

**ROYAL RESORT VACATION OWNERS ASSOCIATION, INC. (“RVS II”)  
ANNUAL OWNERS MEETING  
ROYAL RESORT CONFERENCE ROOM  
SATURDAY, OCTOBER 29, 2016  
9:00 A.M. (PDT)**

**MINUTES**

**I. CALL TO ORDER**

President Michael Simonoff called the meeting to order at 9:00 a.m. (PDT) and noted that Doug Wilcox of TPI will chair the meeting for the board. Those in attendance were:

**Board of Directors**

Michael Simonoff	President
Philip Shepherd	Secretary

**Board Members Not Present**

Timothy Sullivan	Treasurer
Michele Pashaie	Secretary

**Trading Places International**

Doug Wilcox	Sr. Director of Resort Operations
Victor Perez	Resort Manager
Gary Frazier	HOA Accounting
Casey Clayson	Administrative Assistant, Resort Management

**II. PROOF OF NOTICE OF MEETING**

Doug Wilcox announced the notice of the meeting and that election materials were mailed on September 22, 2016 in compliance with the project documents. A copy of the notice is on file with the meeting records.

**III. ANNOUNCEMENT OF QUORUM**

Mr. Wilcox announced that the quorum requirement of the bylaws had been satisfied having met at least the 10% of membership representation. The 15% requirement, or 2,838.9 votes of the 18,926 active member total votes, was exceeded with a total of 39.5% of quorum received either via proxy or in attendance. Given the previous information, Mr. Wilcox declared this an official meeting of the owners.

#### IV. APPROVAL OF MINUTES OF PREVIOUS MEETING

##### A. October 24, 2015 – Annual Meeting

*Mr. Wilcox noted that the vote by members in person and by proxy had approved the minutes without change.*

#### V. REPORTS

##### A. Board of Directors

Michael Simonoff announced that Phil Shepherd had resigned from the board of directors due to his having conveyed title to another party and was no longer a member of the association. He noted that Phil had served on the board since 1997 and thanked him for his generous service to the Association.

##### B. Management

Victor Perez discussed the situation with the Right to Use association having dissolved their timeshare organization that there were very few actual owners that are checking in to the Royal Hotel any more. Most are rental customers and they have been experiencing a little more than 50% occupancy.

Victor related that they are completing some very important upgrades at the Royal with the hot water storage being replaced and the front desk was receiving a new key encoding system that will upgrade the quality of the access to the units. Victor also informed the owners in attendance that the street and sidewalk repairs in front of the Royal were finally completed after two months.

##### C. Financials

Mr. Simonoff informed the members present that the budget for 2017 had been approved in a board meeting prior to the annual meeting and that it results in a 20% increase in fees to each owner. He also stated that it is expected that this will be recurring each year with such a reduction in ownership the association has experienced.

Doug Wilcox informed the members that the 2017 budget was for a total of \$223,215 and that it had to be spread among just 185 remaining owners.

Victor Perez explained to the members that the budget was created to make the increase to members as little as possible and that it does not include any funding of reserves which are needed when major components have to be repaired or replaced in their units such as Televisions, refrigerators, beds, furniture, etc. He is not sure how he will get the money from owners to buy those items, probably through special assessments if needed.

Mr. Simonoff reiterated the recommendation of the board to the members that the option for each of them to receive a fully paid membership in Vacation Internationale (VI) in exchange for the owners deeding their Royal timeshare back to the Hotel Owner was an excellent option and encouraged owners to accept it and enjoy some great vacations with VI.

**VI. ADJOURNMENT**

*A motion was made by Phil Shepherd and seconded by Rosalyn Sherman to adjourn the Annual Owners Meeting.*

*The motion carried.*

The meeting adjourned at 10:20 a.m. (PDT).

**Submitted by:**

By: Trading Places International,  
Its: Managing Agent

**Approved by:**

By: Royal Resort Vacation Owners  
Association, Inc.

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Douglas L. Wilcox  
Sr. Vice President of Resort Operations

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Tim Sullivan  
President

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