

Lael Kilpatrick

Exhibit A
 Teleconference Meeting
 May 23, 2009

From: Joe McCluskey Sr. [jmccuskey@egsawyer.com]
Sent: Sunday, May 17, 2009 6:47 PM
To: martin mancuso
Cc: Sharry Luneke; aguardio@travelers.com; Al & Laura Denaro; Alan & Lois Porter; Alan & Lois Porter; Amy Wellik; Art Knight; Barb Cavallaro; Bill Johnson; Bob & Aloise Lurtsema; Bob & Ellie MacCallum; Bob & Heidi Grant; Bob Chorak; Brian & Hope McRedmond; Carol & Dave Pringle ; Carol Vogt; Carolina Surf Club; Cherwell1@aol.com; Chuck & Patti Montgomery; Corinne Carter; Dave Frommelt; David & Rene Spallina; Debbie & Tom Sternfels; Don & Ameer O'Reilly; Don & Marlene George; Don Spilka; Don Vogt; Donna Cedar Southworth; Ed & Rita Buntje; Ed & Rita Buntje; Ellen O'Shaughnessy; Eric Peper; Fred & Grace Smith; Gary & Lynette Wages; H Fishburn; Harold Lofgren; Jamie Wellik; Jim & Kathy Miller; Jim & Linda Humphries; Jim Fishburn; Joan & Arthur Solomon; Joe; Joe Dapsi; Judy Bradley Ward; Karen Landes; Kufmeister@cs.com; Lauraine Mangakis; Leslee Winston; Lisa & Rick Hansen; Lloyd & Judith Urban; Luann Alleman; Lynne Brown; M.T. Myers, President; Maria & Jeff Davis; Martin & Susan Mancuso; Mary Ann Jagiello; Mary Jane & Bob Bertin; Michael & Stefanie Frommelt; Mother Wellik; msmistrice@comast.net; Nicholas Frommelt; Pam & Dave Roeske; Pat Halpin; Patti & Chuck Montgomery; Patti & Chuck Montgomery; Paul Johnson; Peg Wellik; Peter & Jaculyn Parry; Peter & Pat Gilbreth; Rawya Tullgren; Rick & Susan Michael; Rita & Joe McCluskey; Robert & Dianne Irby; Robert Bontekoe; Rod & Linda Davis; Ron & Diane Zuk; Sean Frommelt; Shirley & Ted Eppel; Steve & Marcia Torrey; Steve Tullgren; Susan Fishburn; Ted Cillis; Tom & Mary Akin; Tome Bertz; Twyla Johnson; Vicky & Rocque; Wally & Mary Hilgenberg; Lael Kilpatrick; slineke@hgvc.com
Subject: RE: FYI

TO OUR OWNERS WHO HAVE APPARENTLY RECEIVED EMAILS INITIATED BY AN UNSUCCESSFUL 2009 BOARD CANDIDATE:

The undersigned Directors of The Surf Club have only recently discovered that cyberspace has been filled with concerned owner voices we believe to have been misled or misinformed into believing that current Board members have celebrated on the financial backs of our owners while the rest of the world suffers. We submit that this has been a deliberate attempt to unfairly malign us, and welcome the opportunity to set the record straight among those of you who have been on the receiving group or responding group of this email stream. As Paul Harvey, a well-known radio commentator, used to say: "Now, for the rest of the story!"

1. FACT: ARDA is our national organization representing the interests of timeshare owners, resorts and companies (including HGVC) at both the state and national levels. The convention draws people from all phases of the timeshare industry, but makes an extra special effort to encourage Board members to attend by offering FREE REGISTRATION FEES through the ARDA-ROC Scholarship Program. The sessions at the conference offer continuing education for Board members to become aware of developments in the industry, particularly with regard to National, State and local government legislation and regulation. Other topics include budgeting for operations and reserves, litigation, OSHA safety requirements, and conflicts between Florida law and owners' (including The Surf Club) governing documents. Board members also have the opportunity to meet with vendors of products and services that can be of benefit to our owners and also save money with new technology like solar energy systems to reduce utility costs. It also gives Board members the opportunity to exchange information and ideas on management companies for their respective resorts, where those services may be improved to owners, and what reasonable ranges of management fees are in force at different resorts.

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2. FACT: Ms. M.T. Myers told you how expensive the tuition could be (over \$1,000) and pointed to other costs that could run expenses into the thousands per director, with a brochure attached and referenced additional travel expenses. TRUE BUT MISLEADING. Timeshare Board members can get free tuition as indicated above, which our Board Chairman Bill Chandler knew before going this year he would receive.

3. FACT: Only Bill Chandler from our Board attended the 2009 ARDA Convention, and the Board knew he was the only one attending when the Motion was passed in January. It did not make sense to not make it available to all, even though we agreed at the time that only one should and would go.

4. FACT: Bill's total expense claim for the 2009 ARDA convention was \$714.90 -- A COST TO OWNERS OF 32 CENTS PER UNIT WEEK. Based upon the information he brought back to the rest of us from the convention (both verbal and hard copy of materials), the money was well spend and will benefit The Surf Club in the future. This expenditure was a judgment call on our part, and we are accountable to you for it. If we hear from a majority of owners that 30 to 40 cents per unit week is an unreasonable expense, we are unlikely to approve it again. Conversely, if a majority believe it appropriate, we may approve it again. However, that means owners must communicate with the Board, and not exclude them from email communications discussing this type topic.

5. FACT: We Board members are all owners at The Surf Club, and we use our weeks to stay there as our "home away from home". We were all owners for years before serving on the Board, and serve as a way to "give back", not as a device to fund expensive junkets at your expense. WE ARE VOLUNTEERS with the best interests of owners at heart, and will continue to so serve in what we honestly believe to be the best interests of our owners. We will not be intimidated or driven away by some fear and smear campaign by an apparently disgruntled UNSUCCESSFUL candidate apparently driven to seek revenge against the Board and HGVC (more on that below).

6. FACT: We do not like higher maintenance fees any more than the rest of you, but they are driven by the same higher costs of everything we face in our every day lives, and the desire to maintain a high quality resort. Due to Marco Island's unique location, annual insurance premiums alone have risen sharply.

7. FACT: Had Ms. M. T. Myers merely had the courtesy to include the two Board members with publicized email addresses (we are including her in this response), we would have had an opportunity to clear the air before it reached this crescendo of outcries. Instead, we found out about this stream only because a concerned owner who was a recipient had the courtesy to forward it to one of us (who did not attend the ARDA Convention) while demanding repayment of those "thousands of dollars" and then tendering his resignation from the Board.

QUESTIONS: Why has Ms. M. T. Myers initiated this anti-Board member, negative, misleading campaign? And do so in secret, without giving any Board member the benefit of a copy and an opportunity to respond? Is she truly the protector of your pocket books, looking out for you and protecting you from what she insinuates are Board members looking out only for themselves, which many of you have apparently been led to believe? As you decide the answers to these questions, ask yourselves again why we were not given an opportunity to clear the air with being included in the email stream as owners who could clarify and answer questions on a timely basis, AND CONSIDER THE FOLLOWING:

A. When she sought to run for re-election a couple years ago, at a time we had a by-law precluding incumbent Board members from running as incumbents, she challenged the approval by the 1991 Owners of a by-law amendment precluding a sitting director from running for re-election (as an incumbent, not in future elections). We had all lived with that by-law for about 16 years, including Ms. M. T. Myers during two terms on the Board. (Ironically, if she has just waited a year or two, she would have benefitted from Florida law changing to now preclude enforcement of a by-law prohibiting incumbents from running for re-election.)

B. But her challenge was deemed invalid.

C. We acknowledge her right to challenge, even if not very timely and driven solely by a self-interest (on the face of it) to run for re-election as an incumbent, since she never challenged it until she could benefit from such a challenge, if successful.

D. However, Ms. M. T. Myers took her claim "outside the family" (Surf Club ownership), filing a formal complaint with the Florida Department of Business & Professional Regulation, Division of Land Sales, Condominiums and Mobile Homes, Bureau of Compliance (hereafter "Florida Department"). Timeshare resorts are regulated under the Condominiums umbrella. We acknowledge her right to do so.

E. When that challenge failed, she complained to the Florida Department that HGVC management, and The Surf Club by extension, failed to send her responses to document demands on a timely or complete enough basis for three separate requests for documents in June and July 2008. Timing and completeness of response can be very subjective, depending upon when the request is received and what is requested. But, following almost a year of correspondence back and forth involving many hours by HGVC representatives on Marco and at the Orlando home office, including its legal staff, the Florida Department closed its file without taking any action against us. Ms. M. T. Myers had the right to complain to the Florida Department, but why take such a claim of minor error "outside the family", and put The Surf Club on the radar of the Florida Department?

F. Ms. M. T. Myers lost the 2009 election by a margin in excess of 4 to 1. Since the election results were announced and approved, she has submitted 5 separate requests for documents: 4/27, 5/2, 5/12, 5/13, and 5/14 (to date), and has received timely responses to all (well over a hundred pages) at no cost to her, although we have the right to charge per page. She has also demanded that HGVC answer some dozen questions, many of them subjective in nature, and none appropriate requests. This barrage has taxed management both at The Surf Club and Regional office on Marco, and at the home office in Orlando. TO WHAT END? At what cost in time and money? Could they have been requested in a single request? Yes. Were many posted at The Surf Club and some available online? Yes. We leave to your determination the real reasons for making such multiple requests for documents over such a relatively short period of time, BUT WE KNOW for a fact that the Florida Department was copied with several of these requests, and we suspect all of them. Assuming there is a legitimate need for documents, why again take it "outside the family" before giving HGVC an opportunity to respond within the 7 days she related to you in one of the many emails? In fact, in each instance, HGVC made a timely and proper and complete response.

We believe there is a risk to the current Board members in sending such an explanation, and we do not think it necessarily appropriate to bother those owners who were not parties to this email campaign. The experts would say we would be better served to shut up and do our business, or

just explain the vote without pointing fingers. However, you need a Board that will not kow-tow to anyone -- not HGVC, not outsiders, not another owner "with an agenda". You need to know the facts, and the story behind the story, and decide for yourselves who has the best interests of our owners at heart.

We can live with the results of your collective decisions, but will not be intimidated into shirking our fiduciary responsibilities to all our owners.

Respectfully submitted,

The Surf Club Board of Directors:

Bill Chandler
Joe McCluskey
Jim McCanna