

**MINUTES OF THE
ANNUAL MEETING OF THE MEMBERS OF
THE CHRISTIE LODGE OWNERS ASSOCIATION, INC.
Saturday, October 5, 2019
Chicago, Illinois**

I. CALL TO ORDER

Mr. Bill McReynolds welcomed the owners, introduced himself, and thanked everyone for attending the meeting. The Annual Meeting of Members (the “Annual Meeting”) of The Christie Lodge Owners Association, Inc. (the “Association”) was called to order at 9:01 a.m. Central Daylight Time on Saturday, October 5, 2019 at the Crowne Plaza Lodge, Rosemont, Chicago, Illinois, in the Balmoral Ballroom, by Mr. Bill McReynolds, President of the Association. Mr. McReynolds introduced the Association Board of Directors: Mr. Allen Robinson, Mr. John Mertens, Mr. Jonathan David, Mr. Earl Hauserman (not in attendance due to illness), Mr. Ted Langworthy, and Mr. Tim Fisher. Mr. Bill McReynolds also introduced Committee Members: Ms. Jonasue Phillips, Mrs. Christina Blackmon, Mr. J. Raymond David, Ms. Kristen Nostrand, and Mr. Dick Wessel. Also introduced were Mr. Jerry Oliver, Association Council, and Ms. Soraya Gonzales, Interval International. Mr. Bill McReynolds then turned the meeting over to Mr. Jerry Oliver

Mr. Jerry Oliver advised the meeting would follow the agenda included in the owners’ meeting packet, and would proceed informally, stating Roberts Rules of Order apply and if contested, Mr. Tim Fisher would serve as Parliamentarian. Mr. Jerry Oliver described the motion procedures to be followed and reminded the audience to wait for a staff member and use the microphone when addressing the meeting, clearly stating name, city and state in order to have the proceedings properly documented into the written record.

II. PROOF OF NOTICE OF ANNUAL MEETING

A. Proof of Notice. Mr. Jerry Oliver offered the Certificate of Mailing of Notice of the Annual Meeting on October 05, 2019, as executed by Lisa Siegert-Free, Managing Director and General Manager, certifying the Notice of Annual Meeting was mailed to all owners of record on August 16, 2019.

B. Establish Quorum. Mr. Jerry Oliver explained there are 15,529 possible votes in The Christie Lodge Owners Association, Inc. comprised of 19 commercial units which have 51 votes each; 3 remaining whole residential units have 52 votes each; and 277 timeshare units with 52 votes each. A quorum for a meeting is 10% of the total, or 1,553 votes. He received a tabulation of the owners in attendance in person or by proxy, which was prepared by Mr. Eric Lickteig, CFO. Mr. Jerry Oliver noted there were 4,250 votes present at the meeting in person or by proxy; he declared a quorum was present, and declared an official Annual Meeting of the Christie Lodge Owners Association.

III. READING OF THE MINUTES OF THE PRECEDING ANNUAL MEETING

Mr. Jerry Oliver asked for a motion to waive the reading of the prior year's minutes and approve the minutes of the 2018 Annual Meeting. Carol Coles, Westmont, Illinois made a motion to waive the reading of and approve the prior year's minutes and Kenneth Wyka, Illinois seconded the motion, which passed by acclamation.

IV. REPORTS OF COMMITTEES

Mr. Jerry Oliver requested reports from the various committees of the Board and introduced Mr. J. Raymond David, Chairman of the Audit Committee, to present the Audit Committee report.

A. Audit Committee. Mr. J. Raymond David, Audit Committee Chair, noted we received a clean opinion. He referred the owners to the audit report in their meeting packet and pointed out we have almost \$4.2M in cash. Rental income is \$3.6M for the year and this allowed us to transfer \$421,269 over to capital for future projects. Mr. J. Raymond also noted over the last three years management has put \$8.8M back into the lodge. Mr. J. Raymond thanked the staff and stated staff are doing a good job at keeping things tight.

B. Legal Committee. Mr. Jerry Oliver introduced Mr. Tim Fisher, Legal Committee Chair. Mr. Fisher reported there are no pending legal issues he also stated this is due to management doing a good job mitigating risk and there is nothing to report.

V. REPORT OF OFFICERS AND MANAGEMENT

Mr. Jerry Oliver introduced Ms. Lisa Siegert-Free, Managing Director and General Manager of the Lodge.

A. Presentation on Timeshare Stats & Valley Update. Ms. Siegert-Free thanked the owners for attending and introduced the staff members in attendance. Her presentation included a comparison of owner maintenance fee costs to the industry average, noting Christie Lodge fees are significantly lower than the industry. Ms. Siegert-Free stated rentals are a popular part of our revenue and we did well this year due to the snow fall. In addition, she explained and presented Christie Lodge's NPS (National Promoter Score) of 39.7% and is above the national average for hotels. Ms. Siegert-Free presented information about Vail and Beaver Creek's new offerings, outlining Vail Resorts has recently purchased 17 new resorts to tie into the Epic Pass, as well as information about local activities. Ms. Siegert-Free then introduced Mr. Rick Dameron, Executive Director of Operations.

B. Presentation on Projects/Renovations/Reservations. Mr. Dameron presented on projects, renovations, and reservations at the lodge. Mr. Dameron stated 17% of maintenance fees goes to capital reserve. Mr. Dameron also presented the following: photos of the recent painting of the outside of building and described the colors used, pictures of the inside of lodge showing the new carpet, photos of the outside hand railing replacements and related costs, and he presented a diagram of the improved streetscape rendering of Beaver Creek Blvd. is now complete. He talked about future capital expense items to come, such as larger TV's, Murphy Beds in living room and Platform Beds with storage underneath. Mr. Dameron reminded owners to book as much as 360 days in advance to ensure the best chance of getting your reservation in. In addition, he presented on in-house activities available at the lodge.

Mr. Jerry Oliver thanked the managers for their presentations.

VI. NOMINATION OF CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS.

Mr. Jerry Oliver explained the eligibility requirements of candidates.

A. Explanation of Eligibility Requirements and Election Procedures. Mr. Jerry Oliver stated owners will be voting to fill two director position on the Board. He explained owners must be in good standing and be current on payments of assessments to the lodge; submit

a resume to the Association prior to August 1st; and interview with the Board Recruitment and Nomination Committee. Mr. Jerry Oliver also stated there cannot be a majority of Board members from any one state.

Mr. Jerry Oliver introduced Ms. Christina Blackmon, Recruitment and Nomination Committee Chair. Ms. Blackmon referred owners to the candidate resumes in their meeting packets and announced the slate of candidates. Ms. Blackmon then called for a motion and second to nominate the slate of candidates. Mr. J. Raymond David made the first motion and Ms. Jonasue Philips seconded the motion for the nomination of the slate of candidates. The motion passed by acclamation.

Each of the following candidates spoke briefly regarding their timeshare ownership at the lodge and their personal qualifications: Mr. Tim Fisher, Mr. Gary Kujawski, Mr. David Linnear and Ms. Rebecca Kalahiki.

VII. APPOINTMENT OF THE ELECTION INSPECTORS.

Mr. Jerry Oliver asked for a motion and a second to waive appointment of inspectors. Avis Henderson, Chicago, IL made the first motion and Carol Cole, Westmont, Illinois seconded the motion. Mr. Jerry Oliver asked if there was any discussion, and there was none.

VIII. ELECTION AND VOTING

Preprinted ballots were provided in each owner's registration package upon check-in. Mr. Jerry Oliver asked the staff to collect the ballots.

IX. INTRODUCTIONS

Ms. Lisa Siegert-Free introduced Soraya Gonzales, from Interval International. Ms. Gonzales gave a brief summary of how to book an exchange through Interval International. She also mentioned Interval International has over 3200 resorts to exchange into. Ms. Gonzales encouraged all members to login to Interval International website and explore the services and benefits.

Mr. Jerry Oliver referred the owners to page 32 of the owner packet. Mr. Jerry Oliver explained that excess operational money would be moved to capital reserve. Jerry Oliver read the following amendment in order to comply with the IRS requirements for the Association:

ASSESSMENT/RESERVES RESOLUTION

RESOLVED, any amounts collected by or paid to the Association in excess of operating expenses for the fiscal year end June 30, 2019 shall be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by Revenue Rulings 70-604, 75-370 and 75-371. Such amounts shall be deposited into financially secure, interest bearing accounts. Any amounts so added to the capital replacement reserves shall be allocated to the various components at the direction of the Board.

FURTHER RESOLVED, any excess amounts added to capital reserves instead of being rebated to owners or applied to next year's assessments shall be used for capital reserves.

FURTHER RESOLVED, any 2019-2020 assessments received prior to June 30, 2019, the Association's fiscal year end, shall apply only to services required to be performed in the following fiscal year and shall be deemed to be held in escrow by the Association against payments for the next year's fiscal services.

FURTHER RESOLVED, the Board is to take all actions necessary or appropriate to make capital reserves and excess funds at year ends non-taxable, including stating a separate itemization for capital reserves on the assessment statement, separating capital reserves from operating funds of the Association and depositing any early receipts into an escrow account.

Mr. Jerry Oliver asked for a motion to approve the resolution as presented. Crista Robinson, Oklahoma made the motion and Kristin Nostrand, Santa Rosa Beach, California seconded. The motion passed.

Mr. Jerry Oliver asked for a motion to pass the resolution ratifying all Board of Director Acts as presented. Mr. Jerry Oliver asked for a motion to pass the resolution as presented. Mr. Kenneth Wyka, of Illinois made the motion and Ms. Kimberly Chetfield, of Chicago seconded. The motion passed by acclamation.

X. UNFINISHED BUSINESS

A. Mr. Tim Fisher discussed what has been happening in the timeshare industry with rescue company fraudulent activity. Mr. Fisher explained the Christie Lodge staff continues to do their best to support their members. As a Christie Lodge owner if you have any questions regarding this matter, please call the Christie Lodge and talk to Vacation Owner Services.

XI. NEW BUSINESS

A. Announce All Election Results. Mr. Jerry Oliver announced Mr. Gary Kujawski as a newly elected board member and Tim Fisher, who was re-elected for a second term to serve. Mr. Jerry Oliver asked for a round of applause for the lodge management team.

Mr. Jerry Oliver asked if there was any additional new business, and there was none.

XII. ADJOURNMENT

Mr. Jerry Oliver called for a motion to adjourn the meeting. Carol Cole, Westmont, Illinois first motioned and Mr. Johnathan David seconded the motion. The motion to adjourn the meeting passed and the meeting was adjourned at 11:00 a.m. CDT.