

**Tahoe Beach and Ski Club Owners' Association
Emergency Board of Directors' Meeting
Teleconference
Monday, December 29, 2014**

Minutes

I. CALL TO ORDER/ROLL CALL

Sedric Ketchum took roll call at 6:32 p.m. PST. Board members in attendance were Sedric Ketchum, Shannon Krutz, Jacob Bercu and Steve Williams. Al Fong joined the meeting at the commencement of the Executive Session. Each director stated their consent to this special meeting and agreed to waive formal notice requirements. Sedric Ketchum announced the emergency special board meeting is called to order and conducted in accordance with Section 13, Article VI.

Representing VRI Management was Tamara Hollingsworth, General Manager. Grand Pacific Resort Management in attendance were Jay Anderson, Mandi Osborn, Regional Director; Janina Kershaw, Accounting Manager and Lisa Omori, Legal Counsel. Nigel Lobo, Chief Operating Officer of Grand Pacific Resort Management joined the meeting at the commencement of the Executive Session.

Joan Wright, legal counsel for the Association, joined the meeting at the commencement of the executive session.

There were no other individuals in attendance.

Mandi Osborn recorded the meeting minutes at the Board's direction.

II. APPROVAL OF AGENDA

On motion of Jacob Bercu, seconded by Shannon Krutz, the agenda was unanimously approved.

On unanimous consent and with no objections, the meeting was recessed at 6:39 p.m. and reconvened at 7:30 p.m.

III. LITIGATION AND OTHER LEGAL MATTERS

A. VRI sale of HOA owned weeks to DRI.

On unanimous consent and with no objections, the Board moved into Executive Session at 7:30 p.m. to discuss possible litigation and excused Tamara Hollingsworth.

On unanimous consent and with no objections, the Board adjourned Executive Session to the Regular Meeting at 8:40 p.m.

At the Board's direction, the below resolutions are stated and recorded as part of the Regular Session:

On motion of Jacob Bercu, seconded by Sedric Ketchum, the Board unanimously adopted the following resolutions: “Resolved, effective as of December 29, 2014 until account balances are transferred to Grand Pacific Resorts any disbursement in excess of \$5,000 from the following accounts: Bank of America operating account, Union Bank operating account, Merrill Lynch operating account, Merrill Lynch replacement account, Merrill Lynch operating investment and Merrill Lynch replacement investment will require Board approval and at least two signatures for any disbursement check. One of the mentioned signatures must be Al Fong, Board President of the Association with the second being any Director. Resolved further, the President and Officers are directed and authorized to communicate this directive to the Managing Agent and all related banking institutions; to execute any bank forms; and to take any action necessary to carry out these resolutions.”

On motion of Steve Williams, seconded by Jacob Bercu, the Board unanimously adopted the following resolution, “Resolved, the Board and Officers are authorized the allocation of up to \$3,000 to engage the legal advice and services of Joan Wright for the subject of the VRI conveyance of HOA owned inventory to DRI.”

On motion of Jacob Bercu, seconded by Sedric Ketchum, the Board unanimously adopted the following resolution: “Resolved, until the Board determines whether to ratify, modify or reject the sale of association weeks to Diamond Resorts supported by check number 7090049301 in the amount of \$227,300 all of the 287 intervals will remain Association inventory and will not be recognized as being transferred to Diamond Resorts. Resolved further, Grand Pacific Resorts is directed to treat these intervals as Association owned for purposes of reservations, billing and owner roster until the Board determines whether the sale of intervals to DRI is ratified, modified, or rejected.”

Based on legal opinion of the Board Legal Counsel, the President notified each Board Member and invited Guests participating in this Emergency Meeting on December 29, 2014, that all discussions during this meeting are to be held in strictest confidence and are not to be shared with anyone not in attendance, including the principal or superior of a Club representative who is also a sitting Board Member.

- B. Next Meeting. The Board unanimously agreed to schedule a special meeting on January 7, 2015 at 10:00 a.m. [Pacific Time] and directed Grand Pacific Resorts to prepare and deliver notice of meeting with telephonic conference instructions and proposed agenda.

IV. ADJOURNMENT

On unanimous consent and with no objections, the meeting adjourned at 8:45 p.m.