

Meeting of the Board of Directors
of the
Real Club de Golf Guadalmina
TRANSLATION FROM SPANISH

Guadalmina, to May 22, 2014

Meet the Board of Directors of the Club, previously convened for this purpose with the following agenda:

1. Approval , if appropriate, of changes to Electoral rules and the statutes which the last Board of Directors proposed to the E.G.M. , having received the request of certain amendments by some members.

2 requests and questions.

Chairs the Board of the Club President, D. Juan Ramón Martínez Landazábal, assisted by the Accidental Secretary Don Ignacio Infante, to excuse his attendance Mrs. Patricia Jiménez Gómez.

Vice President and Treasurer, D. Alfonso Cruz-Conde and members D. Marc Mueller-Baumgart, D. Christiaan Reynders (by phone) are present and D. Ignacio Bayón.

Also assists the Manager of the Club, D. Ignacio de el Cuvillo.

The session begins at 17:30 hours and understanding that there is a sufficient quorum marked by-laws for the holding of the meeting, proceed with the same.

It begins the President greets attendees thanking them for their presence.

Point 1.-after receiving a very detailed document with concrete proposals by member

Mr. D. Fermín López Gómez, as the result of different meetings and conversations with other members more involved in the current process of reform and adaptation of statutes and Electoral regulations, the Board of Directors has unanimously decided to incorporate all suggestions received in the letter of 18 may of the present, and is agreed to raise them all to the extraordinary General Assembly which will be held next Friday 23 of the present, for approval.

Point 2. Requests and questions.

Not having other affairs that treat, rises the session, which will extend the opportune

Act which will sign the President together with the Accidental Secretary.

D. Juan Ramón Martínez Landazabal

D. Ignacio Infante

President

Secretary Accidental.

PROPOSED MODIFICATIONS TO THE BY LAWS.

ARTICLE 9.

New wording to eliminate the corresponding members and subscribers as well as to give family members the right to vote too

The Company will be made up of the following kinds of member: **Numbered, Family, Honorary and Aspiring.**

- **Numbered Members** will be adults who, after making an application, are admitted by the Management Board, meet the requirements which are established for these purposes and are holders or beneficial owners of an ordinary share of the corporate capital of GUADALMINA GOLF, S.A. The numbered Members will be the sole owners of the corporate assets.
- **Family Members** will be people who, forming part of the family of a numbered Member, live with him or her at the same address and are admitted as such by the Management Board. For these purposes their spouses and children will only have this status until the end of the year the latter have their 21st birthday. **Children as previously defined, WILL NOT have the voting rights, unless they become Numbered Members fulfilling all the requirements to do so.**
- **Honorary Members** will be people on whom the General Assembly of Members, on the motion of the Management Board, based on the conclusions of the corresponding dossier which is processed in accordance with the regulations, confers this distinction in view of their merits and qualities and relevant services rendered to the Club.

Honorary Members will have a preferential position at all the official and social events of the Organization. Honorary Members, even though they may not simultaneously be Numbered Members, will enjoy all the rights and meet all the obligations affecting them. They will be exempt from the payment of the regular and entrance fees in the event that they were not Members prior to their appointment but will not be exempt from the payment corresponding to the use of the services if they make use of them. They will also be exempt from the requirement to be owners or beneficial owners of shares of Guadalmina Golf, S.A.

- **Aspiring Members** will be people with the same characteristics as numbered Members who have not reached adult age. They will be entitled to use of the corporate facilities and will automatically become Numbered Members when they reach adult age. At that moment they must pay the admission fee like any other Numbered Member, with the exceptions stipulated in Article 11 below.

All the Members will equally enjoy the full rights conferred by these Articles of

Association, but only those over 18 will form part of the General Assembly of Members. Children as previously defined, WILL NOT have the voting rights, unless they become Numbered Members fulfilling all the requirements to do so.

ARTICLE 19.

Modified to eliminate any reference to subscribers and to make the rights of numbered and family members equal.

The General Assembly of Members is the highest organ of governance and administration of the Organization. It is made up of all the adult Members who are up to date with their corporate obligations (Children as previously defined , WILL NOT have the voting rights, unless they become Numbered Members fulfilling all the requirements to do so). The rest of Members may be elected, without exception, for the performance of administrative duties, provided they have been members for at least one year, and will also enjoy the other rights conferred on them by virtue of the legal provisions existing on the matter.

- When the number of Members does not exceed 3,000, they may all intervene directly. When it exceeds 3,000, 33 representatives of them will be chosen per unit of a thousand or a fraction, by the system of free, equal and secret suffrage.
- Candidacies for representatives must be submitted 15 days before the date of the election, containing their acceptance.
- The election of the representative Members will be biennial. They must therefore intervene in all the General Assemblies, both ordinary and extraordinary, which are held during the period for which they were elected. They may not be elected for the next biennial period and their attendance at General Assemblies will be compulsory.

Regardless of the composition and functioning of the Assembly established in this Article, the election of the President and Management Board will be carried out by means of the free, equal, personal, direct and secret suffrage of all the Members entitled to vote.

ARTICLE 22.

Modified so that the meeting notifications are made by means of an announcement on the website

- The General Assemblies will be convened by the President, on his own initiative, at the request of the Management Board or when requested by at least 10% of the Members entitled to vote who are up to date with the payment of their corporate obligations.
- The General Assemblies will be convened by the President at least 30 days in advance of the date they are to be held, by means of a notice for Members put

on the notice board of the head office of the Organization, publication on the website of the Club (www.guadalminalgolf.com).

- The agenda must appear in the notification, and it may also include the date and time at which, if appropriate, the General Assembly will meet at the second call. In the event that the date of the second call is not specified in the notification, it must be made eight days before the date of the meeting.

ARTICLE 23.

The General Assembly, both ordinary and extraordinary, will be validly constituted at the first call when half plus one of the Members entitled to attend and vote are presented or represented. At the second call the attendance of a quarter of members will be sufficient. If a quarter of the members of the Assembly do not attend at the second call, there will be a third and final call for both the ordinary and extraordinary meetings, which will be validly constituted **with the minimum quorum of 100 members** who are present. There must be at least fifteen calendar days between the date of the call and the time indicated for the holding of the Meeting at the first call.

The above-mentioned representation may be conferred on another legal person who is a Member by means of a letter addressed to the President, stating the name of the representative, the wish to confer it and the particular Assembly for which it is conferred.

Article 25

The Main Table of the general assemblies will be made up of the President, the Secretary and the members of the Board of directors together with the Manager if it is necessary, **as well as a notary appointed by the Board of Directors.**

General meetings, both ordinary and extraordinary, will start guaranteeing, transparency and certainty and legal security of all types of assemblies.

An hour before the specified starting time of the Assembly, "the accreditation table" shall be constituted. It should be formed the President of the Guadalmina R.C.G (and aides deemed appropriate), a notary appointed by the Board of Directors and also a leading member of the opposition, where appropriate, in order to give the table constituted a plus of legality, before members of the opposition

This table must have the list of members with voting rights updated.

Members of the accreditation table must also know and verify existing representations and any possible votes which, by any mode, might have been casted to that date, in order to allow all those to vote who may legally do so and prevent illegalities.

The notary will be responsible for the control of legality of the foregoing, and may formulate any concerns he deems appropriate on the incidents that might have occurred.

At the time provided for in the call of the Assembly, the doors will open and all members – be it those representing themselves, authorized members of a legal entity with voting rights, as or as representative of other members - must substantiate the accreditation that authorizes them to enter the room with full deliberation and voting powers.

If there was any legal questions regarding accreditation (which cannot be resolved in-situ) the notary shall remark it in the Act of Constitution of the Assembly.

When the votes occur, the notary will take separate note of the votes with those dubious credentials, in order to be consider them only when all legal doubt about them is resolved and adapt, where appropriate, the outcome of the votation.

To facilitate the preparation, two days before each Assembly, the members of the Accreditation table shall have possession of all designated information, for review, and thus save time to meet the Assembly schedule, set in its announcement and in the agenda of the day.

The minutes shall contain, at least, date, place and time of the meetings, composition of the table of accreditations, list of attendees, texts of agreements adopted and results of votes, if any.

ARTICLE 33.

It is the Secretary's duty to look after the archives of the documentation of the Club, being responsible for the administrative running of the Organization, drawing up whatever documents are necessary. He will also be the Secretary of the Assembly but NOT of the Electoral Committee and, when necessary, the rest of the Committees appointed by the Management Board. He will be appointed by the President and will be authorized to attend the meetings of the Management Board. He will be able to speak but not vote if he is not a member of the Board.

It is the Secretary's duty:

- To keep the Minutes Books of the Organization, drawing up the documents which reflect the resolutions of the deliberative bodies and being responsible for their publication.
- To keep the Members Book and its corresponding dossier with the addresses indicated by them for the purpose of notifications.
- To dispatch the correspondence of the resolutions with the President.
- To issue, with the approval of the President, the certificates which are requested for matters which appear in documents entrusted to him.
- To issue the orders for payments and income and take part in the accounting operations.
- To send out the fee invoices.

In the event of his absence or illness or if his position is vacant, the Secretary will be substituted by a Member chosen by the President.

PROPOSED MODIFICATION TO THE ELECTORAL RULES

RESPONSIBILITIES OF THE OUTGOING MANAGEMENT BOARD AND ITS SECRETARY

The outgoing Management Board will announce the date of the elections to the members of the club on the club notice board and on the website.

In the above announcement it will also ask for volunteers to form part of the Electoral Committee, granting a period of ten days following its publication for volunteering for the said positions. These volunteers must be members entitled to vote in accordance with the Articles of Association and must submit their request in writing to the Secretary of the Management Board.

In the presence of the volunteers wishing to attend, and the appointed notary, he/she will introduce the names of all and each, in ballots with their names (of the volunteers who meet the necessary requirements) in an envelope or urn and, after shaking them will draw 3 names that form the Election Committee and other 3 names below which will be reserves with their order of priority, on the assumption that there are enough volunteers to do so. The elected members of the Election Committee nominate among them their Chairman, Secretary and Vocal

The Club Secretary will NOT act as Secretary of the Electoral Committee.

The members of the Electoral Committee and their reserves will be announced by the notary acting immediately after the draw and communicated to the Board of Directors.

In the event that the Management Board resigns or does not call elections within the stipulated time, the electoral procedure will be the responsibility of the Club Secretary and the Manager with, if necessary, the assistance of the Royal Andalusian Golf Federation.

THE ELECTORAL COMMITTEE

Once its members have been elected, it will be solely responsible for the whole electoral procedure and will form the Electoral Board on the day of the elections.

The President of the Electoral Committee will call all the meetings necessary for the satisfactory execution of the electoral procedure. The necessary quorum will be two members.

None of the members of the Committee may be candidates in the elections, and if their decision to be one takes place after their appointment, they will leave the Committee and be replaced by the first stand-in.

The obligations of the Electoral Committee will be:

- To ensure that the electoral procedure is fulfilled.
- To publish the request for candidatures on the website and on the club notice board.
- The Electoral Committee, with the assistance of the administrative staff, will be responsible for the drawing up and publication of the electoral roll, for resolving any possible challenges and for publishing the definitive electoral roll on the club notice board and on the website.

The members entitled to vote are those defined in the Articles of Association and, in any case, the following requirements will be compulsory:

a) To be over 18 years of age.

b) To be a numbered of family member, to be up-to-date with the payment of the corresponding club fees. (Children as previously defined , WILL NOT have the voting rights, unless they become Numbered Members fulfilling all the requirements to do so.)

- To declare and announce the valid candidatures.

- To establish a poll-site voting period lasting no fewer than four hours on the date stipulated for the elections.

- To prepare the ballot papers and envelopes necessary for voting, as soon as the candidatures are announced.

- To issue an identifiable **Voting Certificate** for each of the members who request it and to send it by registered mail to the address which appears in the club database or to deliver it by hand, with the member signing a receipt.

- The Electoral Committee will appoint a Notary to receive and guard the early votes and to monitor the vote counting procedure on the day of the elections.

- The Electoral Committee must resolve any matter or challenge during the electoral procedure, including those not listed in these Regulations.

If there is only one valid candidature it will not be necessary to continue with the electoral procedure and there will be a direct announcement of the only valid list, the declaration/announcement by the Electoral Committee notifying the members and the Royal Spanish and Andalusian Golf Federations being sufficient.

CANDIDATURES

The different lists of candidates, together with their electoral manifestos, will be submitted in writing to the Electoral Committee within a period of 7 days starting from the publication of the definitive electoral roll.

Each list must include:

- No fewer than five and no more than twenty names of members entitled to vote who have belonged to the club for at least one year.
- A nomination for President
- A nomination for at least one Vice-president
- A nomination for Treasurer.
- The acceptance by these members to be candidates.

If one candidate forms part of two or more lists, he or she will be required to immediately indicate which one of them he or she will stay on. If no reply is received from the candidate, he or she will be excluded from all of them.

A candidate may withdraw his or her name from a list at any time until the ballot papers are issued, but no replacement may be included if the candidatures have already been announced.

WAYS OF VOTING

Votes may be cast in person at the poll site, by mail or by early voting in person at the designated Notary's office. Votes will be not accepted through a third party, proxy or similar.

In order to exercise his or her right to vote, the voter will have a small envelope into which the ballot paper, and nothing else, will be introduced. No mark enabling recognition of the identity of the person casting it may appear either in or on this envelope. Similarly, the ballot paper of the candidature may not contain amendments, additions or deletions.

a) Poll-site voting

In person, on the designated day during the established period.

In order to vote in this manner, the member must submit to the Electoral Board, **formed by the Electoral Table** an original identity document with a photograph (passport, national identity card, driving licence, etc.).

Once the inclusion of the member on the electoral roll has been verified, his or her vote may be introduced into the poll-site ballot box.

The presence of an observer for each candidature running in the elections will be allowed during the time stipulated for the poll-site voting and during the subsequent count.

These observers may not take part in the procedure but may request that all the comments and/or complaints they deem appropriate appear in the report that the Committee will draw up on the electoral assembly.

b) Postal voting

Members interested in postal voting must request, in writing, a **Voting Certificate** from the Electoral Committee, to be sent to the address supplied by the latter.

In the case of postal voting, the small envelope will be introduced into another large envelope, which will be addressed to the Electoral Committee of the Club and that of the designated Notary. The large envelope must contain, apart from the small envelope with the ballot paper, the original of the **Certificate** issued by the Committee, duly signed by the voter, as well as a photocopy of an identity document, on which it is easy to recognize the voter's name and which must have a signature to check against the one the voter has put on the certificate. **In case of doubt in the procedure, this will be identical to the model of vote-by-mail existing in Spain for the general elections.**

The large envelope containing all the documentation, together with the small envelope containing only the ballot paper, will be sent by registered mail to the Electoral Committee at the address of the designated Notary.

The Notary, upon receipt of a postal vote, will place the unopened large envelope in a sealed ballot box which will only be used for postal votes.

Only votes received by 11:59 pm on the day before the date of the elections will be accepted

The original signed certificate will be absolutely essential, together with the photocopy of the identity document.

c) Early voting at the Notary's office

In person at the Notary's office, until the working day before the date of the elections.

Members should go there with all the documentation necessary for voting, namely a small envelope containing the ballot paper, a photocopy of their identity card and its original so that the Notary can identify them and certify the photocopy, and a large envelope in which to put everything, which will be addressed to the Electoral Committee.

This large envelope containing all the above documentation will be introduced into a sealed ballot box which will be used only for early votes.

The cost of the certification by the Notary will be met by the voter.

PROCEDURE AND COUNTING OF VOTES

After the poll-site voting period has ended the observers and members of the Electoral Committee who wish to vote may do so.

By that time the Notary will already have delivered to the Electoral Board the ballot boxes containing the early votes and postal votes, which must have remained in their sealed ballot boxes until that moment.

The votes contained in the three different ballot boxes must be kept separate at all times.

Poll-site votes will prevail over early votes at the notary's office and the latter over postal votes. Any second, subsequent, any votes made by the same voter which arise will not be accepted

The envelopes with the early votes deposited at the notary's office will be opened. It will be verified whether the documentation is correct and that the voters appear on the electoral roll, and then their votes will be put in a ballot box for early votes.

Finally, the envelopes received by mail will be opened. It will be verified whether the documentation is correct and that the voters appear on the electoral roll, and then their votes will be put in a ballot box for postal votes.

Once there are the three ballot boxes containing only the small envelopes with the ballot paper, the envelopes will be opened and the ballot papers from each ballot box will be counted separately.

Observers must not interfere with the election, but will be free to ask or clarify any situation. On the contrary, the notary must engage in the count of the voting to ensure maximum legal certainty of the procedure.

Neither the Notary nor the observers will take part in the count, but they will be free to ask about or clarify any situation.

Once the count has ended, the Electoral Committee will announce the winning candidature, which will be the one which has received the highest number of votes, even if this number is not greater than the total number of those obtained by the other candidatures, in the event that there are more than two running in the elections. It will then draw up the corresponding report and will notify the Royal Andalusian and Spanish Golf Federations. The report must record the total number of votes cast, differentiating between poll-site votes, early votes at the notary's office and postal votes, those which are valid and those which are not accepted as they are invalid for any reason. It may provide further details, if appropriate, especially in the case of double or multiple votes and those which do not meet the formal requirements, invalid votes, blank ballot papers and those obtained by each of the candidatures.

All the documentation will be guarded by the Notary until at least thirty days have gone by, provided that any challenges have been resolved. The documentation must be kept in the respective ballot boxes and these will be sealed with the signature of the Electoral Committee, the Notary and the observers who wish to sign.

Once all the challenges have been resolved or thirty days have gone by without any being received, the Electoral Committee will destroy all the documentation.

CHALLENGES

If any candidature wishes to challenge the electoral procedure at any time, the corresponding challenge must be submitted in writing to the Electoral Committee within a period of five calendar days, starting from the time at which the Committee's decision is made or when the circumstance which is challenged occurs.

If the Committee deems it necessary, it will refer the challenge to the other candidatures, giving them sufficient time to study and oppose it, and the Committee will not resolve the challenge made until this period has gone by.

Once the period granted for arguments has gone by, the Committee will resolve the matter within three days.

In any case, the Committee may, if it deems it appropriate, approve provisional measures prior to the final resolution.

Any challenge to the result of the elections may be received within a maximum period of ten days, starting from the moment of the announcement of the winning candidature.

The challenges received from any members, even if they do not form part of a candidature, will be dealt with in a similar manner.

For all matters not expressly envisaged in these Regulations, the Electoral Regulations of the Royal Andalusian Golf Federation will be adopted as subsidiary regulations.

APPENDIX 1. OTHER KINDS OF ELECTIONS

Presidential elections

In accordance with the Articles of Association, in the event that the position of President becomes vacant, the Vice-president will call an assembly, which will be held within the 60 (or 90 according to the new Articles of Association) days following that on which the position of President becomes vacant. The same requirements as those applicable when the President is elected together with the rest of the Management Board will be fulfilled.

Elections for Members of the Assembly

Once the number of members entitled to vote in accordance with article 19 of the Articles of Association has been exceeded, elections will be held to elect representatives for the Assembly, with the same requirements as the previous ones.

Once the representatives for the Assembly have been elected in this manner, they will thereafter be called to hold the Ordinary and Extraordinary Assemblies of the Club.

APPENDIX 2. ELECTORAL CALENDAR

All days will count as calendar days. The following schedule is recommended for the joint election of the President and the Management Board:

1. Beginning of the electoral procedure with the calling of elections published at least 90 days in advance at the same time as the publication of the announcement requesting volunteers for the Electoral Committee.
2. **The competent Board of Directors** will announce Members the date of elections through the Bulletin Board of the Club and the website.
3. Presentation of the above volunteers within 10 days of the announcement.
4. The Electoral Committee will be elected one day later, within the period of 11 days following the publication of the announcement.
5. Publication of the electoral roll within 5 days of the appointment of the Committee.
6. Once the period of 5 days for challenges and a further 3 days to solve them has gone by, in other words, 8 days after the publication of the provisional electoral roll, approval and publication of the definitive electoral roll.
7. Once the definitive electoral roll has been published, the members who wish to vote by mail may ask the Committee, via e-mail, for the issuing of the corresponding voting certificate, although this will not be issued by the Committee until the definitive announcement of the nominations.
8. The candidatures will be submitted within 7 days of the publication of the final electoral roll.
9. Once the period of 3 days to resolve the admittance of candidatures has gone by, the candidatures will be provisionally announced. Later, following an additional period of 5 days to receive challenges and to solve them, in other words, 8 days after the completion of the period for the submitting of candidatures, the admitted candidatures will be definitively announced.
10. Within the following 5 days letters will be sent to all the members containing the candidatures. (Not with the new Articles of Association), these will be announced on the notice board and on the website.

11. From this moment onwards, and for 5 further days, the members who have not yet requested to vote by mail may ask for the issuing of the corresponding voting certificate by means of an e-mail addressed to the Electoral Committee.
12. Over the following 5 days, the Committee will send to the members who have requested it the documentation required for postal voting by means of a letter sent by registered mail with acknowledgement of receipt.
13. Votes may be cast from the moment at which the ballot papers are available for the voters.
14. On the date set for the elections, poll-site voting in the manner envisaged in these regulations.
15. On the day of the elections and after the count has been completed, provisional announcement of the elected candidature.
16. After the period of 10 days for challenges and, if there are any, 3 for their resolution has gone by, the definitive announcement of the winning candidate.