



***Club Caribe Villa del Palmar
Annual Members Meeting***

Villa del Palmar Cancun, Cancun, Mexico

May 8, 2014

MINUTES

A meeting (the “Meeting”) of the Members of the Club Caribe Villa del Palmar (the “Club” or “Club Caribe”), was held on Thursday, May 8, 2014, at Villa Del Palmar Cancun, in Quintana Roo, Mexico. The Meeting was called to order at 10:05 a.m. by Club President Robert Kistner.

Members Present: Refer to Annual Meeting Sign-In List

Preliminary Matters

Robert Kistner, President of this meeting according to article 43 of the Time Share Law of the State of Quintana Roo, welcomed the members to the Meeting. He asked if there were any Spanish-only speaking attendees in the audience, but all present spoke English. He indicated some minor changes to the agenda related to the order of speakers. He announced that at the last annual meeting, 18 members had registered for the Annual Meeting events. This year there were 58 members registered for the Annual Meeting events which is an increase of over 200 percent. Mr. Kistner reminded the members that roundtable discussions would be held following the Meeting for any personal questions.

Mr. Kistner introduced the executives of the resort and development group, management and staff as well as members of the Member Advisory Committee and Eagles Wings Foundation. 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.***

Cynthia Lasher stated that the Time Share Law of the State of Quintana Roo requires a total of 50 percent plus one of the total voting power of the Club to establish a quorum to conduct Club business in first call, and no minimum on a second call. Ms. Lasher stated that on April 1, 2014, a Notice of the Meeting and Proxy was sent to the Members in accordance with the Club Rules

and Regulations and that, in second call with 10 percent of the voting power of the Club present, quorum was constituted.

Inspectors of Election – Escrutadores

Mr. Kistner indicated that Cynthia Lasher had been appointed Recording Secretary and Mark Nelson and Dennis Morrissey had been appointed Escrutadores.

Election of Board of Directors

Mr. Kistner explained that pursuant to the Club's Governing Documents, the Directors on the Board serve staggered terms. This year there will be four directors elected for a period of two years. The other three directors will be up for re-election in 2015. The 2014 Board of Directors candidate nominations are Robert Kistner, Don Horton, Ron Van Denakker and Carlos Aquino. Mr. Kistner explained that Mr. Aquino was appointed by the Club Manager to replace Julieta Reynoso who stepped down from the Board. Mr. Aquino is up for re-election along with the other directors on the ballot.

A motion for nominations from the floor was duly made, seconded, and approved unanimously by the Members. 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, the ballots were collected from the floor by the Inspector of Election who retired to tally the votes.

A motion to waive the reading of, and approve, the Minutes as written from the last Club Caribe Annual Meeting, held December 12, 2013, was duly made, seconded and approved unanimously by the Members.

Club President Update

Robert Kistner explained the growth in membership of the Club and data regarding Club space usage. He also discussed Interval International and shared statistics on exchangers into the property and out of the property. VDP Cancun resort has achieved the highest levels of excellence with Interval International and because the club memberships have such high exchange value, Club Caribe members can enjoy some of the most beautiful properties in the world. In his slide show, Mr. Kistner showcased examples of high quality resorts which are comparable to others in the Interval Exchange system.

Resort Updates

The following representatives presented slideshow presentations of photos and updates on amenities, restaurants, products and services available at each respective resort destination:

1. Cancun Update - Juan Carlos Gonzalez, GM VDP Cancun
2. Cabo Update - Jorge Herran, Director of Operations, Cabo San Lucas
3. Vallarta Update - Rodolfo Cobos, GM, VDP Flamingos, Nuevo Vallarta
4. Loreto Update - Sixto Navarro, GM VDP Islands of Loreto

5. Garza Blanca Update - Carlos Aquino, VP Hospitality TAFER Group

Club Director's Report

Rhonda Mayer, Director of Club Services, explained quality control monitoring and procedures within the resort and through third parties such as Market Metrix and TripAdvisor. She also spoke about communication, in particular the upgraded member website, new newsletter format, and social media.

Servicing Company Update

John Small, Chairman of ResortCom, discussed member servicing and call center performance features such as vacation banking and borrowing, and vacation options like meal plans and transportation. He focused on the success to date of the newly-relocated Call Center in Las Vegas, Nevada.

Club Treasurer Report

Dennis Morrissey, Director of Developer Services, presented information to illustrate the Club's 2013 performance and 2014 budget projections. He reviewed the maintenance fees – no increases were implemented for 2014 - and the reserve funds which are being managed in accordance with the long-term plan to maintain the resort with adequate reserves.

Referral and PreArrival

Patrick Stewart explained the benefits of the Pre-Arrival Program, the Referral Program and the "Palmares" Program.

Eagle's Wings Foundation (EWF) Update

Robert Kistner, member of the EWF Board and Executive Committee, presented information on EWF and discussed the goals and influence of this great organization. He introduced President Eva Contreras de G., as well as Cancun area representative Julieta Reynoso. EWF raises funds to grant directly to institutions in cities where Villa Group resorts have been developed – orphanages, senior homes, libraries, assistance for the blind, infirmed and underprivileged – every dollar goes to someone who desperately needs help. EWF is working diligently to initiate the program in Cancun and there are accumulated funds of approximately \$20,000 that will be donated to area charities and non-profit organizations.

Announcement of Board of Directors Election Results

An election was held to re-elect members of the Club Caribe Board of Directors and reinforce the staggered pattern of terms in order to ensure continuity on the Board going forward. The directors that were re-elected for a period of two years are: Robert Kistner, Carlos Aquino, Ron Van Denakker, and Don Horton. At the next Annual Meeting, Fernando Gonzalez, Jr., Ward Anderson, and Dennis Morrissey will be up for re-election.

New and Other Business

No new or other business was brought before the Meeting.

Adjournment

At 11:40 am, a motion to adjourn the Meeting was duly made, seconded and approved unanimously by the Members.

Respectfully submitted:

Acknowledged by:

Cynthia Lasher, Recording Secretary

Robert Kistner, President

Mark Nelson, Escrutador

Dennis Morrissey Escrutador