

Victory Hill Management Company - Notice of Extraordinary General Meeting (EGM)

The Directors of VHMC are calling an Extraordinary General Meeting (EGM) for 22 February 2021 and joining details for this virtual event, to be held over Zoom, are detailed on the attached EGM notice. Some of you may ask why an EGM is being held so soon after the AGM. There are two answers.

The first is that the Board would like members to authorise a change in policy on the company reserves (see resolution below). This is aimed at enabling us to weather unforeseen eventualities like cladding which can have serious financial implications for all of us.

The second is that a small number of Members have already attempted to convene an EGM of their own, a meeting that has no official status in Company law. Their meeting is bogus and those behind it hold no office with VHMC whatsoever. Please be advised that any claim that this is an official EGM with legal standing is false. I also strongly advise members not to pass personal data to these people in the belief it will be held securely by VHMC. These individuals do not represent VHMC and consequently I cannot vouch for the safety of any personal data that you send to them.

Resolution for the EGM:

"That Victory Hill Management Company Limited (the Company) shall fix annually the Reserve Fund contribution using a rolling period of 10 years to estimate expenditures in connection with provision of the Services. Clause 30.1 of the Fifth Schedule of the Lease is to be amended accordingly by deleting "3 years" in Line 4 and substituting "10 years"."

Background and Purpose

The Company is required to maintain, repair, amend, rebuild, renew and reinstate as necessary the Main Structures and the Common Parts of the Estate. Those Services that fall outside of the regular operation and maintenance (generally annual) are financed from the Reserve Fund. An estimating period of 3 years is too short to capture many of these expenses: for example, external cleaning and repairs which typically occur every 7 years. A longer planning period (i.e. more than 3 years) is needed to smooth the accumulation of the Reserve Fund such that all Leaseholders contribute equitably to upkeep and maintenance.

Should the Resolution be adopted, the proposal to amend Clause 30.1 of the Lease will be put to the Landlord (Freehold Managers Ltd) for their agreement. A final agenda will be published on our website no later than 21 days from the date of the EGM.

I apologise for any confusion that may have been caused by the false call for an EGM. There is only one official board of Directors and one official Company Secretary. Consequently, there is only one official EGM which is being called by the VHMC Directors for Monday 22 February 2021.

I and the board of directors will communicate further with all Leaseholders before 22nd February 2021 to provide you with full information about the subjects for presentation at the EGM. I ask that all Members take this seriously and attend even if you haven't done so before or if unable to, appoint an individual to act as proxy on your behalf (this can be stated on the attached notice). The safety of your investment, indeed your home could be at risk. In other words, the stakes could not be higher.

Yours Sincerely

Matt Garvey
Chairman, VHMC