

BRAVO DEL MAR
GENERAL MEMBERSHIP MEETING
January 5, 2008

The meeting was called to order at 10:15 a.m. by Rose Burr.

Russ Reetz made a motion, Rose Burr seconded, to approve the minutes from the October 6, 2007, General Meeting. The motion passed unanimously. (minutes are posted at www.costabravabaja.com)

Barbara Dahl made a motion, Russ Reetz seconded, to name Cesar Valdez as Commissary for Bravo Del Mar for 2008. Motion passed unanimously.

A motion was made by Garry Sutherland and seconded by Ron McDearmon to approve the 2007 financial statements as presented by Cesar Valdez. Motion passed unanimously.

Rose Burr updated the group on the following issues:

Delinquent membership accounts: Two letters were sent with return receipt requested. The Resers received their letter, the Gastons return receipt card was returned unclaimed. The Resers have agreed to pay off their loan in 4 equal payments. The first payment was received in December. A Mexican notes payable was sent to them to be signed and returned. A Mexican notes payable was prepared for the Gastons and Barbara Dahl will take it to Nolo Gaston for her signature.

Claire Harder was asked to sign a letter of agreement which set out the terms of the Corporation's vote that allows her to forego purchasing a membership in the Corporation. It also set forth the necessity for her to pay any community assessments, and if she should sell her home or her children inherit, a membership must then be purchased. Barbara Dahl sent a copy to her daughter and to date, Claire has not yet signed the letter.

Letters with return receipt requested were sent to Bill Van Dever and Pat Haney asking them to please let the Corporation know what their intentions were regarding their "Jaime leases". Pat Haney received her letter. Nothing has been returned, as of yet, from Bill Van Dever. Rose Burr, Barbara Dahl, Garry Sutherland and Eric Christian presented the same letter to John Kelly. He signed, saying he received the letter, and Garry and Eric witnessed his signature.

Rose Burr made a motion and Ron McWhinney seconded to have Barbara Dahl provide Corporation updates quarterly rather than monthly. Motion passed unanimously. (Next update will be in April and will be sent via email. The July update will only be posted on our Costa Brava website.)

Barbara Dahl reminded everyone that under Mexican law only stockholders could vote at General Meetings, but as long as stockholders agreed, any Costa Brava resident could attend and participate in the discussions. The stockholders all agreed to allow any Costa Brava resident to attend and participate in the discussions.

Rose Burr said she has been informed that non-stockholders could be elected to her Board of Advisors. She felt this a very positive thing and planned to implement it since it would increase the number of people she has to draw on to fill Board and committee positions.

Under Mexican law, five percent of a Corporation's capital must be set aside as a reserve. Russ Reetz made a motion that Bravo Del Mar set aside the reserve and it was seconded by Rose Burr. Motion passed unanimously.

Barbara Dahl made a motion to amend a motion made at the October 6, 2007, General Meeting and it was seconded by Russ Reetz. (The original motion could not be accomplished under Mexican Law.)

ORIGINAL MOTION: Approval of Possible Lease Scenarios of Bravo Del Mar Charter Members, Item E under Impact upon future buyers will be changed to read as follows: Subsequent buyers shall be given new comodato for their lifetime.

AMENDED MOTION: A subsequent buyer shall be given a LRA for 9 yr. 11 mo. and 29 days plus 4 ten year renewal periods.

Motion passed unanimously.

Rose Burr made a motion to amend a motion made at the October 6, 2007, General Meeting and it was seconded by Ron McWhinney. (The original motion could not be accomplished under Mexican Law.)

RESCINDED MOTION: Upon the sale of a member's property, their Corporate Membership must be relinquished.

Motion passed unanimously.

After a short discussion, Jan Harris made a motion which was seconded by John Graesser to approve a Flat Fee charge of \$2500 per land rental agreement transfer. Motion passed unanimously.

Russ Reetz made a motion which was seconded by Chet Warfel that Bravo Del Mar S.A. de C.V. enter into a partnership with the Ferre Family. Motion passed unanimously.

Chet Warfel presented what he feels are the last three issues to be negotiated with the Ferre Family regarding the Association in Participation.

Issue 1: The Ferre Family believe \$2 per sq. ft. is low and would like to increase the price.

After a brief discussion the stockholders agreed to the Ferre Family request.

Issue 2: Determine how the Ferre Family are planning to honor the "forever leases".

Issue 3: The Corporation will allow the Ferre Family to retain ownership of the well permit if they agree to furnish Costa Brava a long term water supply and pay back the CBWC the \$5,000 they paid for the well permit.

Chet said he was not trying to step on the toes of the CBWC, but as far as negotiations between the Corporation and the Ferre Family to form a partnership were concerned, the Corporation wants a guarantee for a water supply for Costa Brava from the Ferre Family.

The Ferre Family has asked for another meeting so they can include their brother Miquel. This meeting should take place in the next few weeks.

Dick Paul was elected Treasurer for Bravo Del Mar and Russ Reetz and Marina McDearmon were elected as a Delegates at Large on the Board of Advisors.

Chet Warfel presented a proposed 2008 Bravo Del Mar budget. After some discussion regarding certain income and expenses, Chet explained one of the reasons the budget was not complete was because we had not completed negotiations for the Association en Participation and therefore had no existing budget for Bravo Del Mar Ferre. (The majority of the Corporation's income will

be derived from Bravo Del Mar Ferre.) Chet also did not have an income line for Membership fees or an expense line for the repayment of the loan. He said he had left them off by mistake. Chet reminded everyone this budget is a work in progress and will be amended as things progress with the Association en Participation, and we get a better feel for new memberships, lot rentals and home sales.

Barbara Dahl briefly talked about the ability to vote on issues via the internet and then made the following motion which was seconded by John Graesser:

Each stockholder will have one vote on each item being considered. That vote can be exercised, as applicable, in person, by proxy or by electronic vote. Electronic voting may be in conjunction with a scheduled meeting or may be done electronically any time it is necessary for shareholder input. A formal, email registry will be maintained by the Corporation Secretary. It is the responsibility of the shareholders to ensure their current email address is provided to the secretary. Each time a ballot is prepared, shareholders will receive an electronic copy of the ballot. With the ballot, the shareholder will also receive an individual voter registration code that can only be used one time. Electronic votes must be received by the date/time indicated on the ballot in order to be valid. The Secretary must email the results of the electronic vote to all shareholders within 30 days of the end of the balloting period.

Motion passed unanimously.

Barbara Dahl said Becky Warfel, Chairman of the Bylaws Committee, was ill and unable to attend. It was felt it was best to table the discussion and adoption of new bylaws at this time because further research was needed. John Graesser mentioned changing the wording in the bylaws from non residential/residential to vacation homes. Barbara said they would be sure and look into that.

Russ Reetz informed everyone Bob Lloyd was also unable to attend the meeting because of business demands. Russ briefly went over a proposed list of infrastructure projects with everyone. Bob would like some feedback regarding these projects, especially as to priority. He also asked if anyone had any additional projects to please contact him.

Barbara Dahl made a motion with a second by John Graesser that Jim Silva be allowed to put in his water lines with the provision he will move these lines at his own expense if necessary.

A short discussion followed and Garry Sutherland amended the original motion to include within 60 days and Jim must fill in the existing ditches. Ron McDearmon seconded the amended motion. Russ Reetz was opposed.

Donna Miller, Chairman of the Guidelines Committee, presented a ballot for voting on the Community Guidelines. Because of a tie vote, guidelines 8b (Plan needs to address estimated time of construction) and 16 (No more than two dogs per household) must be voted on again

Barbara Dahl stated that having more than one stock classification has to be researched further before any action can be taken.

Rose Burr briefly discussed Cesar's services as our accountant and the many other ways he assists us in the running of the Corporation. She asked for a motion to approve his 2008 contract of \$300 per month, \$1500 for his commissary duties, and \$1,000 for preparing the annual report. Donna so moved and Ron McWhinney seconded.

The meeting was adjourned at 12:50 p.m.