

MINUTES OF THE BOARD OF DIRECTORS MEETING REAL CLUB DE GOLF GUADALMINA

Guadalmina, 21 of November 2017,

Having previously been convened for this purpose, the Board of Directors of the Club meet with the following agenda:

1.- Committee reports.

2.- Report by Mr Del Cuvillo on the following matters:

- Ladies Spanish Open.
- Year-end 2017 and budget for 2018
- 2018's fees
- Federative competitions for 2018
- Possibility of closing the Club House parking. Other alternatives
- Net on hole 17 (North Course).

3.- AOM

The meeting is chaired by the President, Juan Ramón Martínez Landazábal, assisted by Marc Mueller-Baumgart vocal, acting as Secretary.

Also attending are Vice-President Daniel Musson, Treasurer Claes Forsgardh and the vocals Gunilla Lindstrom, Fermín López, Alfonso Cruz-Conde, Hans Wielaard, Christina Birke, Patricia Mansfield, Michael Canty and the Manager of the Club, Ignacio del Cuvillo.

Excused for the meeting are Secretary Ignacio Infante, the vocals Christiaan Reynders and Ignacio Bayón.

The meeting commences at 17.45 as scheduled, and having determined there is sufficient quorum, the meeting proceeds.

The President greets the attendees, thanking them for their presence.

Point 1.- Committee reports.

Competition committee: Hans Wielaard briefly explains the attached committee report. Michael Canty intervenes on the point referring to the red tees indicating that it is a sensitive issue and that any recommended changes to the course should be evaluated independently on behalf of the board prior to their decision. Hans Wielaard clarifies that the objective of the Competition Committee is simply to evaluate trends in modern women's golf and to develop a long-term strategy to make female golf more attractive.

Daniel Musson shows his surprise that the issue has not been mentioned in the greens committee, to which he is informed that no modification of the course is foreseen and if this study produces in the future any proposal to change the courses, then what could be the greens committee's competence.

Hans Wielaard closes the discussion indicating that no decision has been made and that any recommendation that may arise from the work of the committee will be presented to the Board of Directors for its decision.

Social committee: Patricia Mansfield informs that on December 5 a dinner and bus excursion will be organized to go to Malaga to see the lights.

Greens committee: Daniel Musson spoke, and informed that the remodeling of the 13th hole of the South Course had been studied.

It has been agreed to plant 30 trees on the right side of 17th Street in the South Field and it is reported that in 2018 it will continue pruning and removing the sick / dead trees.

In 2018 it is foreseen to improve the state of bunkers of the North Course, fundamentally adding sand.

The size of the greens in the South Course and its evolution are being studied to see if they have been reduced and in what dimension.

Work continues on the study of the habilitation of practice area at the end of the Driving Range, and the committee is looking for alternative projects for the evaluation of the value of the investment.

A report on the use of the Teebol system by Operations Manager D. Pablo Guerrero is planned for the next meeting of the Committee.

An animated discussion is held on investment priorities and the role of the Board of Directors in decision making. Mr. Claes Forsgardh requests to be part of the meetings with the Administrator to be able to carry out his work as treasurer and he is invited to participate in the next meeting.

The president, Mr. Juan Ramón Martínez Landazábal, concludes that once the preliminary work of the projects and the approval of the budgets by the Guadalmina S.A. the projects will be presented to the Board of Directors for final approval.

Junior Committee: Mr. Marc Mueller-Baumgart intervenes and his report is enclosed without questions having arisen.

2.– Manager's report, and especially the following points:

- Open de España Ladies.

Mr. Ignacio del Cuvillo informs that today the Open of Spain has generated costs for the club of 93 thousand Eur, from which 16 thousand Eur of sponsorship income is deducted as well as a pending contribution by the RFEG. When this contribution is made, the final cost for the club will end up between 40 and 50 thousand Eur.

Mr. Ignacio del Cuvillo reports that the value of the media impact is estimated at 450 thousand euros in recognition of the brand Real Club de Golf Guadalmina benefitting the club and 16 million euros in its entirety for Marbella, the Costa del Sol and Andalusia.

On the sporting side, it is considered a success, with the victory of our honorary member Doña Azahara Muñoz, 25,000 spectators during the whole week as well as the compliments and letters of thanks received from the Ladies European Tour, Government of Andalusia, City Council of Marbella, RFEG, RFGA and by the players.

Next, the hypothetical possibility of hosting the championship again in 2018 was discussed and the President asks for the opinion of the table under the premise of not exceeding the cost of 40,000 Eur. In this respect the opinion of the board members present at the meeting was divided with the majority in favor.

- Year-end 2017 and budget for 2018

Mr. Ignacio del Cuvillo reports that the results have been positive, foreseeing a higher profit than budgeted at the beginning of the year as well as a positive cash flow. The profits will be applied to reduce the accumulated debt of losses in previous years.

When asked about the evolution of the number of members, Mr. Ignacio del Cuvillo reports that for the fifth consecutive year the number of members has been maintained. A small loss of approximately 20 members expected by the end of the year.

For 2018 the management expects the continuation of the good results and has developed the corresponding budget which was approved by the administrator of the Guadalmina Golf S.A. in which the following investments stand out:

- Renovation of the tees on the South and North courses
- Renovation of the lake on hole 13 of the South Course
- Enabling Practice Area at the end of the Driving Range
- Protection nets on the right side of Hole 9 North Course
- Automatic doors on the courses
- Elevator between underground and first floor to take advantage of the surface underneath the maintenance hall
- 60 additional lockers for the club room

Ignacio del Cuvillo points out, that these projects have been based either on the discussions and proposals of the committees (1-3), the legal requirements (4) or on the agreement between the management and the administrator and consulted with the President as representative of the Board (5-7). The board notes the improvement in the transparency of decisions compared to previous years, but requests by 2018 to be informed and consulted before the allocation of budgets.

The details will be presented at the General Assembly of Members on December 1, 2017.

- 2018's fees

Mr. Ignacio del Cuvillo reports the publication and application of the same.

- Federative competitions for 2018

D. Hans Wielaard reports that the following have been approved at the meeting of the Competition Committee: Andalusia Cup, Norberto Goizueta and 2 juvenile circuits and that a Pequecircuito for Pitch&Putt course has also been requested.

- Possibility of closing the Club House parking. Other alternatives

It is considered that the parking is too small and it is often difficult to find a place to park: D. Ignacio del Cuvillo is aware of the situation and reports that 116 places for users of 2 course is little. Therefore, he has already asked all employees to park their cars somewhere else. The President asks everyone present to think about alternatives for the next Board of Directors.

- Net on hole 17 (North Course).

The manager informs that it has been built in its size and location due to judicial obligation as a result of a litigation with a neighbor. He also warns that Hole 9 will be affected by a similar net structure in 2018. For the future, a redesign of the North Course should be considered.

3.- AOM.

Mr. Daniel Musson asks about the disciplinary cases dealt with during the previous Board of Directors meeting and is informed that warning letters have been sent to those affected.

Mr. Daniel Musson also asks about the implementation of the 10% discount for members in the restaurant. Mr. Ignacio del Cuvillo reports that he has refused the offer of prices with discounts by the restaurateur and that he has another meeting with him next week.

Mr. Claes Forsgardh informs the Board that the legal process related to the development of the elections of the Board of Directors of the Royal Andalusian Golf Federation are ongoing without any news at the moment.

With no further business to attend the meeting is closed at 21:00, and the Minutes will be signed.

Juan Ramon Martinez Landazabal
The President

Marc Mueller-Baumgart
Accidental Secretary