

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.
Minutes of the Meeting of the Board of Directors
March 16, 2022

The president called the meeting to order at 1:03 p.m. on the date above noted at the location and time specified in the notice of meeting.

Those present were:

John Rasmussen, President	Earl Monari, Director
John “Randy” Kuhl, Treasurer (via phone)	Avi Rapaport, Director (via phone)
Yossi Edelkopf, Director	Joseph Schechter, Director (via phone)
Charles Erwin, Director	Chris Gourdie, General Manager
Tom Leiser, Director	Andrew Smith, Association Attorney (via phone)
Andrew Levy, Director (via phone)	Carol Post, Bookkeeper (via phone)

The president announced a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

Mr. Rasmussen began the meeting by stating that Mr. Edelkopf requested that the Association have this meeting to address a demand letter that his attorney sent to the Association attorney, the crux of which is that if Yossi is not appointed to the board of directors as a developer representative within seven days, they intend to file a petition of arbitration. Mr. Rasmussen stated that on February 23, Mr. Edelkopf was appointed to the board, so the Association has already met the demand in the letter. He added that the board can discuss it, but the demand letter has already been satisfied. He then turned the discussion over to Mr. Edelkopf.

Mr. Edelkopf thanked everyone for taking time out of their busy days to come to discuss the issue. He then shared some history, stating that he had initially come to Grenelefe, saw the opportunity to buy only the condominiums from Westgate, that they are real estate operators and make money from improving property and enjoying good tenants long-term, which was what they saw at Grenelefe. He stated they would never have done the transaction if there wouldn't have been a majority, for the very reason that a huge component of the asset is the condominium and its operation. He stated that he drove around, saw a lot of potential, that it was something he wanted to join with, but he made his case clear to each one of the board members from day one that he had a majority, and being the laws were changed in 2010, and the main condominium has the language that it is amended, that was the whole rationale for this investment. He stated that he called Chuck Erwin, since he was the most recent member added to the board, and asked if he really wanted to be on the board, and he responded “not really, but let me think about.” Mr. Edelkopf then stated that he told Mr. Erwin to let him know by sending his resignation. Mr. Edelkopf said that he assumed Mr. Erwin would get around to sending his resignation since he said he didn't really want to be involved, so he thought he would be doing him a favor by including him in the recall.

Mr. Edelkopf stated that he respected the decision that the board made to go to arbitration and get the issue handled the right way. He indicated that he didn't like it, but he respected it. Then,

however, the arbitrator threw out the petition and said the board collectively cannot send a petition, that only individual unit members can file the petition. He stated that the Association paid its attorney \$5,000 for this service, and that since Mr. Edelkopf is 53 or 54 percent of the condo, he pays for more than half that in order to fight himself, plus he paid his attorney \$2,000. He said that the board has indicated that it wants to work with him, so that is why he called the meeting. He stated that he wants to settle the issue expending the least amount of money and the least amount of time. He said that it's the attorney's job to give all the legal ramifications, the worst-case scenario, then someone with money on the table has to make their own subjective/objective decision.

He stated that Chris Gourdie is an amazing manager, but he has to discredit Mr. Gourdie's opinion on the matter, since he has no ownership, that his ownership is to keep everything status quo, because he has been at Grenelefe so long and it's been going great for him. Mr. Edelkopf pointed out that Todd and Heike at the rental office are flourishing, that he hasn't let one person go, because he likes to work with people that know the property well. He encouraged the board to speak to his employees off the record, that he comes in peace to do good for everyone. He stated that he is asking again, with the letter, before the board goes down the rabbit hole of more legal time, money, and bad feelings, for everyone to use their logic. He indicated that he had other plan Bs but didn't want to go there and again made an appeal to get the issue settled in a quick and easy way, taking the path of least resistance.

Tom Leiser pointed out on the second page of the letter, which was what Mr. Rasmussen referenced, the second paragraph, "Under your advice, our client has no representation on the board of directors." Mr. Leiser stated that Mr. Edelkopf *is* on the board of directors and that three of his associates, who were currently on the phone, were approved to be directors on the board. So Mr. Edelkopf has representation of four members and the private owners have five. He continued, stating that the next sentence in the third full paragraph states, "If Yossi Edelkopf is not appointed to the board of directors as a developer's representative..." Mr. Leiser asked for clarification at that point, asking if that is where Mr. Edelkopf wants a position on the board and for the board to declare Alya Equities a developer and not a bulk buyer.

Mr. Edelkopf stated that it is very important to put it in context, and that the context is that Yossi Edelkopf get his 55 percent representation. He stated that when he says "representation," he means the majority of the board. He also said he was not zooming in on the word "developer," that he is referring to developer representation as a bulk buyer. Mr. Leiser stated that there was nothing in the letter that stated why Mr. Edelkopf should have a majority interest, other than his desire and track record saying that he can make things better, that if he had a majority on the board, he would have more clout. Mr. Edelkopf reiterated that the laws were changed in 2010, that if someone has a majority, they are a bulk buyer. He stated that he has the majority and asked why his membership interest can't vote, that the law is in his favor. He felt that if the board feels he shouldn't have a majority interest, the burden of proof should be on the board rather than on him. He stated that if he has the voting rights and the board is not letting him vote himself in, he feels the board's position would be very difficult to defend.

Mr. Rasmussen then stated, for clarification, that the letter does not ask for five positions; it asks for one position to be put on the board, and one position has already been filled. Mr. Edelkopf argued

that they're asking for that one position, meaning their majority, and he asked the board to take the context versus the letter. Mr. Rasmussen stated that the board can't, that the letter is a legal document from Mr. Edelkopf's attorney to the Association's attorney, and the board has to take what is stated in the letter, which is that Mr. Edelkopf wants to have a position on the board, and he already does. Mr. Edelkopf stated that Mr. Rasmussen is not an attorney, and Mr. Rasmussen said that actually, he is, but asked the Association attorney, Drew Smith, to weigh in on the subject. Mr. Smith stated that the demand letter does not ask for a majority of the board; it asks for Mr. Edelkopf to be put on the board as a developer's representative.

Mr. Rasmussen then continued, stating that when the board didn't certify the petitions, what the board felt was the law at the time, the board had to, by law, file a petition for arbitration within five days. That changed in 2018, saying the board doesn't file it anymore, that the person who filed the recall petition is the one who has to file the notice for arbitration. He indicated that the reason it got kicked by the arbitrator was because the board didn't have the standing to file it in the first place. There was no decision on anything as far as what the board did. He stated that the board decided not to certify the recall, because the board's position is that Alya is a successor developer, and the reason the board looks at Alya as a successor developer is because there is language in 15 of the 17 declarations that may or may not be sufficient Kaufman language. Mr. Rasmussen stated that the language "as amended from time to time," in quotes, is the language the Supreme Court requires to be in the documents. He indicated that 15 of the documents have "as amended" either in the purpose or in the definitions, but all they say is "as amended," not "as amended from time to time," which is the specific quoted language in the Supreme Court decision. He stated that "as amended" could be taken to mean as amended up to that specific point in time, done and finished, nothing forward past that time. He stated that regarding the question of whether "as amended" is the same as "as amended from time to time," the argument would be no, it is not. As amended up to that point in time when the document was written and filed, which was prior to the 2010 law, would mean that the 2010 bulk buyer ruling doesn't apply. He stated that that is the background for why the board didn't certify the recalls. He added that the two condos that don't have that language absolutely have a right to file a petition for arbitration and take it to court, saying that they don't want anybody who is a developer having a majority of the board; and the other 15 could file a petition because the declarations don't have the language "as amended from time to time."

Mr. Edelkopf asked for clarification, whether this is the board's position because the documents have "as amended" rather than "as amended from time to time," and Mr. Rasmussen confirmed that was correct. He explained that the way he looks at the situation, if he writes something in 2021 and says he wants it to be "as amended," or it may have been an amendment in 2021 that he wants to incorporate. If he wants to incorporate something in 2022, he has to say "as amended from time to time" to incorporate a future amendment. So if he says "as amended," that would be simply as amended, anything he missed from the time he wrote the document, but nothing going forward. He stated that that is the difference he sees between "as amended" and "as amended from time to time," and that the big thing is to get that question settled so there is no grounds for anybody in the Association membership to bring a lawsuit. He stated that if the board allows Alya to put five people on the board, the Association would get a lawsuit that argues that the board can't do that.

Mr. Edelkopf stated that if the board handles it the other way, they would also get a lawsuit, saying why is the board spending his money with attorneys, that there would be a lawsuit either way.

Drew Smith then stated that, although the political history of the Association has been very calm for several years, much calmer than it was a decade ago, there are pockets in the community that know how to rabble rouse and absolutely know the system. With this question hanging out there, with every election going forward, everybody will be crossing their fingers, hoping that the issue will not come up, and that if Alya uses its votes to elect five directors, everyone will hear about it at the annual meeting, and there are absolutely some owners who will take that next step. Regarding Mr. Edelkopf's issue of cost, Mr. Smith stated that getting a ruling on the issue resolves an uncertainty early, which has benefits for everybody, both Mr. Edelkopf and the rest of the Association. He added that, as Mr. Mezer put it, this is a very narrow issue. It does not have to be expensive to arbitrate, that the purpose of arbitration is to not be knock-down-drag-out. He indicated that the members he is talking about absolutely are the knock-down-drag-out mentality, and it will be more expensive fighting them than if the board and Mr. Edelkopf just present the issue and request an answer.

Mr. Edelkopf then stated that there is a risk and reward, someone has to make a decision, and although Mr. Smith said a decade ago there were people making problems, the board has him right now that will make a much bigger problem than the guy a decade ago. He indicated that he doesn't like to fight and has been trying to push it off till now, but the Association has a bigger issue, far greater than individuals maybe stirring up noise, which is he, as someone who has a major interest, super focused on achieving what he has to achieve, and he promised to get there. He reiterated that if the board was going to bring up the idea that there were lawsuits decades ago, there will be a much bigger one from him, that that is a far greater risk than from any guy a decade ago. He stated that that should be jotted down in everybody's mind.

Tom Leiser then clarified what Mr. Smith was recommending, which he understood was that the Association would actually go to arbitration to get a ruling to see whether Alya Equities can be a majority owner and have five people on the board, to get that issue settled now so if and when the Association gets challenged by private owners, the Association already has a formal decision and can state that it did its best to represent the owners and protect and clarify the issue. Attorney Smith confirmed that that was correct. He stated that if it goes to arbitration and the arbitrator finds in Alya's favor, everybody—the board, the members individually, Alya as members of the board—will have that piece of paper and when owners show up at the annual meeting, they can say yes, they took it up and this is what the DBPR said. The issue has been put to bed.

Mr. Edelkopf thanked Mr. Leiser and Mr. Smith for clarifying then stated that a few weeks ago, the board decided to just go to arbitration and Mr. Edelkopf said okay. He stated that lawyers, in general, don't disclose everything, and people get sucked into it, then don't get what they want and have to do it again. He stated that he is trying to just settle the issue here, because the last time he said he was trying to be a nice guy and let's let it go. He stated that the board can be scared of lawsuits for everything, but all the board members have condo board insurance, that there wouldn't be a dollar out of anyone's pocket. He indicated that though the board is scared of a lawsuit from the other members, they should be scared of a lawsuit from him, and that if the Association wants to

pay for attorneys, all that money is coming out of the condo association, and half of it is his money. He stated that arbitration sounds dandy and it gets settled, but it's usually not like that, that things escalate, which means bad blood, and he's already had a lot of uncomfortable conversations with Mr. Gourdie and doesn't want to continue down that road. He stated that he came with an open mind and gave it a chance and now everyone is back to square one, that the Association attorneys were the ones who advised that the board file for arbitration and didn't even know that the rules changed in 2018.

Drew Smith explained that, actually, the statute changed, saying the board no longer has to file the petition for arbitration, but the rule did not change and still says the board has to. Mr. Edelkopf argued that the Association attorney failed to recognize the rule and made them go back and forth. Mr. Smith clarified that the rule still says the board has to file, and he would be willing to bet that had the Association not filed the petition, the board would be having the argument that the rule says it has to. He stated that it's one of those situations where the statute and the rule don't line up, and the Association followed the stricter one. He explained that it wasn't that he didn't know the rule.

Mr. Rasmussen then clarified that there are two different things in play—Florida Statutes and Florida Rules, and both apply to the condos. The statute was changed and the language removed stating that the board has to file a petition within five days. However, the rules still state that the board must file a petition within five days. Since the Florida rules still state the board must file the petition, that was what was done. The arbitrator said to ignore the rules and follow the statute, which the board could not decide to do on its own. Mr. Edelkopf said that at the last meeting, the attorneys did not give everyone the background that it might not be that easy and instead said the issue would be settled in arbitration, which was false. He questioned whether they should trust the attorneys again since they were clearly wrong the last time, that it's getting worse and worse as time passes.

Tom Leiser asked if it would help with the discussion to get the input of the four key people on the phone and asked if any of them had anything to add. Joe Schechter said that he had nothing to add, that Mr. Edelkopf was representing them, and Andrew Levy and Avi Rapaport said the same. Randy Kuhl stated that he had heard everything that was said and understood both positions. He indicated that he has always been a mediator in his life and his experience as a lawyer. He stated that Mr. Edelkopf has essentially threatened a lawsuit, which would be a point of discussion that an arbitrator could resolve, but Mr. Edelkopf seemed to not want to go that route. He then asked Mr. Edelkopf if one of the current members of the board who are private owners was to resign and the board appointed one of Mr. Edelkopf's choices to succeed that person, giving Alya five seats on the board, if Mr. Edelkopf would absolve the entire condo association and every board member from any liability from any lawsuit in that action. Mr. Edelkopf asked if Mr. Kuhl was referring to a lawsuit from him or from a third party, and Mr. Kuhl stated from a third party, from anybody.

Mr. Edelkopf stated that yes, he would agree to that on all terms, 100 percent. Mr. Kuhl clarified, asking if Mr. Edelkopf would absolve him, using himself as an example, and likewise any other board members, from any and all costs relative to that lawsuit, to which Mr. Edelkopf stated yes, he would take full responsibility. Mr. Rasmussen stated that that wouldn't prevent a lawsuit from being brought, and Mr. Kuhl agreed, but if the board was worried about costs to the Association, and any

lawsuits would be at Mr. Edelkopf's sole expense, with all the board's and Association's costs absolved, he didn't see a problem with it. Mr. Rasmussen stated that the Association has insurance for that. Drew Smith stated that the question goes less to the individual board members and to indemnification to defend for the Association, which would be the real potential dollar figure.

Mr. Edelkopf then clarified that he didn't threaten any lawsuits, just stated that other people stir stuff up and if the board is going to start fearing people, the guy they should fear is him, that he wasn't trying to make a threat. He asked why the board should fear one person a decade ago who probably passed away when he's right there, much worse. Mr. Kuhl then stated that the reason he asked the question was that he sees it as a possible way to get through the block that exists between both sides, that if Mr. Edelkopf says he would indemnify the Association and the board and anybody involved with that lawsuit, then he felt that is a process the board should look at. He stated that he would like to schedule another meeting and have the two attorneys, Mr. Edelkopf's and Association's, draft the documents that would absolve the Association, and that would give the board the decision of whether or not to move ahead and appoint a fifth director of Mr. Edelkopf's choice, then the problems are solved. He stated that that was his thought for a way to resolve the issue without any animosity being created and to allow the process, because everyone is welcoming the renovation of Grenelefe. He applauded Mr. Edelkopf for wanting to do the project but said that they needed to get by the hurdle one way or another, that arbitration is one way, but that the method he suggested is another way of possibly resolving it without having to have a decision.

Mr. Rasmussen then suggested a third option, which would result in minimal cost, saying that they could ask the board of arbitration to issue a declaratory statement as to whether or not Alya is a developer. He explained that they can present both sides and ask the arbitration board for an answer, that the issue could be decided with a dec statement rather than having to go to arbitration. Mr. Kuhl asked whether that would be a joint request from both the board and Mr. Edelkopf, or Mr. Edelkopf would file the petition. Attorney Smith explained that anybody has the ability to make the request. For example, if a unit owner files a request for a dec statement, the Association would be notified, and everyone would have an opportunity to submit their own statement. He explained that it is less involved than arbitration. He felt that, if the Association and Mr. Edelkopf could agree on the relevant facts and how to present them, they could do a joint request and cut out the step of the developer having to submit their own separate statement, which would result in both cost and time savings. However, he explained that the Association can't ask for a dec statement before the recall issue is resolved.

Randy Kuhl then asked if the declaratory statement from the arbitration board, if it were granted, would indemnify him, and Mr. Smith said no. Mr. Kuhl stated that he felt the board should develop the three different positions and have a meeting the following week to resolve it. Mr. Rasmussen then asked for clarification, saying that the attorney stated that Association can't have a declaratory statement based on anything that is pending litigation, but the recall is not pending because it was already finished. Mr. Smith said the recall is not pending, but the clock is ticking on Mr. Edelkopf, and he has to decide if he wants to challenge the refusal to certify, and as long as that is hanging out there, the board has the potential that he might have to pull the trigger on that in order to preserve those rights while there's also a pending dec statement. So there is currently potential for

arbitration, an arbitratable issue. However, if Mr. Edelkopf and the Association were joining in the dec statement together, and trying to figure out how to neutrally present that, then part of that exercise would be Alya having to make the decision that they're not going to press the recall question but instead are going to go the dec statement route.

Mr. Edelkopf then stated his understanding that the dec statement would then clarify whether Alya has four seats or five seats based upon the designation of developer or bulk buyer. Mr. Rasmussen said that was correct, but clarified that the action wouldn't get him the five seats on the board but would instead get him to the point where he can have five seats on the board, that currently, based on what the board did with the recall petition, Alya can have four seats, and as a result, four directors were appointed to the board. Chuck Erwin expressed his understanding that if he were to disappear tomorrow, that Mr. Edelkopf would still not get the fifth seat, that based upon a vacancy, it would still go to a homeowner. Mr. Rasmussen said it depends, that if less than the majority of the board is open, then the board can appoint the open seat, so eight members would appoint the one open seat. He stated that the question that has to be answered is whether Alya is a bulk buyer or developer. Mr. Edelkopf questioned whether that would alleviate the burden of a potential lawsuit, and Attorney Smith said it does, because if the DBPR says Mr. Edelkopf is a bulk buyer, everybody at the table agrees he has the right to five seats, and no one can challenge that decision because the issue was already resolved by the DBPR. Mr. Edelkopf asked Mr. Smith if he was willing to guarantee that no lawsuits can come out of that, and Mr. Smith stated that no, he obviously can't state that no one is going to sue, but the Association would have an order from the DBPR stating that the Association is doing what Statute 718 requires. Mr. Edelkopf felt that the only way to protect everybody was to go with Mr. Kuhl's idea, and Mr. Smith stated that Mr. Kuhl's idea doesn't stop someone from filing a lawsuit. Mr. Edelkopf said that the board isn't scared of winning or losing lawsuits, but is scared of all lawsuits, and Mr. Rasmussen stated that the Association was in court on Monday for a stupid thing, so lawsuits are going to happen. Mr. Edelkopf said the only way to stop it is he'll take responsibility.

Mr. Erwin stated that if the Association gets the letter saying Alya is a bulk buyer and entitled to five seats, it will happen, and the rest of the board will support him. He added that if the decision comes back that he's not a bulk buyer, the board will still support him, that he'll have four seats. Mr. Rasmussen agreed, that either way, the board would support him. Mr. Erwin stated that one of the reasons the board had problems with Westgate was they wanted to spend money on absolutely nothing and wait for someone to buy the place, get their money up front and move on. Mr. Monari added that they also tried to get the Association's money to pay for their projects, such as the roads. Mr. Edelkopf asked the board if they actually believed that someone would come to Grenelefe as a minority interest and not act like Westgate. He stated that the board is fighting the guy that is trying to improve the property, trying to put him in the minority, and that when someone has a minority, they do start becoming disinterested. Mr. Rasmussen said that that was Mr. Edelkopf's point of view, but that he doesn't see it that way.

Mr. Edelkopf stated that this is a position he is uncomfortable with, and if he sells the condos, the board would be dealing with someone else, another Westgate or someone worse. He said he can understand why it's hard, but it could be far worse. He stated that if he's not a majority and can't

streamline the operation and crush it like he needs to crush it, then the whole reason for the deal is off the plate. Mr. Rasmussen said that Mr. Edelkopf wants to do what he wants to do, but he needs to understand that he bought the insides of the condos; he didn't buy the Association. The Association is run by the membership as a whole, Mr. Edelkopf and everybody else, and he doesn't own the Association. Mr. Edelkopf stated that the board has a big problem, that all the condos are not sold, and there is a massive bulk of them, a situation the Association won't get rid of unless someone sells them individually, which he stated he would not do. He stated that the board won't get rid of this problem by hoping it goes away. Mr. Rasmussen said that no one is hoping it goes away. Mr. Edelkopf stated that if the board doesn't have him, it will get somebody else, that the board has to pick its poison because it has a condo where there is an insane amount of condos owned by one person. He gave the example that if someone bought 55 percent of Coca-Cola, they wouldn't tell him he couldn't have an opinion, because he owns Coca-Cola, the others are limited partners, and he would tell them to sit down and watch or go.

Mr. Erwin then told Mr. Edelkopf if he resigned today, Mr. Edelkopf would still not get his seat, because it would go to arbitration. Mr. Edelkopf stated that the board could appoint that seat to him, and Mr. Rasmussen stated that the vote could go to a 5-3, a 7-1, a 4-4, or even an 8-0. Just because one member resigns doesn't mean that Alya will automatically have a fifth seat. The board would decide it.

Mr. Kuhl stated that the attorney had advised that the Association couldn't prohibit lawsuits, which he acknowledged was correct, but asked if Mr. Edelkopf was willing to absolve him from any liability and indemnify him, he wouldn't have to hire an attorney and wouldn't have to spend \$5,000 on this needlessly. He stated that if Mr. Erwin were to resign, he would resign too, and it would be a 4-3 decision, but he stated that he doesn't want to do that. He indicated that what he would like to do is explore all three options that are available and discuss them once they're lined out and he felt indemnification of the board, the condo Association and every individual, which Mr. Edelkopf has agreed to, is a very viable solution to the issue, and the board would be able to move forward and appoint a board member from Alya and make it 5-4 and go from there. He felt that the board was at a point where it had exhausted discussion on the issue. Mr. Kuhl then moved that the board adjourn until a date to be set next week when the attorneys can put together all three options that the board can discuss and make a decision.

Mr. Monari then asked if there was a time frame for Mr. Edelkopf to come back with the arbitration on the recall, and Attorney Smith stated that it would be 60 days from that board meeting. Mr. Edelkopf stated that he hypothetically agreed to exploring all the options, but since he is not as proficient as an attorney, he didn't know. He stated that he didn't know if he fully articulated his last point well, but what the board is doing is cornering him in a place where it's lose-lose for all. He stated that if he only has four board members, it's not a sustainable solution for himself. He stated that he didn't know if the board was aware of what is going on with the golf course, with those employees and that operation, but the guy comes in and screams at everybody every day. He stated that the situation with the condos was close to that if he hadn't stepped in and bought the condos. He stated that currently, the board has him there, but he didn't know how much longer it was going to last, because if it goes down to four, it's not a sustainable investment. He stated he is

not going to sell individually, so the board will be stuck with someone coming in and owning 417 parcels, and the board has to decide what that decision is.

Tom Leiser then added that the board is responsible primarily to all the condo owners, of which 54 percent are Alya, so the board's key responsibility is to protect all owners. In that light, he felt there was one way to protect the Association as a team, so they can look every private owner in the eye and say they did their best, which would be the declaratory statement. He added that they also have Mr. Edelkopf's commitment that he is going to do the right thing and go along with Mr. Kuhl's idea, and the board would be protected. He stated that he is leaning toward Attorney Smith's recommendation of the option of the declaratory statement so the board could approach all owners and defend its position, assuming the decision comes out that Alya is a bulk buyer. Mr. Rasmussen stated that's what he's been saying all along, that it needs to get decided, and although someone may decide to try to sue, as soon as they take it to an attorney, the attorney would see the issue had already been decided. He stated that if Mr. Edelkopf decided tomorrow to sell out and someone else comes in, the question is still there. He added that, as far as indemnification, the Association has insurance on all the board members. Mr. Rasmussen asked the board if it wanted to revisit this next week, and Mr. Kuhl stated that he would like to.

Attorney Smith then made a suggestion on timing, because he wanted to make sure that Alya has an opportunity to discuss the situation with its attorney, since the indemnification would be coming from Alya and not Mr. Edelkopf personally. He stated that he will make himself available for Mr. Mezer or whoever it is, but encouraged Mr. Edelkopf to sit down and talk to his attorney to find out what the indemnification would look like and to make sure that he's comfortable with it and that it's in his best interest. He explained that talking about something in a board meeting, sometimes the lawyer says, "Wait, did you think about this?" Mr. Smith indicated that he is happy to move as fast as everybody wants to but he wants Mr. Edelkopf to sit down and talk about the ramifications with his own counsel before everyone gets too far down the road.

Andrew Levy then stated that he understands a lot of people are concerned about getting sued, so he posed the question that if the people who were worried about getting sued were to resign from the board, would that end their liability. Attorney Smith stated he didn't feel it was individuals worrying about getting sued as much as it was about the Association having to fight the battle. He felt that everyone had the same interest at issue, which is the best use of Association dollars. Mr. Levy clarified, asking if the people who were worried about being sued were not concerned about getting sued individually but having the Association be sued, and Mr. Rasmussen agreed, stating that it was discussed at other board meetings, prior to Mr. Levy joining the board, that there is a very litigious group that lives at Grenelefe, and board members have been personally sued in the past, and the board is trying to prevent a lawsuit. Mr. Rasmussen asked if that answered his question, and Mr. Levy said yes and no, because if he put himself in the shoes of someone who is on the board and is that afraid of getting sued, he would just resign and move on and let somebody else get sued. Mr. Rasmussen stated that that is not the primary concern, that what the board is looking at is trying to keep the Association from being sued, not individual members. That is why the question of developer vs. bulk buyer keeps coming up, because there is potential for a suit against the Association, so the board is trying to preclude anything coming against the Association.

Mr. Edelkopf then stated that he would leave it up to the five owner directors to make their decision, because he felt the burden of stepping up to do something is on them. Mr. Rasmussen asked Mr. Edelkopf if he wanted to talk to his attorney first and then tell the board how much time he needs, and Mr. Edelkopf said no, that he wants someone to resign. Mr. Rasmussen stated that that was not going to happen. Mr. Edelkopf said that the decision is on the other board members, that they need to do something and he would try to work around them.

Mr. Leiser asked Mr. Edelkopf if he would have one of his lawyers work with Attorney Smith on the declaratory statement option, or the three options, and Mr. Edelkopf stated that if no one is voting him in now, he has no choice. Mr. Leiser stated that he liked Mr. Kuhl's approach but didn't know how solid it was. Mr. Edelkopf suggested adjourning, taking time to think about it and then reconnect. Mr. Erwin suggested getting the declaration of what Alya's status is, and then whatever the decision, the board stands behind it, and if someone sues, the board gets sued. If the determination is that Alya is a bulk buyer, it gets a fifth seat. If not, the board will deal with that, too. Mr. Rasmussen asked Attorney Smith if he wanted to talk to Alya's attorney and try to work a time frame with them first, and Mr. Smith stated that he wanted Mr. Edelkopf to have an opportunity to discuss it with his attorney, that he is available although he won't be sitting at his desk, but to have Alya's attorney send an email, and he will call at a time they can coordinate and discuss it, but that Mr. Edelkopf needs to have that conversation with his attorney, and if that's the direction they want to explore, he is happy to do that. Mr. Rasmussen stated that the board would adjourn the meeting and reconvene another meeting as soon as he hears back.

At 2:00 p.m. Randy Kuhl moved and Earl Monari seconded a motion to adjourn.

Respectfully submitted,

Carol Post

Carol Post
Secretary pro tem