

September 7, 2018

RE: Notice of Annual Meeting
HAO Condominium Association, Inc.

Dear Marriott's Harbour Lake Owner:

The 2018 Annual Meeting of HAO Condominium Association, Inc., will be held at 2:00 p.m., Eastern time, on October 12, 2018, at Marriott's Cypress Harbour, Talent Experience Center (See Reader Board for exact meeting room location), 6720 Captain's Way, Orlando, Florida 32821.

The purpose of this meeting is to review the operations of the Association, conduct any other business that may be presented at the meeting and to consider the following:

- Waiving or Reduction of Fully Funded Reserves
- Election of Two (2) Members to the Board of Directors each to serve a three-year term

The following Annual Meeting materials are included for your review by clicking the link below:

- **Agenda** for the meeting
- **Proposals** to be considered
- **Candidate Profiles** of the candidates to be elected to the Board of Directors
- **Limited Proxy**

This email contains the link to the secure Internet site that will allow you to submit your Limited Proxy electronically and also view the documents related to this meeting. It has confidential information specific to your account and is intended only for the member to whom it is addressed.

If you are unable to attend in person, you may submit your Limited Proxy on-line no later than 11:59 p.m., Eastern time, on October 5, 2018. The Internet procedures are designed to authenticate your electronic submission by use of a personal control number. To submit your proxy via Morrow Sodali's on-line system, please click on proxyvoting.com/MVCI. At the site, you must enter the following control number: [# to be provided by proxy vendor]. **PLEASE MAKE NOTE OF YOUR CONTROL NUMBER AS THIS INFORMATION IS AVAILABLE ONLY THROUGH MORROW SODALI.**

If you have questions regarding submitting your Limited Proxy electronically, please contact Morrow Sodali by email at mvci.info@morrow sodali.com.

In connection with updating your records, a **Certificate of Voting** form is included on the secure Internet site. **If you previously completed and returned a Certificate of Voting form, you do not need to complete the form again unless you wish to designate a new voting member.** If completing a form, you may complete it online by entering the name of your designated voting member, signing and submitting electronically. Single, individual Owners do not need to complete a form. Please note, completing the Certificate of Voting is different from appointing a proxy holder. See your Limited Proxy for specific instructions on appointing a proxy holder if you are unable to attend the Annual Meeting.

If you have any questions regarding the Annual Meeting, please contact Melissa Fritsche, General Manager, by phone at 407-465-6298 or by email at melissa.fritsche@vacationclub.com.

Whether or not you plan to attend the Annual Meeting, I encourage you to submit your Limited Proxy promptly. If the quorum requirement is not met, the Association will incur additional expense to re-notice Owners in order to obtain the votes required to hold the Annual Meeting. Your vote and participation are important to the Association.

Sincerely,

Les Holliday

Secretary
HAO Condominium Association, Inc.

**HAO Condominium Association, Inc.
2018 Annual Meeting**

October 12, 2018 at 2:00 p.m., Eastern Time

Marriott's Cypress Harbour
Talent Experience Center
(See Reader Board for meeting room location)
6720 Captain's Way
Orlando, Florida 32821

Agenda

- Call to Order
- Election of Chairman of Meeting
- Appointment of Recording Secretary
- Roll Call; Certifying of Proxies; Establishment of Quorum
- Proof of Notice of Annual Meeting
- Approval of Agenda
- Approval of 2017 Annual Meeting Minutes
- Appointment of Inspector of Election
 - Nominations from Floor
 - Tabulation of Votes
- Board of Directors Report
- Resort Operations Report
- Financial Report
- Voting Results
 - Waiving or Reduction of Fully Funded Reserves
 - Election of Two (2) Members to the Board of Directors
- New Business
 - Announcement of 2019 Annual Meeting Date
- Adjournment

HAO Condominium Association, Inc.
2018 Annual Meeting

Proposals

1. **Reserve Funding Waiver** (Item 2A on your Limited Proxy)

The State of Florida requires condominium associations to include in their annual budgets reserves for capital improvements and deferred maintenance. Under Florida law, the amount to be reserved must be computed using a formula based upon the estimated useful life and estimated replacement cost of each item. However, the State permits the annual waiver or reduction of the statutory reserve contribution with an affirmative vote by the majority of those Owners voting by proxy or in person at a duly called meeting of the Association. Without such a majority Owner vote for waiver or reduction of reserve funding the statutory formula will be followed, which may result in a higher total maintenance fee assessment than if a majority Owner vote is obtained.

Your Board of Directors recommends a “YES” vote for waiver or reduction of the required reserve contribution.

2. **Election of Two (2) Members to the Board of Directors** (Item 2B on your Limited Proxy)

Two (2) Members will be elected to the Board of Directors each to serve a three-year term. See the Candidate Profiles for a summary of the candidates.

**HAO Condominium Association, Inc.
2018 Annual Meeting**

Candidate Profiles

Candidates are listed in alphabetical order.

Name: James Heaphy
Home: Mills, Ontario, Canada
Occupation: Police Sergeant
Comments: "I am presently a Sergeant with the Ottawa Police in my 31st year of service to the residence of Ottawa. I am set to retire sometime in 2019. I have strong leadership skills, and can work very well in any team environment. I am also very capable of working independently if given a task to complete. My present job has me working with a multi million dollar fleet budget, and working with a team of 12 or so civilian fleet personnel members. I have been an owner at Harbour Lake for several years and attend frequently with my wife and three children. We love the family atmosphere at Harbour Lake and look forward to many more years of vacation fun. I would work very hard with our team to make improvements to our resort while being wary of the fiscal restraints. Thank you for considering me. Mr. James Heaphy."

Name: Leslie Holliday
Home: Bethel Park, Pennsylvania
Occupation: Retired Teacher, Retired DJ, Active Audio Book recordings
Comments: "First, my thanks for electing me for three years to represent you on the Board. My first year was eager but tentative; my second year was more confident and, I think, more representative of you. This year, I have talked with MANY of you about what you appreciate and what to improve, and I have made it a point to present both concerns and accolades to the Board. The Board is responsive and responsible in keeping the resort current within our budgetary limitations, and I am proud to be the Secretary of the Board of Directors. Owners of six weeks and enough Destination Points to be respectable, we have traveled widely in the Marriott system. It is my desire to bring the very best of other resorts to Harbour Lake while avoiding the pitfalls we have seen elsewhere. See you at the Pirate ship and thanks for your vote!"

Name: Ronald Porrata
Home: San Juan, Puerto Rico
Occupation: Banking Consultant
Comments: "Prior to becoming a Banking Consultant, I worked with the federal government as a Bank Examiner with the Federal Deposit Insurance Corporation for 42 years until my retirement in December of last year. Throughout my career with the FDIC it was my responsibility to examine banks of moderate size and up to \$17 billion in total assets which included problem as well as non-problem institutions. My salient responsibilities as a bank examiner was the financial evaluation of my assigned institutions which were located in Florida and Puerto Rico. I would like to be a Director so I may play my part at ensuring that the quality home away from home that I am use to, remains this way."

HAO Condominium Association, Inc.
2018 Annual Meeting

Candidate Profiles
(continued)

Name: Jeffrey Pullen
Home: White Plains, Maryland
Occupation: Project Manager
Comments: “My name is Jeffrey Pullen and I am project manager for the US Federal Government, overseeing a multi-million dollar operating plan. I have been a Harbour Lake owner since 2005 and I love the place. We come here each year for multiple weeks. One of the things I would do as a board member is to work with Marriott to invest more into our property. We have a lot of vacant space that needs to be utilized. Why not build another building? Why not add another pool or park area? Marriott has invested in other properties, so the time is now for them to invest in ours. As owners, we pay a lot of money for the maintenance of our property, but it is time for Marriott to invest more in Harbour Lake.”

Name: Eric Williams
Home: River Grove, Illinois
Occupation: Fabrication Supervisor
Comments: “I have been a Vacation Club owner for 15 years and also served as the president of my condo association for that same period. I graduated with a Bachelor of Arts in 2000 and have worked as fabrication supervisor in the Chicago area for 12 years. I have much experience in property management and working with a team to achieve common goals. I have come to Harbour Lake every year that I have been an owner and I’d love to take part in keeping the property beautiful and profitable. It would be a privilege to represent the many owners and serve in any capacity on the board!”

Owner ID/Villa/Week:

CERTIFICATE OF VOTING MEMBER – INDIVIDUALS

[This Certificate of Voting Member (Individuals) form should only be used for those Interests owned by multiple individuals. Partnerships, corporations, trusts, limited liability companies and other entity owners shall use the Certificate of Voting Member (Entity) form on page 2.]

The undersigned, being the owners (each, an “Owner” and, collectively, the “Owners”), of ownership interest(s) (each, an “Interest”), in the program or property known as **Marriott’s Harbour Lake** which is managed and administered by **HAO Condominium Association, Inc.** (the “Association”), hereby designate the below-listed individual as the “Voting Member” to cast the vote, on Owners’ behalf, for each such Interest, in all matters pertaining to the Association, until this Certificate of Voting Member is revoked or suspended by written instrument executed by the Owners.

Each Owner hereby acknowledges and agrees that the execution and delivery of this Certificate of Voting Member shall automatically revoke, and shall entirely replace and supersede, any voting certificate(s) executed by the Owners relating to the Association prior to the dates set forth below.

In designating a Voting Member, all Owners must sign below.

VOTING MEMBER

_____ (type or print one (1) name; Voting Member must be on Deed)

OWNERS:

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Signature: _____
Printed Name: _____
Date: _____

Owner ID/Villa/Week:

CERTIFICATE OF VOTING MEMBER - ENTITY

[This Certificate of Voting Member (Entity) form should only be used for Interests owned by entities (e.g. partnerships, corporations, trusts, limited liability companies). For Interests owned by multiple individuals, please use the Certificate of Voting Member (Individuals) form on page 1.]

The undersigned, being the owner (the "Owner"), of ownership interest(s) in the program or property known as **Marriott's Harbour Lake** which is managed and administered by **HAO Condominium Association, Inc.** (the "Association"), hereby designates the below-listed individual as the "Voting Member" to cast the vote, on Owner's behalf, until this Certificate of Voting Member is revoked or suspended by written instrument executed by Owner.

Owner hereby acknowledges and agrees that the execution and delivery of this Certificate of Voting Member shall automatically revoke, and shall entirely replace and supersede, any voting certificate(s) executed by Owner for the Association prior to the date set forth below.

By the execution of this Certificate of Voting Member in the space provided below, the individual signing this Certificate of Voting Member, on behalf of Owner, represents that he/she is authorized to sign this Certificate of Voting Member on behalf of the Owner.

VOTING MEMBER

(type or print one (1) name)

ENTITY OWNER LEGAL NAME:

Signed By: _____

Printed Name: _____

As its (choose one):

President Vice President General Partner Other _____

Date: _____

ATTEST:

(Attest not required if entity is a Trust)

Signed By: _____

Printed Name: _____

As its (choose one):

Secretary Assistant Secretary

LIMITED PROXY

**HAO Condominium Association, Inc.
Limited Proxy for 2018 Annual Meeting**

Date: _____

Voting Member Signature

(X): _____

Voting Member Signature

(X): _____

Legal Name:

Note: This Limited Proxy must be dated and signed by the owner(s) or the designated voting member for the vote(s) to be counted. Please sign and return your Limited Proxy on or before October 5, 2018. Please note, however, that votes will be counted if cast in person or otherwise properly received on or before October 12, 2018.

1. The above signed, as member(s) of **HAO Condominium Association, Inc.**, do hereby appoint EITHER (indicate choice by filling in the circle at (1) OR (2)):

(1) **Thomas Lawson**, President of the Association, or any other officer or director in attendance he so designates in his absence; OR

(2) _____
(Insert name of individual, who MUST be in attendance at the Annual Meeting in order for your vote(s) to be counted.)

as my true and lawful attorney-in-fact and proxy holder, revoking all previous proxies, to vote in my place and stead on my behalf, as though I myself were present, with power of substitution, at the **Annual Meeting of HAO Condominium Association, Inc.**, to be held at 2:00 p.m., Eastern time, on October 12, 2018, at Marriott's Cypress Harbour, Talent Experience Center (see Reader Board for meeting room location), 6720 Captain's Way, Orlando, Florida 32821, except that my proxy holder's authority is limited as indicated below.

2. **AGENDA ITEM(S)**. (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUES, YOU MUST MARK THE CIRCLE(S) PROVIDED BELOW. IF YOU LEAVE ANY ITEM IN THIS SECTION BLANK, YOUR PROXY HOLDER MAY NOT CAST A VOTE ON SUCH ITEM).

A. Reserve Funding Waiver. See Proposals for details.

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

Do you want to provide for less reserve funding than is required by §718.112(2)(f), Florida Statutes, for the Association's next fiscal year?

In 2018, your Reserve Maintenance Fee contribution was \$356.40 per unit week. Your Board of Directors recommends a vote “YES” for waiver or reduction of the statutory reserve annual contribution for 2019. A majority “No” Vote will result in the Reserve Maintenance Fee contribution for 2019 being \$559.56 per unit week. This represents the Fully Funded annual contribution level for 2019.

- Yes **(Recommended by your Board of Directors)**
- No

If you voted “Yes”, vote for one of the Board proposed options below: (The option with the most votes will be the one implemented by the Association.)

- Between \$340 - \$400 Reserve Maintenance Fee contribution per Unit Week
(Recommended by your Board of Directors)
- Between \$401 - \$460 Reserve Maintenance Fee contribution per Unit Week

B. Election of two (2) Members to the Board of Directors each to serve a three-year term. See the Candidate Profiles for a summary of the candidates. Please vote for no more than two (2) candidates. Selection of more than two (2) candidates will invalidate your vote.

- James Heaphy
- Leslie Holliday
- Ronald Porrata
- Jeffrey Pullen
- Eric Williams

3. **GENERAL POWERS (NON-AGENDA ITEM(S))**. You may choose to grant your proxy holder general powers. Please fill in the circle below if you want your proxy holder to vote on other issues which may come up at the meeting and for which a limited proxy is not required.

- I authorize and instruct my proxy holder to use his or her best judgment on all matters which properly come before the meeting and for which a general power may be used.

THIS LIMITED PROXY IS REVOCABLE BY THE OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT THEREOF. IN NO EVENT IS THIS LIMITED PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

Please sign and return your Limited Proxy on or before October 5, 2018. Please note, however, that votes will be counted if cast in person or otherwise properly received on or before October 12, 2018.