

**PACIFIC SHORES OWNER ENTERPRISES, LTD
SPECIAL MEETING
BOARD OF DIRECTORS**

**TELEPHONIC
WEDNESDAY, JULY 22, 2015
9:30 a.m. (PDT)**

MINUTES

I. CALL TO ORDER / WELCOME AND INTRODUCTIONS

Chair Kate Britton called the meeting to order at 9:35 a.m. (PDT) and established that there was a quorum.

Board members in attendance were:

Board of Directors

Kate Britton	Chair
Stuart Allen	Vice Chair
Johann “Harry” Felsing	Secretary, Co-Director of Finance
Dave Hillmer	Co-Director of Finance
Leonard Aylward	Director
Ken Chew	Director
Claus Flemming	Director

Regrets

Doug Alexander	Director
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Resort Staff

Nikii Morrison	Executive Assistant
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II. APPROVAL OF AGENDA

A motion was made by Claus Flemming and seconded by Ken Chew to approve the agenda as presented.

The motion was approved unanimously.

III. EXECUTIVE SESSION

The board convened to executive session at 9:36 a.m. (PDT).

The board re-convened to the special meeting at 10:25 a.m. (PDT).

IV. FUNDING OF PSRC PAYROLL ON JULY 10, 2015

PSOE covered the PSRC payroll shortfall on July 10, 2015.

Management to ensure that the portion of the July 10, 2015 payroll that PSOE covered for PSFRA is documented.

V. STATUS OF PSRC EXPENSE THROUGH SEPTEMBER

With PSFRA owners being offered a buy out from an outside source, PSRC had asked TPI to put together a cash flow forecast through the end of September as this is the estimated date of completion for the PSFRA sales. TPI has presented the forecast to the nominees for review.

VI. PSFRA STATUS

PSFRA has paid their budgeted monthly contribution through June 2015. To date they have not made the full July payment.

VII. PLANNING FOR THE FUTURE

On July 14, 2015, PSRC and PSOE had budget strategy sessions to review the potential budgets for 2016. PSRC's budget is a key factor in determining the PSOE budget.

VIII. HOW AND WHEN TO TALK TO RAFER ABOUT PSOE INTENTIONS

A motion was made by Stuart Allen and seconded by Dave Hillmer to inform Fisgard that PSOE is not prepared to fund 2016 operations of the commercial centre, and PSRC; without relief on the mortgage debt and restructuring of the operating budget in cooperation with Fisgard; and that 2015 operations need similarly to be restructured so that the cash call to PSOE from ongoing PSRC operations is capped at \$70,000.

The motion was approved unanimously.

IX. LEASE FOR SPA

The PSRC nominees are to work with Fisgard regarding the proposed lease. The nominees are not to move forward until they have spoken to Fisgard and have taken a closer look at the lease to ensure that all potential conflicts are covered.

X. ADJOURNMENT

A motion was made by Leonard Aylward and seconded by Claus Flemming to adjourn the meeting at 10:25 a.m. (PDT).

The motion was unanimously approved.

Upcoming 2015 Meeting Dates:

Friday, October 16, 2015 - Board Meeting at PS

Saturday, October 17, 2015 - PSOE AGM