

**THE ANNUAL MEETING OF THE
ASSOCIATION OF APARTMENT OWNERS OF
THE BAY CLUB AT WAIKOLOA BEACH RESORT, INC.
November 20, 2008**

The annual meeting of the members of the Association of Apartment Owners of the Bay Club at Waikoloa Beach Resort, Inc. was held on Thursday, November 20, 2008 at 9 a.m. at the Hilton Waikoloa Village Hotel, Kohala Ballroom, 69-425 Waikoloa Beach Drive, Waikoloa, Hawaii 96738. Board members present were Russell Malkoske, chairman and president; Leroy Remmers, Robert Ireland, Jim Desmond and Grant Ito.

The following owners were present in person or by proxy:

Russell Malkoske (The Bay Club Vacation Owners Association)
Ronald Oshiro
Nikken Holdings, LLC

The chairman reported that a quorum was established with 98.3 percent of the membership present in person or by proxy, and that the annual meeting was properly authorized and convened.

Mr. Desmond made a motion to approve the minutes of the November 14, 2007 annual meeting as presented; seconded by Mr. Ireland. **Motion** carried.

Mr. Malkoske was elected to a three-year term by the membership.

Mr. Ireland made a motion to increase the number of directors on the board from three to five; seconded by Mr. Desmond. **Motion** carried.

Mr. Ireland made a motion to appoint Mr. Remmers and Mr. Ito to the two open seats on the board for three-year terms; seconded by Mr. Desmond. **Motion** carried.

There being no other business, the meeting was adjourned at approximately at 9:20 a.m.

Respectively submitted,

Robert Ireland
Secretary