



**UNIVERSAL VACATION CLUB  
ANNUAL MEETING OF THE MEMBERS  
October 29, 2014**

**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 Wednesday, October 29, 2014, at Villa Del Palmar Flamingos, in Nuevo Vallarta, Nayarit, Mexico. The Meeting was called to order at 10:01 a.m. by President Robert Kistner.

Members Present: Refer to Annual Meeting Sign-In List

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

Board Members Absent: None

Invited Guests: Jon Epstein, UVC Legal Counsel  
Rhonda Mayer, Director of Member Services  
Cynthia Lasher, UVC Client Services Manager

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**Preliminary Matters**

The President appointed Cynthia Lasher as the Recording Secretary of the Meeting to prepare Minutes of the Meeting. Ms. Lasher accepted the 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.***

The President introduced the Board, resort and affiliate staff and executives, Member Advisory Committee members and the Eagle’s Wings Board of Directors.

Cynthia Lasher stated that the Club's governing documents require a total of 10 percent of the total voting power of the Club to establish a quorum to conduct Club business. Ms. Lasher stated that on September 15, 2014 a Notice of the Meeting and Proxy was sent to the Members in accordance with the Club's governing documents. Ms. Lasher verified that at least 10 percent of the voting power of the Club was present either in person or by proxy at the Meeting thereby constituting a quorum in order to lawfully hold the Meeting and transact business.

#### Inspectors of Election

The President indicated that Cynthia Lasher, Robin Larson and Elizabeth Ramsey had been appointed by the UVC Board as the Inspectors of Election.

#### 2013 Annual Meeting Minutes

The Minutes from the 2013 Annual Meeting were presented to the Members. ***A motion to waive the reading of the Minutes and approve them as written was duly made, seconded, and after discussion, approved unanimously by the Members.***

#### Election of Board of Directors

Robert Kistner read the names of the nominees for the open Member Director position on the UVC Board of Directors which included: James Duffy and Richard Stabile, DDS. There were no nominations from the floor. ***A motion to close the nominations was duly made, seconded and approved unanimously by the Members.*** At that time, all remaining ballots were collected from the floor by the Inspectors of Election and the Inspectors retired to tally the votes.

#### President's Address

Bob Kistner, UVC President, talked about the recent hurricane in Los Cabos and the efforts of the Developer, staff and the city to recover. He spoke of the preparedness of the resorts, the quality of the physical buildings and the comprehensiveness of the emergency plans. He explained the immediate steps that were taken, including the generosity of the Developers in terms of flights for staff families out of the area and major donations of food, water supplies and contributions to rebuilding. Mr. Kistner described the major multi-million dollar renovation taking place at the Villa del Palmar Puerto Vallarta and provided photos and renderings so the Members could visualize the significant change in look, feel, design and décor of the exterior and interiors of the property.

#### Club Director's Report

Rhonda Mayer, Director of Club Services, discussed Member Servicing through ResortCom International, LLC such as reservations and maintenance fee services and special services like meal plans, transportation, vacation banking, vacation borrowing, and exchanges. She also provided an update on the anticipated Member website interface. She also focused on Member communications and discussed Member promotions, newsletters and the new website. Lastly, Ms. Mayer presented an

overview of the Member Advisory Committee goals, some examples of changes facilitated by the MAC, and the new staggered term policy that will allow Members each year the opportunity to apply to the Committee.

### Treasurer's Report

Dennis Morrissey, Club Treasurer, reviewed the current financial position of the Club. UVC is currently on track to meet the goals for the 2014 Budget. Regarding Fiscal Year 2015, the Club will have a 5% increase to the operational portion of maintenance fees, primarily due to increased General and Administrative costs, taxes in Mexico, inflation and energy costs that to date have been absorbed by the Developer. The Capital/Reserve portion of the Membership Dues will remain at \$60 per interval for Premier and Gold Memberships and will be 8.5 percent of the Maintenance Fees for VPA Members in accordance with the Reserve Capital Expenditure Plan.

### Villa Group Update

Mr. Carlos Aquino, UVC Board Member, presented an overview of the Villa Group and some of the programs being implemented on a company-wide basis. (Individual resort reports will be held following the Annual Meeting at the Resort Q&A session.) Mr. Aquino focused on improvement in services levels and the management tools and procedures, in particular Market Metrix Benchmarking, utilized to increase these scores. Additionally, he discussed the Food and Beverage upgrades and enhancements at each destination. Lastly, he discussed the corporate philosophy towards staff retention and employee motivation and human resource programs implemented to empower the employee as well as increase Member service levels.

### Referral and Pre-Arrival Program Update

Kraig Hill explained the benefits of the Pre-Arrival Program (Elite Concierge Service) and the Referral Program. He announced the winner of the Referral group's Dream Vacation Giveaway as Robert and Elizabeth Berger.

### Announcement of Board of Directors Election Results

Ms. Lasher announced that Jim Duffy had been elected to the UVC Board of Directors.

### New and Other Business

No new or other business was brought before the Meeting.

### Adjournment

At 11:35 am, a motion to adjourn the Meeting was duly made, seconded and approved unanimously by the Members.

Respectfully submitted:

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Cynthia Lasher, Recording Secretary

Approved as to form only:

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Jon Epsten, Esq., UVC Legal Counsel

Acknowledged by:

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Robert Kistner, President

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