

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

March 1, 2017

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 Wednesday, March 1, 2017. All members (Phil Totino, Cheryl Moore and Mark Morrisette) were in attendance. Also in attendance were 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 February 3, 2017, as circulated in advance to the Board members.

The Board agreed that regular meetings during the second quarter of 2017 would be held on April 7, May 5 and June 2.

The Board discussed the mailing sent to owners on February 10 regarding the March 18 Owners Meeting. The Board also reviewed drafts of the slide presentation for that meeting and a newsletter to be sent to owners following the meeting, as previously circulated by President Phil Totino. Mike McManus indicated that, in future mailings that contained a ballot, VRI would include a return envelope to facilitate owner voting. Mike indicated that to date 69 proxy votes had been received from 44 owners, and that replies had been received indicating that 29 individuals would attend the Owners Meeting in person. Mike indicated that VRI would further encourage owners to submit their votes. President Phil Totino asked that any changes to the Owners Meeting slide presentation, or to the newsletter to be sent to owners following that meeting, be sent to him.

The Board agreed to hold the 2018 Owners Meeting on March 24, 2018.

Resort Management

Vice President of Facilities Planning Cheryl Moore reported on quotes from contractors regarding demolition of the current cement pool decking, and installation of pavers once the pool is completed. She also indicated that another option was to install a rubberized surface over the existing cement decking, and that she would discuss that approach with Hendricks Pools and a contractor specializing in installation of the rubberized surface. Cheryl also stated that she would provide Resort Manager Samantha Disotell with a sketch for pool lighting placement.

The Board discussed signage that would be needed for the pool and a schedule – subject to change in future years after we get experience with operating costs and owner usage patterns – to keep the pool open from 9 a.m. to 9 p.m. each day, weather permitting. The Board agreed that Mike McManus would serve as Owner's Project Manager when the project moves into the construction phase, as it will be necessary to have someone close to the work site coordinating the efforts of the various contractors performing different pieces of the work.

Mike McManus provided an update on repair and maintenance projects in process and planned for the 2017 season.

Sales and Marketing Program

Mike and Samantha indicated that they would provide updated photos of the resort to Interval International, redweek, weholi and Timesharing Today, as those websites include outdated pictures of the resort.

The Board discussed a final version of the Reseller's Handbook, intended to help owners seeking to sell their shares, as circulated prior to the meeting. Upon motion duly made and seconded, the Board voted to approve the Reseller's Handbook as circulated, including the Deedback Program included in the Handbook. The Board directed VRI to post the Handbook on the resort website.

Mike reviewed comments received from David Rodway of Points Plus, LLC regarding the last draft – as reviewed by Attorney Stephen Rodio on behalf of the Association – of the proposed agreement for Points Plus to market Association-owned shares in conjunction with Interval International's Club Interval Gold (CIG) points program. The Board discussed a proposed response to David Rodway's comments, and Secretary Chris Lindgren indicated that he would review that response with Attorney Rodio, with the goal of finalizing the agreement in advance of the March 18 Owners Meeting.

In anticipation of having a final agreement with Points Plus available to approve, the Board agreed to meet on Thursday, March 16, at 7:30 a.m., at which time the Board would also review progress on arrangements for the pool decking.

Financial Management

Mike reported on payments to date of 2017 fees, which continue to compare favorably with the status at this point in 2016.

Mike indicated that VRI would review the continued appropriateness of the posted rental rates for the resort, and would update the rate sheet to reflect 2017 date ranges.

Executive Session

Mike McManus and Samantha Disotell left the meeting. The Board members then met in executive session with Secretary Chris Lindgren present.

Following the executive session, the meeting was adjourned at 9:20 a.m.

Respectively submitted

Chris Lindgren, Secretary