

Approved 1- 8-2009

**THE SURF CLUB CONDOMINIUM ASSOCIATION
TELECONFERENCE MEETING
DECEMBER 16, 2008**

The meeting was called to order at 2:00 p.m. at the Hilton Grand Vacations Regional Office, Marco Island, Florida. Board members in attendance were: Bill Chandler, Joe McCluskey (via telephone) and Jim McCanna (via telephone). Attending from Hilton Grand Vacation (HGV) were: Sharry Luneke – Resort Manager, Randy Piatt - Regional Vice President Resort Operations (via telephone), Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting. Also in attendance Attorney Morris via telephone

APPOINTMENT OF RECORDING SECRETARY

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to appoint Riki Martin as recording secretary for this meeting. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.**

APPROVAL OF AGENDA & CERTIFICATION OF MEETING NOTICE

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to approve the agenda and certification of meeting notice. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.**

BY-LAW AMENDMENTS

Based on the voting strategy approved by the Board on October 23, 2008. **MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve the limited proxy form as amended today and prepared by Attorney Morris and authorize management to implement the strategy starting with week 1, year 2009.** Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.** (Attached as Addendum A)

HOT WATER BOILER ON ROOF

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve management's recommendations that we replace boiler # 2 with a new Lochinvar "Armor" boiler instead of repairing it and make the necessary adjustments to our reserve schedule. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.**

Ms. Kilpatrick stated we have received one candidate form to date which is a person who has not served on the board.

The term limits will be made clear to all potential candidates and owners.

INVESTMENTS OF RESERVES

The Board discussed the investment of reserves and was in agreement to have comparisons from Morgan Stanley and Comerica at the January 2009 meeting.

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to place the reserve funds with Morgan Stanley and revisit the investments at the January meeting. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.** (Morgan Stanley application Addendum B)

REQUEST FOR INFORMATION FROM DBPR

Mr. McCanna asked Mr. Piatt why he did not respond to his request for all correspondence to and from the Florida Department of Business and Professional Regulations. Mr. Piatt stated he would be happy to send any correspondence that HGV legal department approved to be sent to the Board. HGV will have a response to the request at the January 2009 meeting.

ELEVATORS

Mrs. Luneke has received three bids from Tim Murk. Mr. Murk will review the bids and provide the Board with an analysis prior to the January 2009 meeting.

ADJOURNMENT

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to adjourn the meeting. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.**

Meeting adjourned at 3:05 p.m.

The Surf Club of Marco, Inc.
Limited Proxy Form

KNOW ALL PERSONS BY THESE PRESENTS;

The undersigned owner(s), or designated voter of one or more weeks in The Surf Club of Marco, Inc. hereby appoint(s) the Secretary of The Surf Club or Marco, Inc., as my proxyholder, to attend the meeting of the members of the Association to be held on January 4, 2010 at 10 a.m., at the Surf Club Social Room located at 540 S. Collier Blvd, Marco Island, FL 34145. The proxyholder named above has the authority to vote and act for me for all units and weeks owned by me to the same extent that I would if personally present, with power of substitution, except that my proxyholder's authority is limited as indicated below:

Limited Powers:

_____ I hereby specifically authorize and instruct my proxy to cast my vote in reference to the following matters only as indicated below.

_____ This proxy is revocable by the unit owner and is valid only for the meeting which it is given and any lawful adjournment. This proxy shall be valid from the date of execution to the date of the meeting as noticed above. In no event is the proxy valid for more than ninety (90) days from the date of the original meeting for which it is given.

To amend the Bylaws of The Surf Club or Marco, Inc. as set forth below:

Note: New language is underlined; language being deleted is shown in ~~struck-through~~ type.

ARTICLE II Directors (A)(2) Board of Directors: shall be amended to read as shown below:

2. At such time as owners other than Developer are entitled to elect a majority of the Board of Directors, the number of Directors on the Board shall be ~~three (3)~~ five (5) persons to be elected as set forth in Section B of this Article. The owners' representative on the Board elected as specified in Section B of this Article shall be owners, co-owners, spouses of owners, mortgagees of Time Share Estates, or in the case of corporate owners, the managing entity of mortgagees of Time Share estates, officers, Directors, shareholders, or authorized employees of such corporation or entity.

_____ Yes _____ No

ARTICLE II Directors (C) Term of Office: shall be amended to read as shown below:

1. Directors of the Association shall be elected by the owners for a ~~three (3)~~ two (2) year term or until his or her earlier death, resignation, or removal. ~~A Director may not succeed himself on the Board.~~
2. ~~Initially, to establish a staggered term, the top vote recipient shall serve for 3 years, second highest for 2 years, and third highest for 1 year. This method shall~~

~~be used once following adoption. Subsequently, all Directors shall be elected for three-year terms.~~

Initially to implement the five(5) member Board following adoption and recording of this Amendment, the following procedures shall be adhered to:

In year 2010, two directors shall be elected for a two year term. In the year 2011, three directors shall be elected for a two year term. Thereafter, two directors shall be elected each even year, and three directors shall be elected each odd year.

____ Yes

____ No

ARTICLE XIII. Amendment (B) Approval: shall be amended to read as shown below:

An Amendment shall be approved by fifty and one tenth (50.1%) ~~sixty-six and two-thirds (66-2/3%)~~ percent of all owners. Owners not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.

____ Yes

____ No

The undersigned ratify and confirm any and all acts and things that the proxy may do or cause to be done in the premises, whether at the meeting referred to above or at any change, adjournment, or continuation of it, and revoke all prior proxies previously executed.

Dated: _____

Unit Owner
Print name _____

Unit Owner
Print name _____

Unit Owner Address:

Units Owned Include the Following:

