

Meeting of the Board of Directors of the Neptune House Owners Association

February 26, 2016

The Board of Directors (the "Board") of the Neptune House Owners Association (the "Association") met telephonically by conference call at 7:30 a.m. on Friday, February 26, 2016. All members (Phil Totino, Mark Morrissette and Wayne Rioux) were in attendance. Also in attendance were Vice President of Facilities Planning Cheryl Moore, Secretary Chris Lindgren, Resort Manager Samantha Disotell, and Mike McManus of Vacation Resorts International (VRI).

Administrative Items

The Board, upon motion duly made and seconded, unanimously voted to approve the minutes of its meeting on February 12, 2016, as circulated in advance to the Board members.

Owners Meeting

The Board reviewed a further mailing to be sent to owners in early March regarding the March 19 Owners Meeting and including a form of proxy for owners who are not planning to attend the Owners Meeting to indicate whether or not they approve of the By-Laws as amended. Mike McManus reported that 120 people have indicated so far that they are planning to attend the March 19 meeting.

The Board then discussed presentations to be made at the Owners Meeting. Mike indicated that he would forward VRI's slides to the Board when those are finalized. Treasurer Mark Morrissette agreed to coordinate the various slides into a single presentation for the Board to review at its next meeting on March 11. Mike indicated that he would have copies of the recently-adopted Rental Policy and the Float Week Amnesty Program available for owners at the March 19 meeting.

Mike reported that he and Resort Manager Samantha Disotell have done research on the history of the Neptune House and are well on the way to preparing a display to be included as part of the presentation to former General Manager Meredith McAloon at the Owners Meeting. They are also working on getting a gift to be given to Meredith at the meeting.

Resort Management

The Board discussed revised resort signage and landscaping proposed by Vice President of Facilities Planning Cheryl Moore. Cheryl, Mike, and Samantha agreed to work off-line on finalizing a design and implementation plan for the signage, and to report back to the Board. Mike indicated that he and Samantha would discuss signage requirements with the Town, and Mike stated that he would obtain estimates for the cost of the proposed signage.

The Board discussed anticipated physical improvements to the resort, including landscaping, walkways and fencing; Mike agreed to provide a list of proposed improvements to be included in the slides for the March 19 Owners Meeting.

Cheryl Moore at this point needed to leave the meeting.

Chris Lindgren agreed to forward the current resort Rules and Regulations to Mike and Samantha for their review and revision.

Mike reviewed for the Board a proposed insurance policy received from The Armstrong Company, and summarized the differences between that proposal and the proposed renewal received earlier from Chelsea Insurance Agency, the resort's current broker. Mike indicated that VRI recommended accepting The Armstrong Company proposal, given its broader coverage and slightly lower rates as well as VRI's favorable experience with that firm at other resorts. After discussion, upon motion duly made and seconded, the Board voted unanimously to accept the proposal from The Armstrong Company, and authorized VRI to bind the coverages as recommended by The Armstrong Company.

Mike reported that the transition of responsibilities to VRI continued to go smoothly. He stated that VRI is working to break out the Association's adopted 2016 annual budget by month in order to facilitate monthly financial reporting of actual spending versus budget. He also stated that VRI is taking the steps necessary to reauthorize individuals to sign deeds on the Association's behalf.

Wayne Rioux noted that Association communications sometimes referred to the Neptune House Owners Association as "NHA" and sometimes as "NHOA". The Board indicated that the abbreviation "NHOA" should be used where "NHA" is not required by the governing documents.

Financial Management

Mike reported on the status of payments of the October Special Assessment, with 491 of an anticipated 625 shares having paid \$146,849 of that Special Assessment to date. He also reported that \$556,960 had been received so far as 2016 maintenance fees, and that a number of payment plans had been agreed to with owners.

Mike noted that late payment notices would be sent in early March to accounts not on payment plans that have outstanding balances other than amounts associated with the 2016 maintenance fee for float weeks.

Legal Issues

Chris updated the Board regarding proposed assignments of the NeptuneOwners.com and NeptuneHouse.com websites. After discussion, upon motion duly made and seconded, the Board unanimously voted to approve the assignment of the ownership of the NeptuneOwners.com and the NeptuneHouse.com websites to the Neptune House Owners Association or, if the Association's legal counsel advises that an individual should instead be the assignee, to the President of the Association.

Chris reviewed the Confidentiality and Non-Disclosure Agreement drafted by VRI and reviewed by counsel that will be required to be signed by owners requesting a copy of the list of owners.

Following the above discussion, the meeting was adjourned.

Respectively submitted

Chris Lindgren, Secretary