

Minutes of the general meeting of the Home Owners' Association LOR

Date: 7 January 2016

Attendants: see attachment

Venue: Lagoon Ocean Resort, Curaçao

1. Opening

Chairman Walter de Koning opens the meeting. It is observed that the required quorum (of no less than 9 owners) is present, in accordance with the Articles of Association. The proxies are identified and listed. See the attachment for an overview.

The following items are added to the agenda (agenda item 7):

- Septic tank
- Use of bleach during cleaning works
- Use of Skype when meetings are held
- Internet signal strength

2. Voting rules

Since the rules regarding voting are unclear, at the request of the Board, a memo "Explanation about the organization and working method of the Owners' Association LOR" was drawn up by Meyer Law & Mediation, which memo is now under debate. Contrary to what was announced, the civil-law notary is not present because the costs were rising too high. However, arrangements have been made for questions to be submitted afterward by e-mail. The meeting is requested to approve the memo and attachment.

The following is addressed during the discussion:

- In the memo (par 2.2) it has been stipulated that the members of the Owners' Association (the owners) may be represented and that neither the law, nor the articles of association lay down requirements pertaining to the person; in other words, the power of attorney is not required to be a member. Is this correct? This will be verified. If the above is correct, is it then also correct that the number of powers of attorney of a non-member is unlimited? This will also be verified. Action to be taken by the **Board**.
- There is a discussion about the desirability for a spouse / non-owner, child, legal power of attorney to be able to represent an owner.
- It is pointed out that dominance of one party when voting during a meeting is not desired. On the other hand, if someone places his trust in the hands of another, there should be no reason to call this into question.
- Is it possible to be 'present in a digital form'? In other words: is it possible to (partially) attend the meeting through Skype, GoToMeeting or a similar program? The **Board** will verify what is permitted and what is technically possible in this regard.

Resolution: the meeting agrees with the memo and attachment. The Board will provide the answers to the questions by e-mail.

3. Minutes of the general meeting of 28 February 2015

There are no remarks about the text of the minutes. Resolution: the minutes are adopted.

The following is discussed in connection with the minutes:

- Why and when was there a guard? That was a reaction to a series of burglaries through the course of 2015. The guards were active for 3 weeks
- Will the tiled floor surrounding the swimming pool be sealed? This will be provided for in the short term
- Where can the keys to the pedestrian door be picked up? Bernd Gabold or Peter Koster can provide the keys. A number of copies still need to be made. **Action to be taken by the Board.**
- Where can remotes be purchased? At Cribal, Schonegevelstraat 72, tel. (599-9) 869-2472

Since the required quorum was not present at the previous meeting, the relevant resolutions of the previous meeting will be adopted again during today's meeting. Walter de Koning announces to be prepared to serve as chairman for a full period of 3 years (instead of 1½ years). Resolutions:

- The meeting approves the financial reports for 2012-2014. The meeting discharges the Board
- The budget for 2015 is determined, including the budget for improvements and the resolution not to increase the maintenance contribution in 2015
- The meeting appoints Walter de Koning as chairman and treasurer and Hens de Jong as member of the board for the period from 1 March 2015 up to and including 28 February 2018
- The meeting approves the list of improvements as referred to in the report of 28 February 2015.

4. Finances 2015 and 2016

In November 2015, the board drew up a forecast of the available means per 1 January 2016. Walter de Koning points out that the assets of the Owners' Association amount to approximately NAF 10,000 consisting of NAF 7,500 in the bank account and approximately NAF 2,500 due from owners.

The following is discussed:

- There actually are insufficient cash funds available for use in case of emergencies. It is therefore preferable to make NAF 10,000 available for improvements rather than NAF 20,000. This will be used for minor matters, ongoing costs.
- There is general agreement on a 5% increase of the maintenance contribution, also considering the fact that this is the first increase in 3 years.
- It would be good to provide the Owners' Association with additional cash funds. Deborah Strano proposes to do this by way of an additional, one-off deposit, so that the sales value of a unit is not affected by a higher maintenance fee. The one-off contribution would need to be linked to a specifically designated investment. This proposal will be addressed again in agenda item 7.

Resolution:

- The meeting takes notice of the forecast of income and expenditure in 2015
- The meeting approves a 5% increase of the maintenance contribution
- The meeting approves the 2016 Budget, subject to the proviso that NAF 10,000 is added to the Equity Capital and only NAF 10,000 NAF remains available for improvements.

5. Appointment audit committee

An audit committee will inspect the expenditure of the Board. According to the Articles of Incorporation, the audit committee must consist of two persons.

Resolution: the meeting appoints **Hans Mons and Sharon Cheyne** as members of the audit committee 2015.

6. Security

6.1 Cameras

The Board did not succeed in having security cameras installed in 2015. Peter Koster and, subsequently, Walter de Koning explain the run of affairs in 2015 (as also set out in words in the attached documents). At its own expense, Bahia had installed cameras in various locations of the resort. Peter Koster points out that he will submit his offer again at the meeting.

The following is discussed:

- various members emphasize the importance of cameras
- Proposal-Bahia: what more needs to be done in addition to the cameras already installed? The placement of a few additional cameras is required.
- Proposal-Bahia: is it possible to see the footage? Yes, but only when there is a reason for this. Is it possible to view the footage from distance (through the internet)? No, it is not.
- is there a difference in the quality of the cameras that are offered? Yes, the cameras from the Hartel proposal are digital cameras and produce clearer images. The footage can also be viewed from distance. The images from the Bahia proposal are less clear, but are sufficient for the intended use by LOR
- Proposal-Bahia: is it possible to connect additional cameras (installed by the owner himself)? Yes, this is possible.
- Proposal-Hartel: is the capacity of our WiFi sufficient? No, an additional investment will be required of a couple of thousand NAF. The exact costs are not known.
- Proposal-Hartel: is a monthly fee for maintenance required? The proposal is unclear in this regard.
- Proposal-Bahia: what are the costs? These costs are a one-off amount of NAF 7,775 and a monthly fee of NAF 225 (excluding turnover tax)
- What will the follow-up action be in case of problems? In the Hartel proposal, the owner will need to arrange some things himself; Bernd Gabold will provide assistance (free of charge). In the Bahia proposal, the follow-up actions will be the responsibility of Bahia (the monthly fee is also intended to include the coverage of such costs)
- Proposal-Bahia: who will have access to the footage? The police, Bahia, the owner. Other owners will have no access to the images of an owner
- Do the police actually take up action? Yes, the police responds. In the latest burglary, two people were apprehended.

Resolution:

- The meeting wants a properly operating system with security cameras and follow-up action at the resort
- The meeting opts for the Bahia proposal. The **Board and Peter Koster** will discuss its realization.

6.2 Report Sands Agency

There have been about 5 burglaries in 2015. Up to now, these have been common criminal acts (opportunistic thieves). An inspection round of the premises (during the day) showed that various owners / guests quite often do not take simple security measures when they are absent, such as closing off windows and doors.

The fact that the newly installed pedestrian door is left open regularly is discussed. The **Board** will take action in this regard.

Resolution: the owners take notice of the report. **All of them** will emphasize to the guests the importance of closing off the windows and doors when they are absent, also during the daytime.

7. **Improvements**

7.1 Septic tank

A great deal of gratitude is owed to those who put in an effort to get the sewer and septic tank back in order. The recent problems are presumed to have been caused by a combination of failing to empty the septic tank and flushing of items that clog up the sewer system.

It is important to drain the septic tank regularly. Also, additional facilities such as an inspection pipe and a lever are required. Martin Whiteley posted a text on Reflector about the items that are and are not fit for flushing. Mark Downey has a slightly adapted version of this available for his tenants.

Resolution:

- The **Board** is asked to plan regular drainage of the septic tank and to have additional facilities (inspection pipe, lever) installed
- **Mark Downey** will forward the text for guests; **all owners** will use this for their guests

7.2 Use of bleach during cleaning works

This item is included in the text for guests as referred to under 7.1

7.3 Use of Skype when meetings are held

Digital meetings promote the attendance and the possibility to adopt resolutions.

Resolution: the **Board** will check whether it is possible to organize the next meeting of the Owners' Association with the use of Skype or a similar program.

7.4 Internet signal strength

The internet signal strength has been upgraded several times in the past few years, but this appears to be insufficient to meet the rising demand. The signal is too weak in various places. Hans Mons explains that, in addition, the concrete of the units partially blocks the signal.

The following is discussed:

- Properly functioning WiFi is very important for both owners and guests
- Improvement of the situation by installing additional access points. Hans Mons estimates that 8 additional points are necessary.
- As a matter of fact, the current installation is outdated. However, the yield of a renewal to current technical standards is limited by the lack of modern possibilities in Curaçao in itself.
- Bernd Gabold has had a cable and telephone installed via UTS. He emphasizes that this works excellently. Others have different experiences with UTS, but this presumably is the best option.

Resolution: the **Board** will check what the possibilities are to improve the internet signal.

7.5 Improvements 2015

The meeting thanks the Board for the various improvements that were realized in 2015.

7.6 Improvements 2016

The meeting gave priority to the security cameras (see agenda item 6.1), the septic tank (7.1) and the internet signal (7.4).

The following is discussed:

- considering the desired strengthening of the Equity Capital (see agenda item 4), there are but few means available for improvements in 2016.
- the cost of the security cameras (NAF 11,500 in 2016) cannot be financed from the available funds.

Resolution: a one-off deposit by the owners for a total of NAF 11,500, where the owners contribute in accordance with the distribution key already in place for studios, apartments and bungalows. The **Board** will calculate the amount for each owner and collect this from the owners by way of an invoice.

8. **House rules**

During the meeting in 2012 it was resolved to draft house rules, for which Mark Downey, Nanny Scholten and Hans Mons contributed.

The following is discussed:

- the meeting supports the need to have house rules
- the house rules also stipulate that pets are only allowed after written consent from the board and that all pets must be on a leash. There are 6 dogs on the premises at the moment and some of the owners do not appreciate this. On the other hand, there is no case of a real nuisance at this time.

- the meeting does not require the house rules to be discussed in detail during this present meeting. Members are welcome to address their remarks to Mark Downey and Nanny Scholten.
- Grace Newton proposes to try it with this text for a year and if necessary, to apply changes if and when required

Resolution:

- the house rules are adopted, without having been changed.
- All attendants submit their remarks to Mark Downey and/or Nanny Scholten. Evaluation will follow at the next meeting of the Owners' Association

9. Any other business

Grace Newton points out the shower that was installed thanks to and by Martin Whiteley. Many thanks to Martin Whiteley!

Peter Koster points out that the grouting of the tiles surrounding the swimming pool has not been done properly. Various owners disagree with him.

The chairman closes the meeting.

Chairman:

Secretary:

Walter de Koning

Walter de Koning

**Attachment: Attendants during the general meeting of the Owners' Association
LOR on 7 January 2016**

Name	Unit	Proxies from	Number of votes (including proxies)
Martin Whiteley	12A	--	2
Sharon Cheyne and Murray Burke	18	--	4
Peter and Thea Koster	7A, 7B, 8B	Jim Walsh / 16 Jerry and Katherine Plas / 8D Per and Suzan Hjort / 4A James Newberry / 9	15
Hans Mons and Jose zuiver	19A	Mieke Boeren and Frans Kuijpers/ 19B (for part of the meeting also Crescel Cijntje / 6C)	4 (5)
Mark Downey	5B, 7C	--	3
Grace and Richard Newton	17B	--	2
Catherine and Cajh Fellows	11	--	4
Scott McKechnie	17A	--	2
Bernd Gabold	4A	Annet Hartel and Peter Verwoerd / 14A Nanny Scholten / 6EF Lydia and Niek Graaf / 6D	7
Deborah Strano and Jim Winslow	12B	--	2
Crescel Cijntje (for part of the meeting)	6C	--	1 (0)
Walter de Koning and Helie Nahar	5A, 6A	Hens de Jong / 6B	4
12 owners (out of 26)¹			54 votes (out of 66)

¹ Bahia purchased apartment 7B as per 1 January 2016, so there are now 26 (instead of 27) different owners. The quorum is 1/3 of the number of members, which therefore remains at 26/3=9 members.