

**RIVERVIEW RESORT CONDOMINIUM TRUST  
BOARD OF TRUSTEES TELEPHONIC MEETING MINUTES  
January 28, 2010**

**I. CALL TO ORDER/ROLL CALL**

The telephonic meeting of the Board of Trustees was called to order by Dan Mardirosian at 3:02 p.m. The following persons were in attendance:

Board of Trustees:

Stuart Allen  
Ralph F. Browne Jr.  
Dan Gallagher  
Roy Fraser  
Daniel Mardirosian

Vacation Resorts International and Resort Staff:

Rich Muller, Sr. Vice President of Resort Operations/VRI  
Michael McManus, Director of Resorts/VRI  
Israel Soares, General Manager

Other: John Kehoe, Vacation Internationale, Chief Financial Officer

**II. APPROVAL OF AGENDA**

**MOTION:** Dan Gallagher moved to approve the agenda as presented. Motion was seconded by Ralph F. Browne Jr. and approved unanimously.

**III. APPROVAL AND ACCEPTANCE OF PREVIOUS MEETING MINUTES**

A. Approval of Regular Meeting Minutes (09/11/09)

**MOTION:** Stuart Allen moved to approve the meeting minutes of September 11, 2009 as amended. Motion was seconded by Dan Mardirosian and approved unanimously.

B. Acceptance of Annual Meeting Minutes (09/12/09)

**MOTION:** Stuart Allen moved to accept the Annual Meeting Minutes of September 12, 2009 as written. Motion was seconded by Dan Mardirosian and approved unanimously.

#### IV. MANAGEMENT REPORTS

##### A. Resort Update

Israel Soares updated the Board on the following items:

###### Front Desk

- Staff is working on organizing owner files.
- Riverview Resort's website has been updated.
- Staff is fielding owner calls and is actively involved with maintenance fee collections.
- Written Information Security Plan, "WISP" as required by a new State law has been prepared for Board approval.

###### Housekeeping

- The housekeeping staff has been laid off for the shutdown period and will return to work on February 26, 2010.
- Cleaners continued to work at SeaWinds II during its shutdown period from January 1st-15th at but at SeaWinds II's expense.

###### Maintenance

- Staff worked on second floor units repairing curtain rods and painting living room and bedroom walls.
- The hallways, ceilings, pool and spa surface areas were painted during the shutdown period.
- Staff installed 27" TV's in each room at the resort. Now all living rooms and bedrooms have 27" TV's
- The resort purchased a "walk-behind" CUB CADEDT Super Speed 21' Blade lawn mower and in-house staff will be performing the landscaping duties in 2010.

##### B. Financials

Michael McManus distributed and reviewed the year-end financial statements of December 31, 2009. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement, and Cash Flow Analysis.

##### C. Seawinds II

Michael McManus stated that Seawinds II has met their financial obligation to Riverview Resort as of Month End December 2009.

D. Colebrook Loan

Michael McManus distributed the Riverview Resort Reserve Cash Flow Analysis. The Board discussed the current amortization schedule and the affect of alleviating future cash flow shortages or refinancing that loan and extending the repayment term.

**MOTION:** Roy Fraser moved to refinance the existing Colebrook loan and extend the maturity date by two years to January 31, 2015 thereby reducing the amount of the annual principal payment from \$129,920 to \$86,613. The loan would be repaid through 6 annual principal payments of \$86, 613 beginning on January 31, 2010. A documentation modification fee of \$1,500 is being charged and the current rate shall be 9% (the minimum rate based on an interest rate floor of 9%). The loan is to be secured by the assignment of all common charge and special charge assessments due to the Trust from Timeshare Interval Week Owner beneficiaries of this Trust. Daniel Mardirosian, President of the Board of Trustees, is authorized to execute any and all documents necessary to effect the consummation of the transaction. Motion was seconded by Dan Gallagher and approved unanimously.

V. **NEW BUSINESS**

A. WISP

Michael McManus reported that Massachusetts passed a new law CMR 17.00 called the Written Information Security Plan (WISP). It requires any business processing personal information that associates a person's first and last name associated with a social security number, driver's license number and/or credit card number whether in written or digital form, to have a written policy protecting that information. Michael McManus reviewed the WISP plan proposed by VRI that was drafted specifically for Riverview Resort.

**MOTION:** Daniel Mardirosian moved to accept the WISP plan as presented by management to comply with CMR 17.00. Motion was seconded by Ralph F. Browne and approved unanimously.

VI. **OLD BUSINESS**

A. Sales

Rich Muller reported that sales are slow and steady as expected and VDS recorded 37 sales in 2009.

B. Conserve Energy / Solar Power

Michael McManus reviewed proposal from Cape Light Compact. Michael stated that TJ Turner, Energy Specialist, RISE Engineering will be at Riverview on February 5, 2010 to perform an Energy Audit and will propose any additional energy saving programs that are available to Riverview. Discussion was held.

**MOTION:** Dan Gallagher moved to approve the proposal from Cape Light Compact as presented at a cost of \$398.86 to convert the second floor hall lights. Motion was seconded by Roy Fraser and approved unanimously.

C. Contract Matrix

Michael McManus reported that the VRI management contract is up for renewal in December 2010. Jan Samson, Sr. Vice President of Corporate and Business Development will prepare and present renewal options for the Board's consideration.

**VII. OTHER**

A. Open Discussion

**MOTION:** Stuart Allen moved to adjourn to Executive Session at 3:50 p.m. Motion was seconded by Dan Gallagher and approved unanimously.

**MOTION:** Stuart Allen moved to return to Regular meeting at 4:12 p.m. Motion was seconded by Dan Gallagher and approved unanimously.

The Board directed management to add owner correspondence to the next agenda in order to deal with any special request s or considerations. Management is to prepare guidelines for dealing with owner account issues and special request for the Board to consider at the next meeting.

**MOTION:** Dan Gallagher moved to authorize VRI management work with client to reach a solution to the current debt issue. Motion was seconded by Roy Fraser and approved unanimously.

B. Next Meeting Date

The next meeting is scheduled for Friday, May 14, 2010, 10:00 a.m. at Riverview Resort for a walk through and then the Board Meeting will be at 10:30 a.m. at the VRI office, Hyannis, MA.

Riverview Resort  
January 28, 2010

### **VIII. ADJOURNMENT**

**MOTION:** There being no further business, Dan Gallagher moved to adjourn the meeting at 4:26 p.m. Motion was seconded by Dan Mardirosian and approved unanimously.

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Stuart Allen, Secretary

MJM/jmf

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