



**UNIVERSAL VACATION CLUB
ANNUAL MEETING OF THE MEMBERS
September 7, 2018**

MINUTES

The Annual Meeting (the “Meeting”) of the Members of the Universal Vacation Club, a California nonprofit corporation (“UVC” or the “Club”), was held on Friday, September 7, 2018, at 6870 Bermuda Road, Las Vegas, NV. The Meeting was called to order at 2:05 pm by Robert Kistner.

Board Members/Officers Present: Robert Kistner, Developer Director and UVC President
Mark Nelson, Developer Director and UVC Vice President
Carlos Aquino, Developer Director
Paul Moreno, Developer Director
Deborah McPherson, Member Director
Tim Bush, Member Director
Dolores Underwood, Member Director
Dennis Morrissey, UVC Treasurer/Secretary

Board Members Absent: Fernando Gonzalez, Developer Director

Invited Guests: Jon Epstein, Esq., Corporate Counsel
Nicholas Larez, UVC International, LLC (“UVCI”) Director
Member Experience, Legal Liaison
Cynthia Lasher, UVCI Client Services Manager, Recording Secretary and Legal Liaison

Members Present: Refer to attendance list

Preliminary Matters

UVC Board President, Robert Kistner, appointed Cynthia Lasher as the Recording Secretary of the Meeting to prepare Minutes of the Meeting. Ms. Lasher accepted that appointment. Mr. Kistner reviewed the agenda for the Meeting. ***A motion to approve the Agenda was duly made, seconded, and after discussion, approved unanimously by the Members. A motion to appoint Cynthia Lasher as the Inspector of Election for the 2018 Annual Meeting was duly made, seconded, and after discussion, approved unanimously by the Members.***

Introductions

The President introduced the Board, executives, staff, and UVC Corporate Counsel, and explained the differences between the Annual Meeting and the Member Social.

Proof of Notice of Meeting/Quorum Certification/Voting Process/Announcement

Cynthia Lasher stated that the Club's governing documents require a total of 10% of the total voting power of the Club to establish a quorum to conduct Club business. On August 6, 2018 via digital file and regular mail, a Notice of the Meeting and Ballot was sent to all the Members. Ms. Lasher verified that at least 10% of the voting power of the Club was established thereby constituting a quorum for this Annual Meeting. Ms. Lasher explained the process by which ballots were collected online and via mail. The results were tallied by an independent servicing company and overseen by Ms. Lasher as the Inspector of Elections. The results of the ballot tabulation are that Deborah McPherson was elected to the UVC Board of Directors for a term of three years.

Approval of 2017 Annual Meeting Minutes

The 2017 Annual Meeting Minutes are included in draft form on the UVC website. These had been approved by the Board at an earlier meeting. During this Meeting the Members have an opportunity to address any needed corrections. ***A motion to waive the reading of the 2017 Annual Meeting Minutes and approve those Minutes as written was duly made by Dolores Underwood, seconded by Bruce Block, and after discussion, approved unanimously.*** The "draft" watermark will be removed and the approved version of the Minutes added to the website.

Reports of Officers

Dennis Morrissey, UVC Treasurer, gave a brief financial overview of UVC. UVC is currently meeting budget expectations, effectively controlling expenses, and collecting membership dues. He reviewed the Treasurer's Report that will be included in the October 2018 maintenance fee billing cycle, and explained the breakdown of income from maintenance fees, Capital Expenditure Fund and other revenue. Although membership dues did not change in the past three years, the expenses associated with operating and maintaining the UVC resorts increased yearly. Some the increases in costs the resorts absorbed the last three years include: a rise in local taxes on the average of 10% over the past two years; salary and wage increases for the staff of 5 to 10% over the past three years; energy cost increases of up to 32% in 2017 alone; inflationary expense increases of 3 to 6% over the past three years; and insurance expense increases relative to natural phenomenon events, such as hurricanes, driving premium rates up on average of 28% over the past few years. Accordingly, for 2019, the UVC membership dues will increase by approximately 5%, based on membership type. In 2019, the Capital Reserve amount will be \$80.00 per week for the Premier and Gold memberships and for VPA points memberships. The Capital Reserve amount is set at 10% of the Maintenance Fee. These funds will be used to maintain and improve all of the UVC properties. The resorts are in the process of finalizing all the improvements planned for 2019.

New and Other Business

Since this is a Meeting of the Members, only Members present can vote on agenda items. At this Meeting, the only agenda items and motions open for voting by the Members were approvals of the Meeting agenda, last year's annual meeting minutes, appointment of the inspector of election, and adjournment of the Meeting. The director election results were tabulated prior to the Meeting and did not require a further Member vote at the Meeting. There were no other agenda items to present to the Members. No additional new or other business was brought before the Meeting.

Adjournment

At 2:20 pm, a motion to adjourn the Meeting was duly made by Tim Bush, seconded by Deborah McPherson, and after discussion approved unanimously.

Respectfully submitted:

Cynthia Lasher, Recording Secretary

Acknowledged by:

Robert Kistner, President