

**Minutes Board of Directors
Real Club de Golf Guadalmina**

At Guadalmina , **July 10th 2020**, The Board of Directors met, previously convened with following agenda

1 - Reading of the Minutes of the meeting held on January 31, 2020

2 - Report of the different Committees: Course, Competition and School.

3 - Manager / Administrator / Operations Report:

- Balance at 6/30/20 compared to 6/30/19.
- New and departing Members as of 6/30/20 compared to previous years.
- Amounts pending payment in 2020.
- N.O.C. Employees.
- Next reforestation.
- Details of investments and pending improvements (photovoltaic plates, closure of the upper terrace postponed to next year, etc.)
- Nets to be put at Holes: 10 North and South, 2 and 14 North.
- Review of the Internal Regulations on Courtesy (invites) and Professional Players, dating from 2009.
- Club Collective Agreement, which expires in December 2020.
- Opening of disciplinary proceedings for two Members.

4 - Decisions on economic aspects.

- Financial responsibility of the Board of Directors, and the functions that may be delegated.
- Approval of the budget and expenses of the Club
- Investment projects
- Bill payments and cross control system
- Charity competitions (AECC and others)
- Powers and faculties to be granted to the Manager and to the Director of Administration and to the Administrator of the SA Company.

5 - Human Resources

- Decision on the termination of the contract with the Green Keeper's advisor.
- Decision on the replacement of Mr. José María Almagro and Mr. Juan Holgado in November 2020.
- Decision on the termination of the contract with Ms. María Ángeles Calvente, on her replacement or becoming an office employee instead of a shop employee.
- Decision on the annual saving, referred to the SA Director's salary.

6 - AOM

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The Meeting is chaired the Club President, D. Juan Ramón Martínez Landazábal, assisted by the Club Secretary D. Ignacio Infante Cano. Presents, Vicepresident Carlos Costantini, Treasurer D. Antonio Nuño García Vocal D. Marc Mueller-Baumgart, Doña Linda Jones, D. Eric McLeod, , D. Christiaan Reijnders, D. Alfonso Cruz-Conde, D. Hans Wielaard, D. Juan Rueda, The Club Manager, D. Ignacio del Cuvillo, Operations Director, D. Alvaro Venegas Gil, , D. Miguel Angel Gutiérrez Piña, Administrator Guadalmina Golf S.A. y D. José Ignacio Fernández-Jodar external assessor of The Board del Real Club de Golf Guadalmina.

Apologies: Doña Gunilla Lindstrom and D. Fermín López

The meeting begins on first call at 5:30 p.m. and, understanding that there is a sufficient quorum established by statute for the meeting, the meeting is held.

The President begins by greeting the attendees, thanking them for their presence.

Punto 1.- Reading Minutes of the meeting of January 31, 2020

The minutes of January 31st , 2020 are read by the Secretary, and they are unanimously approved as there is no objection to it.

A debate on the use of TopTracer opens, with Mr. Costantini indicating that some Members prefer grass over mat.

It is agreed that, in the hottest months, until 11:00 you can play from the grass, and then play from the covered area.

Regarding the payment or not by the Members for the use, it is agreed that it will be decided after the summer, since at the moment a sponsor has not been selected to cover the expense or reduce it.

Regarding the Written Complaint of the LAM member regarding the behavior of the Member DB and in view of the facts, it is agreed to initiate the process of two Informative Files, a working group formed by D Ignacio del Cuvillo, and D. Christiaan Reijnders, together with the Secretary.

Punto 2.– Report of the different Committees: Field, Competition and School.

Regarding the Course Committee,

A report was delivered by Mr. Reijnders, and expressed to the Board the congratulations received from different Club Members about the work done on the courses.

It is approved that any change in, for example, the tees of any of the courses must be previously reported to the competition committee for its agreement since this committee will analyze whether it is necessary to inform the RFAG for its evaluation.

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On the point of having a Marshall on each course, the Director of Operations reported how difficult it is to provide a Marshall for both Courses with the existing working groups limitations. It was decided to revise this item until we have the financial result of the exercise

The Manager informed that the staff attending the Public, due to the COVID19 and the application of the E.R.T.E. and the reductions in working hours will not enjoy vacations in the second semester, but as from the month of January 2021 this department will be reduced by one person,

When the system of running shifts is taken up again to cover vacations, this added to the retirements of José María Almagro and Juan Holgado make it unfeasible to have two Marshalls.

The Board proposes a study ask an employee of the maintenance department can carry out any of these functions.

Regarding the School Committee,

The report was sent in advance by Mr. Mueller-Baumgart and is attached to these minutes.

He emphasizes that the work is very difficult at present, due to the circumstances of COVID 19. In this year's summer camp there are fewer places, the capacity having been completed practically with the children or grandchildren of members only.

Regarding the Competition Committee,

The report was sent in advance by Mr. Wielaard.

The Board is informed of the drop in prices for tournaments, mainly the "Big Week" since last year had a balance of -12,000 €, and this year our intention is to break even.

Regarding the awards ceremony, the Manager informs that there is no prohibition on its celebration, but rather a recommendation to keep a safe distance and avoid crowds.

The Sponsors have stated that the award ceremonies take place, since it is not in vain that it is the peak moment of their promotional or advertising effort.

It is debated whether to have prizegiving with strictly respected capacity control, or to use video relay systems, or to cancel them completely.

The opinion of each Board Member is expressly requested and the result is that there will be no award ceremony until further notice.

The Competition Committee is requested to inform Sponsors, the rest of the Board of Directors, Personnel and Members, about the way in which the tournaments that are finally held will be developed, regarding the collection of prizes and raffles, if any.

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Punto 3.- Manager / Administrator / Operations Report.

The report of the Manager was presented to the Board of Directors, with the commitment to send it in writing to its Members, once the spending decisions that have been approved and those that have been postponed have been given today.

The following data is succinctly given:

- Close at 6/30/20 compared to 6/30/19.

The decrease in income is very important, as a consequence of the closure imposed by the coronavirus lockdown, although after the meetings of the Executive Committee, corrections to the Budget were agreed, which are contemplated in the projections for the closure of 2020 in both the GGSA and the RCGG

	Achieved.2020	Achieved 2019	Difference
VENTAS GREEN-FEES	139.936,62	300.648,31	-160.711,69
GREEN-FEES HOTELES Y TTOO	11.245,44	50.132,24	-38.886,80
HOTEL GUADALMINA ACUERDO	74.157,43	86.737,60	-12.580,17
GREEN-FEES COCHES GOLF	32.240,14	65.796,83	-33.556,69
			-245.735,35
	Achieved.2020	Achieved 2019	Difference
VENTAS GREEN-FEES	139.936,62	140.336,11	-399,49
GREEN-FEES HOTELES Y TTOO	11.245,44	9.123,26	2.122,18
HOTEL GUADALMINA ACUERDO	74.157,43	74.243,80	-86,37
GREEN-FEES COCHES GOLF	32.240,14	32.221,00	-19,14
			1.655,46

On the other hand incomes by Member's fees have increased

	Achieved.2020	Achieved 2019	Difference
ABONOS ANUALES	1.156.799,44	964.880,37	191.919,07

Extraordinary income has also been considerably reduced, by more than € 107,000 since in 2019 compensation was received from the Ministry of Development, although it is true that today we still await the receipt of funds, and extraordinary income from the 2020 largely comes from D&O Policy coverage that has coped with LAMPS incident payments.

	Achieved.2020	Achieved 2019	Difference
INGRE.EXTRAORDINARIO	89.183,79	196.810,27	-107.626,48

- Members up to June 2020 vs 2019

The number of members as of June 30, 2020 is two thousand six (2006) see attached table.

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It is evident that in this figure there are 35 Members who have not paid their quota in 2019.

All of them have been personally requested to pay, while awaiting the decision of the Club to proceed to inform them that if they do not attend to the payments, they will permanently withdraw from the Club.

COMPARATIVO CUOTAS Y SERVICIOS A 1 DE JULIO 2020

	<u>año</u> 2019	<u>al</u> 1/7/2020	Diferencia
Cuota socio + Abono Anual "A"	732	775	43
Cuota Socio "B"	796	919	123
Cuota Socio "C"	202	258	56
Cuota Juvenil "JR"	43	54	11
Total SOCIOS	1773	2006	233
Cuota Escuela	81	101	20
Alta Titular	49	Pte de ticar	
Alta Conyuge	37	Pte de ticar	
Circulacion Anual Buggy particular	233	239	6
Taquilla Vestuarios	119	118	-1
Guarderia Palos Indv y Familiar	266	281	15
Trolley Electrico Anual	330	360	30
Guarderia Buggy Gasolina	24	22	-2
Guarderia Buggy Electrico	6	9	3

- Pending payment Members by June 2020.

Currently there are Members who paid in 2019 but have not paid any quarterly fee of 2020, specifically 51 according to the following detail:

27 Pendientes (1&2 trimestre)
2 Pendientes (1&2&3 trimestre)
1 Pendientes (2 trimestre)
1 pendiente (2&3 trimestre)
20 pendientes (3 trimestre)

All these Members have received a letter or e-mail demanding payment, indicating that if they do not do so, they will be proposed to withdraw at the next General Assembly of the Club.

- Compulsory Note to All Employees.

NOCs signed by employees are presented, comments on aspects will be discussed at a future Executive Committee meeting.

- Next step reforestation program.

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It is indicated that the planted trees correspond to those that were once approved and that are part of the reforestation program.

Except for two trees, which will be replaced shortly, the more than 100 specimens look great and are well cared for, everything is progressing well.

In view of the results of the coming months, it is planned to study an expansion of the reforestation program to complete the initial study.

- Detail of investments and pending improvements (photovoltaic plates, closure of the upper terrace postponed to next year, doors, etc.)

- Protective nets in the Holes: 10 North and South, 2 and 14 North.

The need for their installation is debated, and there is consensus that they are essential. They will seek to be more aesthetic.

The budget is presented by the Manager.

REDES	Mano de obra y red	postes	
HOYO 10 NORTE	29.897,78 €	7.034,94 €	
HPYP 14 NORTE	23.645,49 €	5.471,62 €	
HOYO 2 NORTE	21.840,45 €	5.080,79 €	
HOYO10 SUR	7.539,66 €	1.563,32 €	
	82.923,38 €	19.150,67 €	102.074,05 €
	3% Imprevistos		3.062,22 €
		TOTAL	105.136,27 €

The Manager is instructed to obtain, if possible, other alternative estimates.

The cost of the gates is also presented, and, at the proposal of the President, it is decided to leave them for later, to be prudent in the expenses, giving priority to the protective nets

For information the cost of installing the sliding gates are as follows, in case that the Board decides to start the installation of one or more before the end of the year.

PUERTAS	obra civil	puertas	conexión eléctrica	
hoyo 13 campo SUR	9.099,20 €	7.382,96 €	1.696,00 €	18.178,16 €
Hoyo 1 campo Norte	6.969,60 €	6.201,46 €	1.696,55 €	14.867,61 €
Noyo 2 Campo Norte	6.030,64 €	6.201,46 €	1.255,91 €	13.488,01 €
Hoyo 7 Campo Norte	6.388,80 €	6.201,46 €	2.909,30 €	15.499,56 €
Hoyo 8 Campo Norte	5.082,00 €	6.651,96 €	1.396,69 €	13.130,65 €
	33.570,24 €	32.639,30 €	8.954,45 €	75.163,99 €
			3% imprevistos	2.254,92 €
			TOTAL	77.418,91 €

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It is also decided that the installation of the photovoltaic panels will be postponed, urging the Manager to collect information on the possibility of postponing this project, trying to maintain the grant, Miguel Angel Gutierrez Piña offers to collaborate in this management.

Regarding the closing work of the upper terrace and conditioning of the restaurant and terrace, it is reported that this project has been postponed to 2021, once we see the result of the exercise.

The Manager informs that, nevertheless, the construction license has been requested, so that the dates continue to advance and we can request the construction budgets, so as not to delay the start, when the start is decided.

- Revision of the Regulations of Courtesy and Professionals, dating from 2009.

A draft of the Regulations was created by the Director of Operations, which has been presented to the Board.

Álvaro Venegas reports that the regulations approved in 2009 are being controlled by the computer system, instead of the guest book.

It is requested that a proposal for a new regulation be prepared, to be presented to the Executive Committee.

- Collective Agreement Between the Club and the Employees, which expires in December 2020.

It is reported that The Collective Agreement between the Club and the Employees is renewed this year, and we will have a labor advisory to advise us before the renewal date, which is December 2020, but needs to be proposed in November.

The Board of Directors proposes Mr. Antonio Nuño as the Club's interlocutor with the labor advisor to advance on this matter.

Punto 4. – Rules on economic aspects.

- Financial responsibility of the Board of Directors, and the functions that may be delegated.

1.- The Board of Directors and in delegated form its Management Committee, the Management and all the RCGG staff are responsible for the good use of the Club's resources, which are ultimately resources of the Members. We must use them sparingly, and always looking for the best result to keep the facilities in perfect condition and implement the possible improvements in them.

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ABOUT CAPITAL INVESTMENTS AND MAJOR EXPENSES IN MAINTENANCE

2.- All major investment and maintenance projects that are submitted for approval to the Board of Directors, must have, in addition to the project itself, the economic value of the same derived from firm budgets, and both will be presented for approval by the Board of Directors, together with the prior approval of the Steering Committee. Once approved, the necessary documentation will be delivered to the Administration management so that this unit makes the corresponding payments, always within the authorized values. This unit will not pay invoices that exceed said authorized value.

3. If higher costs arise in any action, they must be authorized by the Steering Committee or the Board of Directors, before undertaking, providing the documentation that justifies them.

ABOUT BUDGET AND CASH FLOW

5.- The annual budget and the corresponding cash flow will be prepared sufficiently in advance to allow for discussion, approval by the Board of Directors and subsequently its presentation and approval by the General Board of Club Members.

6.- Significant variations in income and expenses or in their time sequence will be reported by Management at the time they are known, in order to take the necessary corrective measures as soon as possible.

POWER OF ATTORNEY

7.- The Board of Directors, through the President, will grant joint powers to Miguel Ángel Gutiérrez Piña, Ignacio del Cuvillo Cano, Eva del Molino Collado, like those they had in GGSA, for operations up to a certain amount, and representation before organizations public.

CHARITY TOURNAMENTS

8. Charity Tournaments always imply a lost profit that may vary by virtue of the conditions granted to the organizers (use of the course, buggies, green fees, etc.) and therefore must be calculated and reported at the time of request the approval of the mentioned competitions (ASPANDEM, Asoc. Deportiva San Pedro, AECC, etc)

Point 5 – Human Resources

- Decision on the termination of the contract with the Green Keeper advisor

It is notified that in April the contract with the Advisor Mr. Carlos Lima was terminated, which has meant an annual saving of € 12,000

- Decision on the replacement of Mr. José María Almagro and Mr. Juan Holgado in November 2020.

In April 2020 Mr. Jose M^a Almagro retired, not being replaced due to current circumstances, it is also the intention initially not to replace Mr. Juan Holgado in the event of his Retirement in November 2019.

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- Decision on the Resolution of the contract with Ms. María Ángeles Calvente, on her replacement or becoming an employee of the shop to be an employee of the office.

Maria Ángeles Calvente is confirmed in the month of June, she finished her services at GGSA, and her position has been amortized, and the person in charge of managing the Pro-shop has gone on to collaborate in secretarial tasks.

- Decision on saving the annual cost, assuming the Administrator's salary.

These three employees will represent in 2021, if none is replaced a saving of approximately € 129,000, to which will have to be added the € 12,000 of the savings of the advisory contract.

As is known, the salary of the Sole Administrator is paid by GGSA not forming part of the salary mass of the RCGG, however, for information purposes, it is reported that its cost is € 2,500 gross per month.

Point 6 – Any Other Bussines

- a. to. Discussion about control over Members who do not pay the buggies circulation fees. Indicating that a special effort is being made to prevent any member from circulating without being aware of the payment of circulation and compulsory insurance.
- b. It is reported that the Professional of the Francisco Hernández Club currently has his buggys insured, although due to the circumstances he has not paid for the circulation themselves, requests that a possible reduction in the price or number of buggys whose circulation must be paid be studied, since he is only renting one or two cars maximum per day.

There is debate about the Collective Golf Lessons offered to Members at no cost. The manager informs about the details of Francisco Hernández's contract, indicating that he provides group classes to Members on Mondays and Tuesdays from 09:00 to 11:00 and on Fridays for one hour to the Women's Section.

It is requested that this information be known to as many Members as possible, and that a report be provided on the Members who usually do enjoy these classes.

- c. c. It is proposed by D. Antonio Nuño that it be reviewed if there are trees in poor condition that could fall on the course, since a few days ago he found that a cypress had fallen on the tee of Hole 1.
- d. There are different complaints about the restaurant service, which has worsened very seriously. There is debate about the possibility of developing a member area, given that customers who are not members can access the Restaurant by contract.
- e. The Director of Operations asks the opinion of the Board about the temperature taking of the players, as it is not considered efficient. It was decided to remove this temperature tap.

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- f. Regarding the welcome letter to the staff on the occasion of joining the Real Club de Golf Guadalmina, it is agreed that the Manager prepare a model to be distributed among the employees signed by the President.

- g. Don José Ignacio Fernández de Jódar points out that these days the approval of the Marbella PGOU is being processed and offers to help manage the commercial use of the parking lot and the old maintenance warehouse. As well as for any management in defense of the interests of the Real Club de Golf Guadalmina in that area.

There being no other business to discuss, the meeting closed at 20:10.

Appropriate minutes will be signed by the President together with the Secretary:

D. Juan Ramón Martínez Landazábal
Presidente

D. Ignacio Infante
Secretario