

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

May 20, 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, May 20, 2016. All members (Phil Totino, Mark Morrisette 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

Upon motion duly made and seconded, the Board voted to approve the minutes of its meeting on May 6, 2016, as circulated in advance to the Board members.

Financial Management

President Phil Totino reviewed VRI's reports on the final results of the Float Week Amnesty Program and on collections from delinquent owners. Phil reported that he had signed an agreement with Continental Central Credit, Inc. (CCCI) to pursue collections for delinquent owners, based on VRI's favorable experience with that organization. Fifteen fixed week shares and seven float week shares were referred to CCCI for action.

Mike McManus summarized proposals received from Rodio & Brown, Ltd. and from Sayer Regan & Thayer, LLC to conduct non-judicial foreclosures of shares. After discussing the foreclosure process and reviewing the differences between the two proposals, the Board, upon motion duly made and seconded, voted to accept the lower-cost proposal from Rodio & Brown, and instructed Mike to work with Attorney Rodio to move forward with the foreclosure project. At this point, there are 44 fixed week shares and 41 float week shares slated for foreclosure.

Legal Issues

Mike updated the Board regarding deeds sent to owners who elected to convey their float weeks to the Association as part of the Float Week Amnesty Program, indicating that 30 deeds had been sent so far to those owners for their completion, and that approximately 20 more deeds remained to be sent after confirming the correct grantor wording for those deeds. Mike indicated that he was also working with Sayer Regan & Thayer to finalize the forms of deed to transfer fixed and float weeks from the Association and other owners to new buyers.

Phil indicated that the Board needed to authorize individuals to execute deeds on behalf of the Association. After discussion, upon motion duly made and seconded, the Board voted to adopt the following resolution suggested by Secretary Chris Lindgren:

RESOLVED: The Board hereby authorizes any one of the President or Secretary of the Neptune House Owners Association (the Association) or the Resort Manager of the Neptune House to execute deeds and related documents on behalf of the Association to convey interests in and to units of the Neptune House Condominium. This resolution shall replace any prior resolutions authorizing execution of any such deeds, and shall remain in full force and effect until superseded or revoked by the Board of Directors of the Association.

Chris then updated the Board on the status of a suit received from owner Donna Neufeld regarding the collection of delinquent fees for her unit.

Resort Management

Mike reviewed the updated list that he had sent earlier to the Board regarding physical improvements to the resort in process or planned for the 2016 season. He noted that Advanced Reserve Solutions had been on-site to conduct the Reserve Study, and that its preliminary report was expected in the next 21 days.

Sales and Marketing Program

Mike reported on the status of updates to the Neptunehouse.com website, indicating that the website was down for a few days as a result of the transition of hosting to Weebly. Mike indicated that new pictures of the resort that were posted on the VRI website will also be posted on the Neptunehouse.com site.

Executive Session

Samantha Disotell and Mike McManus left the meeting. The Board members then met in executive session with Vice President of Facilities Planning Cheryl Moore and Secretary Chris Lindgren present.

Following the executive session, the meeting was adjourned.

Respectively submitted

Chris Lindgren, Secretary