- Prepare alternative proposals for the Management Board on the acquisition of the Pools alone; the Pools and Reception Block as a package; and the Reception Block alone.

On a show of hands the meeting strongly supported the proposal with no member opposing the proposal and one member abstaining.

Ken Edis said that the project group would get to work shortly after the AGM and would submit a proposal to the Management Board for its consideration within the next eight to ten weeks. The Management Board would then decide how and when to report back to members with a specific recommendation.

11. Other Business

It was noted that the informal meeting of fractional owners, organized by Roger Starbuck and held earlier in the day, had been successful and that a similar meeting would probably be convened at the time of the next General meeting of the Association. A request was made that the timetable should be arranged so as to allow the fractional meeting to take place after the General Meeting rather than before. The Chairman said that he would investigate the possibilities.

He explained that, as requested at the previous General Meeting, enquiries had been made about meeting venues in the Midlands with a view to moving the meeting out of London but that Brown's is currently the most economical venue. Further enquiries will be made, bearing in mind the difficulties of Sunday travel and the wish of some members to locate a suitable non-London venue.

The date of the next General Meeting has not yet been fixed but will be settled and announced as soon as possible.

Members agreed that the Chairman could sign the Minutes on behalf of those present and the meeting concluded at 3.15pm.

Chairman..... Ken Edis Date:

Secretary..... Peter Smith Date: