

**UNIVERSAL VACATION CLUB
ANNUAL MEETING OF THE MEMBERS
October 25, 2008
MINUTES**

The Annual Meeting (the “Meeting”) of the Members of the Universal Vacation Club, a California nonprofit corporation (“UVC” or the “Club”), was held on Saturday, October 25, 2008, at Villa Del Palmar Flamingos, in Nuevo Vallarta, Nayarit, Mexico. The Meeting was called to order at 10:15 a.m. by President, Robert Kistner.

Members Present: Refer to Annual Meeting Sign-In List

Board Members Present: Robert Kistner, President
Mark Nelson, Vice President
Jim Duffy, Member Director
Jim McCarthy, Member Director
Carlos Aquino, Developer Director

Board Members Absent: Fernando Gonzalez, Developer Director
Tim Bush, Member Director
Luz Maria Torres, Developer Director

ResortCom International: Jeff Healy, Club Secretary/Treasurer
Ken Owens, Vice President of Travel and Wholesale Marketing

Invited Guests: Rhonda Mayer, UVC Club Director
Desiree Ashley, UVC Client Services Coordinator
Bob Ryan, Eagles Wings Foundation
Peggy Schaffer, MAC Member
Jon Epsten, UVC Legal Counsel

Preliminary Matters

Robert Kistner, Club President, welcomed the Members to the 24th Annual Meeting of UVC. All of the Members present at the Meeting in person or by proxy waived notice of the Meeting by virtue of their participation in the Meeting. The President appointed Desiree Ashley as the Recording Secretary of the Meeting to take notes and prepare Minutes of the Meeting. Ms. Ashley accepted the appointment.

Robert Kistner introduced the Board of Directors, Villa Group representatives, UVC staff, and ResortCom Management Company representatives to the Members and thanked everyone for their continuing dedication.

The President appointed Desiree Ashley as the Inspector of Elections to certify the quorum for the Meeting. Ms. Ashley accepted the appointment. Desiree Ashley stated that the Club’s governing documents require a total of 10 percent of the total voting power of the Club to establish a quorum to conduct Club business. Ms. Ashley stated that 21 percent of the voting power of the Club was present either in person or by proxy, thereby constituting a valid quorum in order to lawfully hold the Meeting and transact business thereat.

2007 Annual Meeting Minutes

The Minutes from the 2007 Annual Meeting were presented to the Members. A motion to waive the reading of the Minutes was duly made by Bernie Bastian, seconded by Dolores Underwood and unanimously approved by the Members. Virginia Carpenter noted that on page one of the Minutes, the phrase “2005 Minutes” should read “2006 Minutes,” then pointed out an extra word, an extra space and a misspelled word in the Minutes. The Members in attendance reviewed the Minutes on their own. A motion to amend the Minutes with the corrections noted was duly made by Bruce Block, seconded by Jim Roth and unanimously approved by the Members. Thereafter, a motion to approve the amended Minutes was duly made by Jack Underwood, seconded by Gert Baumann and unanimously approved by the Members.

Election of Board of Directors

Robert Kistner announced that the nominees for the available Member Director position on the UVC Board of Directors are Jim Duffy, Robert Hix, Jim Phillips, and Agostino Riccardi. Mr. Kistner read aloud short biographies that each candidate previously submitted.

With no further nominations from the floor, a motion to close nominations was duly made by Joseph Orr, seconded by Jack Underwood, and unanimously carried by the Members. Members Ron McPherson and Oschr Holt volunteered to serve as Assistant Inspectors of election and to verify the Inspector of election’s ballot count results. Mr. Kistner called for a brief recess for secret balloting.

President’s Address

Bob Kistner, UVC President, called the Meeting back to order. He informed the Members about a very important new guest survey tool the Club implemented in 2008 to collect Members’ experiences online. The new reporting system will greatly improve the Member services department by allowing the Club to effectively monitor Members’ feedback in a comprehensive database. Mr. Kistner announced that UVC is evaluating the kitchen packages available at each Resort in order to standardize the kitchenware packages offered at all of the Resorts so that Members will be able to expect to have access to the same kitchenware amenities when visiting any of the Resorts. Villa del Arco continues to be in high demand, but availability for Club reservations at Villa del Arco is growing as Villa Del Arco inventory is sold to Club Members. Mr. Kistner updated Members on the development progress of the Villa del Palmar Loreto and Cancun Resorts and announced that the developer is also considering the acquisition of additional land in both Puerto Vallarta and Cabo San Lucas for future developments.

Treasurer's Report

Jeff Healy, Club Treasurer, reviewed the current financial position of the Club. Mr. Healy stated over the past 25 years that the Club has continued to be financially secure and contributing to the Reserve Fund that maintains the Resorts. Mr. Healy indicated that a 2009 Budget overview and Treasurer’s Report would be forthcoming to all Members and included in the next maintenance fee billing. Mr. Healy reported that approximately 90 percent of the Budget is associated with operating costs of all of the Resorts and that the 2009 Budget increase is within the Mexican national average cost of living index and inflation rate. Mr. Healy expressed confidence with the Club’s investment portfolio performance considering the current economic situation in the United States. Mr. Healy stated that UVC continues to be a fiscally sound owner association with a stable cash flow, managed budget and reserve fund.

Management Company Update

Ken Owens, Vice President of Reservations and Wholesale Marketing at ResortCom International, expressed much satisfaction with the Member Service Team’s performance over the year. He reported that the Club received 28%

more phone calls and 15% more reservations were made than during the previous year, demonstrating that UVC Members are taking vacations and Member Services is there helping them. Mr. Owens stated that UVC Gold Members are automatically members of the Travel Escapes! Club, which is designed to be a full-service travel concierge. Mr. Owens announced that beginning this year, the Suite Getaways rental program application process is entirely online.

Resort Updates

Carlos Aquino, Regional Director Cabo, expressed his pleasure in seeing Members return year after year and the familiarity that is experienced with being part of a timeshare Resort. He introduced Mauricio Salicrup and Ernesto Hernandez, the General Managers of Villa del Palmar Vallarta and Flamingos, and then introduced Armando Garcia, the new Regional Director Puerto Vallarta. The Members watched an informative media presentation which allowed them to see their “dollars at work” with the improvements to the Resorts throughout the year as part of the contingency plan. The video highlighted improvements for the year in the Resorts’ spas, pools, restaurants, common areas and unit interiors. Mr. Aquino expressed the importance of receiving Members’ feedback using the new survey system for the continued improvement of the Resorts.

Member Advisory Committee

Peggy Schaffer, a Member of the Member Advisory Committee (MAC), reported on the history of the MAC, the reason for its creation and its ongoing mission to enhance UVC membership. Ms. Schaffer reported that the MAC assists the Club to improve its services through MAC Committee Member observations while on vacation and feedback gained by visiting with other Members while onsite. Ms. Schaffer reported on the improvements that were a direct result of MAC involvement over 2008. Ms. Schaffer applauded Dolores Underwood, John Sauer and the UVC management for implementing the Membership 101 Class and taking the mystery out of vacation ownership. Ms. Schaffer thanked Rhonda Mayer and the UVC Board for continuing to support the MAC. Ms. Schaffer recognized the MAC members present in the room and encouraged Members to get involved with their MAC Committee Members. Mr. Kistner expressed his gratitude for the support of the MAC and their commitment to the Club.

Eagle’s Wings Foundation Report

The Members watched a video presentation featuring local beneficiaries of Eagle’s Wings Foundation grants. Jim McCarthy, President of the Eagle’s Wings Foundation, reported on the progress of the Foundation to date via telephone. Mr. McCarthy gave a moving presentation about the Eagle’s Wings Foundation and the organizations it benefits. Mr. McCarthy thanked all of the UVC Members for their contributions and said that because of them, the Foundation was able to donate \$131,000 to worthy organizations in 2008. Bob Ryan thanked Fernando Gonzalez for donating the production cost of the recently published Eagle’s Wings Foundation Brochure that Members received in their information packets. Mr. Ryan presented the soaring eagle award to Delores Underwood and thanked her for raising money for the Foundation by selling raffle tickets for the EWF benefit raffle and her tireless work supporting the Foundation. Mr. Ryan thanked the UVC Members again and invited them to buy tickets for a special bus trip Sunday morning to see firsthand the local organizations that benefit from the Foundation. Mr. Kistner announced the Eagle’s Wings Foundation website at www.eagleswingsmexico.org.

Announcement of Board of Directors Election Results

Ms. Ashley thanked all of the candidates for their interest and announced that Jim Duffy was re-elected as a Member Director Representative to the UVC Board of Directors, with Jim Phillips coming in as the runner up. Robert Kistner, Club President congratulated Jim Duffy as the elected Member Director.

New and other Business

No new or other business was brought before the Meeting.

Adjournment

A motion to adjourn the Meeting was duly made from the floor, seconded from the floor and unanimously approved by the Members and the Meeting was adjourned at 12:08 p.m.

Respectfully submitted:

Acknowledged by:

Desiree Ashley, Recording Secretary

Robert Kistner, President

Approved as to form only:

Jon Epsten, UVC Legal Counsel