

LITTLE MEADOWS (CRANLEIGH) MANAGEMENT COMPANY LIMITED

Correspondence address:

20 MARJORAM AVENUE
CRANLEIGH
GU6 8GS

Email: contact@littlemeadowcranleigh.co.uk

FirstPort Property Services No. 10 Limited,
formerly known as and called DJC Property Management Ltd.,
Registered Office:
Queensway House,
11 Queensway,
New Milton,
BH25 5NR

Copies to : FirstPort Group Ltd, Queensway House, 11 Queensway, New Milton BH25 5NR.
FirstPort Ltd, Marlborough House, Wigmore Lane, Luton LU2 9EX

Sent by : (i) "Signed for" mail.
(ii) Email to help@firstport.co.uk
(iii) Email to nathan.mitchell@firstport.co.uk

18 September 2023.

Dear Sir,

Re : Little Meadows (Cranleigh) Management Company Ltd ("LMC")

This company (LMC) has given you written notice that your management contract for LMC will not be renewed or continue after 07 January 2024. We have not received a written acknowledgement.

On 25 July 2023 we wrote to you requiring information about what, if any, commissions DJC and/or any FirstPort group company had received. We wrote :

"Please point out to us whether, and if so when and where, DJC disclosed to LMC, in writing, that it "had arrangements with insurance companies/brokers that allow the receipt of commissions", that gave rise to any commissions being paid to it, especially any such commission from Gallagher Insurance Brokers and/or the Zurich Insurance Company. This is of importance because you will note from clause 6.3 of the Management Agreement that the manager (DJC) is authorised to retain any such commissions only if "already declared"; that is, at the commencement of the management agreement dated 08 January 2019.

Clause 6.4 requires DJC "to disclose any further arrangements to the client that may lead to the receipt of commission that arise during the term". We have little doubt that such

Page 1 of 2

commission arose upon renewal of the Property Owners' Insurance policy on 20 May 2023. Please give full disclosure in accordance with clause 6.4 both as to the fact and source of any commission and the amount thereof, received by (i) KSB, (ii) DJC and (iii) any other company within the FirstPort stable, in connection therewith. Additionally we require the same details in respect of all and any other commissions received by or for the benefit of DJC or any sister company, other than those that fall within clause 6.3 of the management agreement.

As you will be aware, a person who holds funds as a trustee or fiduciary is not entitled to make and/or retain a secret or unauthorised profit for itself and so we require DJC, by Friday 18 August 2023, to present an account to its principal (LMC) in respect of all and any commissions other than those that fall within clause 6.3 of the management agreement."

We have received no reply whatsoever to this enquiry. Given that you are LMC's agent and an accounting party, please let us have the required details forthwith.

We also give you notice that in respect of the LMC half yearly sum due from estate owners the authority of FirstPort to bill and/or collect same, is hereby terminated. FirstPort (in any of its guises) must not do so. That is because:

- FirstPort has failed, despite being required to do so, to produce intelligible accounts relating to LMC,
- FirstPort has failed, despite being required to do so, to produce a (draft) budget for 2023/2024.
- FirstPort has failed to reply substantively to our correspondence.
- FirstPort has failed to provide an intelligible or accurate debtor list and/or to explain "unallocated" receipts.
- FirstPort is inept, unresponsive and incompetent in and about its duties as a managing agent.
- The Directors of LMC have no confidence that FirstPort can or will discharge its duties under the (soon to terminate) management contract in a proper, competent and/or businesslike manner.

We also give you notice that LMC requires FirstPort forthwith to transfer all and any monies held by it for and on behalf of LMC to the following account:

Little Meadows (Cranleigh) Management Company Ltd
NatWest Bank plc,
Sort : XX-XX-XX
A/c : XXXXXXXX

Yours faithfully,

[ORIGINAL COPY SIGNED]

Colin Harbour
Director - per pro Little Meadows (Cranleigh) Management Company Ltd