

# Sands of Kahana Vacation Club PROXY Annual Meeting – March 2, 2012

**PROXY**

The undersigned does hereby constitute and appoint **CHARLES N. JOHNSON** as the undersigned's attorney and agent, with full power of substitution, to act in the undersigned's name, place and stead, and to vote as the undersigned's proxy at the March 2, 2012 annual meeting of the Sands of Kahana Vacation Club and any and all adjournments thereof, for the transaction of any and all business that may come before the meeting, including the election and re-election of Directors, according to the interest that the undersigned would be entitled to vote if then personally present, hereby revoking any proxy or proxies heretofore given, and ratifying and confirming all that said attorney and agent may do by virtue thereof. In the event that any person or entity other than the Vacation Club is designated as the undersigned's attorney and agent as aforesaid and said person or entity is neither present at the aforesaid meeting nor has timely appointed a substitute in writing, then the undersigned constitutes and appoints the Vacation Club as the undersigned's attorney and agent to act in the undersigned's name, place and stead. I/we hereby instruct my/our proxy holder to vote my/our week(s) at the annual meeting of the Sands of Kahana Vacation Club. If you direct that your proxy is to be voted in a certain way for Items 1 through 3, the proxyholder shall be required to vote as directed. If you do not direct your proxy to vote in a certain way, the proxyholder may vote for you as he or she deems appropriate.

**Item 1: CLUB BOARD ELECTION:** There are two (2) positions to be filled on the Club Board of Directors. You may select from the candidates listed below that have been nominated by the nominating committee from the owners that indicated their desire to serve on the Board of Directors, or you may write in candidates of your choice and if such person is nominated at the meeting, the Vacation Club will vote for your candidate(s). Please indicate the number of votes for each candidate in the space to the right of each line. Election of Directors is by cumulative voting. This means that you have as many votes as there are positions to be filled (two positions in this case) for each week that you own. (For example, if you own two weeks, you have a total of four votes that you can cast).

CANDIDATES (Candidate Statement/Information is enclosed)

Name of Candidate	Number of Votes
• Kevin J. Blair	_____
• David Lint	_____
Ed Stagner	_____
Charlie Johnson	_____
_____	_____

• **INCUMBENT BOARD DIRECTOR**

**Item 2: RESOLUTION ON ASSESSMENTS:** There is a standard resolution that must be considered and adopted every year in order to make a proper filing of our tax return. The resolution covers maintenance fees and unrelated income paid during the year. We collect maintenance fees from all of our owners on an annual basis to cover the cost of operating and maintaining the Resort. At year-end, we may have a balance in our checking account, operating reserve account and other specific accounts that will carry forward to the next year. Present tax rulings indicate that these funds, if not specifically designated to be used in the following year, would be taxable. Consequently, the following resolution to cover the 'rollover' of these funds meets the necessary requirements. This resolution has been approved by the members every year in which a quorum has been present at the annual meeting and the Board recommends approval.

**Approve**                      **Not Approve**

*"Resolved by the owners of the Club, that the amount by which each member's assessment in 2012 exceeds the total payments of the Club for maintenance, repairs and other expenses and capital expenditures of the Club as the board of directors has appropriately paid or determined payable, shall be applied to regular member assessments in the year 2013."*

\_\_\_\_\_

**Item 3: AMENDMENT TO THE CLUB'S BY-LAWS – ANNUAL MEETING OF MEMBERS:** The By-Laws currently restricts the date of the annual meeting to the month of March. Many members historically stay at the resort during the same season each year. Most members have never stayed at the resort during an annual meeting. This amendment allows the Board, with proper notice, to set the annual meeting anytime during the calendar year and the Board recommends approval.

**Approve**                      **Not Approve**

*Amend Section 5.2 of the By-Laws to authorize the Board to set the date of the annual meeting of members for anytime during the calendar year.*

\_\_\_\_\_

PRINTED NAME(S) OF OWNER(S)

SIGNATURE(S) OF OWNER(S)

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

DATE SIGNED: \_\_\_\_\_

OWNER NUMBER: \* \_\_\_\_\_

WEEKS OWNED: \_\_\_\_\_

Please sign your name as it appears in the Club records. Executors, administrators, trustees, guardians, conservators corporate officers are to add their titles and, if not already done, submit a copy of their appointment.

**\*IF UNKNOWN, I/WE AUTHORIZE THIS PORTION OF MY/OUR PROXY TO BE COMPLETED BY THE CLUB IN ACCORDANCE WITH ITS RECORDS.**

**In order for you vote to be counted, your proxy must be received by the Club prior to 8:30 AM (HST) on Tuesday, February 28, 2012. You may fax your proxy to Charlie Johnson at 760-269-3150.**