IMPALA
OCEANSIDE RESORTS

Governance Approval Framework

Authority, Oversight & Decision-Making Structure

Version 1.1

Prepared for:
North Island Condominium Association (NICA)

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EXECUTIVE SUMMARY

Purpose

The Governance Approval Framework establishes the decision-making structure, approval authority, voting requirements, and oversight responsibilities governing the Impala Hospitality Program.
The objective is to provide clear accountability while preserving the flexibility necessary to operate a modern hospitality enterprise.
This framework is intended to ensure that operational decisions are made efficiently, governance decisions are made responsibly, and ownership rights remain protected.

Governance Structure

The hospitality program operates through three distinct levels of authority:

Level One — Hospitality Company

Responsible for day-to-day hospitality operations, including:

- Reservations
- Pricing
- Marketing
- Guest communications
- Housekeeping coordination
- Vendor administration
- Technology systems
- Hospitality operations

Level Two — Association Board

Responsible for governance oversight, including:

- Budget approval
- Strategic review
- Major contracts
- Financial oversight
- Policy approval
- Operational accountability

Level Three — Participating Owners

Responsible for major ownership decisions, including:

- Removal of the Hospitality Company
- Material fee changes
- Program dissolution

- Major governance changes
- Sale of significant hospitality assets
- Amendments affecting owner rights

Guiding Principle

The governance model is based upon a simple principle:
Operational decisions should be made at the operational level.
Governance decisions should be made at the governance level.
Ownership decisions should remain with the owners.

Long-Term Objective

The purpose of this framework is to create a transparent, accountable, and professionally managed hospitality enterprise capable of enhancing guest experience, improving operational effectiveness, protecting owner interests, and supporting long-term owner value.
This framework is intended to provide clarity, consistency, and stability while allowing the hospitality operation to evolve and modernize over time.

Governance at a Glance

The governance structure of the Impala Hospitality Program is designed to ensure that decisions are made at the appropriate level of authority while preserving accountability, transparency, and owner protections.

Decision Area	Primary Authority
Reservations	Hospitality Company
Pricing & Revenue Management	Hospitality Company
Marketing & Advertising	Hospitality Company
Guest Communications	Hospitality Company
Housekeeping Coordination	Hospitality Company
Vendor Administration	Hospitality Company
Technology Systems	Hospitality Company
Annual Operating Budget	Association Board
Financial Oversight	Association Board
Strategic Review	Association Board
Major Contracts	Association Board
Governance Policies	Association Board
Removal of Hospitality Company	Participating Owners (67%)
Material Fee Changes	Participating Owners (67%)
Program Dissolution	Participating Owners (67%)
Material Governance Amendments	Participating Owners (67%)
Changes Affecting Owner Rights	Participating Owners (67%)

Guiding Principle
Operational decisions should be made at the operational level.
Governance decisions should be made at the governance level.
Ownership decisions should remain with the owners.
This framework is intended to provide clear accountability, efficient decision-making, financial oversight, and long-term protection of owner interests while allowing the hospitality enterprise to operate professionally and competitively.

ARTICLE I

GOVERNANCE STRUCTURE

Section 1.1 Purpose

The purpose of this Governance Approval Framework is to establish a clear and transparent decision-making structure for the Impala Hospitality Program.
This Framework defines the allocation of authority among participating owners, the Association Board, and the Hospitality Company in order to promote accountability, operational efficiency, financial stewardship, and long-term owner value.
The Framework is intended to provide clarity regarding who is authorized to make operational, financial, strategic, and governance decisions affecting the hospitality enterprise.

Section 1.2 Governance Philosophy

The parties acknowledge that successful hospitality operations require a balance between operational flexibility and governance oversight.
Accordingly, this Framework is founded upon the following principles:
a. Day-to-day operational decisions should be made by hospitality professionals responsible for operations;
b. Governance decisions should be made by duly authorized governance bodies;
c. Ownership rights should remain protected through defined approval requirements;
d. Financial transparency and accountability shall be maintained at all levels of the organization;
e. Long-term owner value shall remain a primary objective of all governance decisions.
The purpose of governance is not to manage daily operations, but rather to establish accountability, oversight, and strategic direction.

Section 1.3 Governance Levels

The hospitality program shall operate through three levels of authority:

Level One — Hospitality Company

The Hospitality Company shall be responsible for the administration and execution of day-to-day hospitality operations.
Such responsibilities include:

- Reservation management;
- Pricing administration;
- Marketing execution;
- Guest communications;
- Housekeeping coordination;
- Vendor administration;
- Technology systems;
- Operational implementation.

The Hospitality Company shall operate within the authority delegated under the Hospitality Company Management Agreement and related governance documents.

Level Two — Association Board

The Association Board shall provide governance oversight and strategic supervision of the hospitality enterprise.
Board responsibilities include:

- Budget approval;
- Strategic review;
- Financial oversight;
- Major contract approval;
- Policy review;
- Governance compliance;
- Hospitality Company accountability.

The Board shall serve as the primary oversight body representing participating owners.

Level Three — Participating Owners

Participating owners shall retain authority over major structural and ownership matters affecting the hospitality program.
Owner authority includes:

- Removal of the Hospitality Company;
- Material fee changes;
- Program dissolution;
- Major governance amendments;
- Sale of significant hospitality assets;
- Changes materially affecting owner rights.

Owner approval authority represents the highest level of governance within the hospitality program.

Section 1.4 Separation of Authority

The parties acknowledge that operational efficiency requires a clear separation between governance authority and operational authority.
The Hospitality Company shall not exercise powers reserved to the Board or participating owners.
The Board shall not routinely interfere with day-to-day operational matters delegated to the Hospitality Company.
Participating owners shall exercise authority through established governance procedures rather than direct operational management.
This separation is intended to preserve accountability while avoiding operational inefficiency and governance confusion.

Neither the Association Board nor individual participating owners shall direct, supervise, or manage the day-to-day operations of the hospitality enterprise except through governance actions expressly authorized under this Framework. Operational authority delegated to the Hospitality Company shall be exercised independently, subject to applicable oversight, reporting, and performance review requirements.

Section 1.5 Reserved Powers

Certain powers are expressly reserved to the Association, participating owners, or applicable governing documents and may not be delegated without proper approval.
Reserved powers include:

- Amendment authority;
- Voting authority;
- Removal authority;
- Assessment authority;
- Budget approval authority;
- Governance authority established under the Master Deed and Association governing documents;
- Powers reserved by applicable law.

Nothing contained in this Framework shall be interpreted as transferring reserved powers absent express authorization.

Section 1.6 Guiding Principles

All decisions made pursuant to this Framework shall be guided by the following principles:

Transparency

Information should be available to support informed decision-making.

Accountability

Authority should be accompanied by responsibility and oversight.

Operational Excellence

Hospitality operations should be conducted efficiently and professionally.

Financial Stewardship

Resources should be managed responsibly and in the best interests of participating owners.

Owner Alignment

The hospitality enterprise exists exclusively for the benefit of participating owners.

Long-Term Value Creation

Governance decisions should support sustainable growth, operational stability, guest satisfaction, and long-term owner value.

Continuous Improvement

The hospitality enterprise should continuously adapt to changing market conditions, technology advancements, and guest expectations.

Section 1.7 Governance Objective

The ultimate objective of this Framework is to create a governance structure that is transparent, efficient, accountable, and capable of supporting a modern hospitality enterprise.
The parties acknowledge that effective governance is essential to preserving owner confidence, protecting hospitality assets, maintaining operational continuity, and advancing the long-term interests of the hospitality program and participating owners.

ARTICLE II

AUTHORITY MATRIX

Section 2.1 Purpose

The purpose of this Article is to clearly identify decision-making authority within the Impala Hospitality Program.

The Authority Matrix is intended to eliminate uncertainty, reduce governance conflicts, improve operational efficiency, and ensure that decisions are made at the appropriate level of authority.

Unless otherwise provided herein, authority shall be exercised in accordance with the approval requirements established in this Framework, the Hospitality Company Management Agreement, the Hospitality Services Operating Charter, and applicable Association governing documents.

Section 2.2 Authority Matrix

Decision Category	Hospitality Company	Association Board	Participating Owners
Reservation Management	✓		
Guest Communications	✓		
Revenue Management & Pricing	✓		
Marketing Programs	✓		
Direct Booking Programs	✓		
OTA Administration	✓		
Housekeeping Operations	✓		
Vendor Coordination	✓		
Routine Maintenance Coordination	✓		
Technology Administration	✓		
Guest Experience Standards	✓		
Operational Procedures	✓		
Annual Budget Preparation	✓		
Annual Budget Approval		✓	
Financial Oversight		✓	
Strategic Planning Review		✓	
Major Vendor Agreements		✓	
Strategic Partnerships		✓	
New Technology Platforms		✓	
Approval of Unbudgeted Expenditures $2,500–$10,000		✓	
Governance Policy Adoption		✓	
Change to Hospitality Services Fee			67%
Removal of Hospitality Company			67%
Program Dissolution			67%
Sale of Significant Hospitality Assets			67%
Amendment of Owner Rights			67%
Material Governance Amendments			67%

Authority within the Impala Hospitality Program shall be allocated according to the nature of the decision being considered.
Operational decisions shall generally be delegated to the Hospitality Company in order to promote efficiency, responsiveness, and professional management.
Governance and oversight decisions shall generally be delegated to the Association Board in order to provide accountability, financial stewardship, and strategic direction.
Major decisions affecting ownership rights, governance structure, financial participation, or the long-term future of the hospitality enterprise shall remain subject to owner approval as provided within this Framework.
The intent of this authority structure is to ensure that decisions are made at the level best positioned to evaluate and administer the matter while preserving transparency, accountability, and owner protections.

Section 2.3 Hospitality Company Authority

The Hospitality Company shall possess authority necessary to efficiently conduct day-to-day hospitality operations.
Such authority includes, but is not limited to:

- Reservations;
- Pricing;
- Marketing execution;
- Guest communications;
- Housekeeping administration;
- Vendor coordination;
- Technology administration;
- Operational procedures;
- Hospitality staffing;
- Guest experience initiatives.

Operational decisions falling within these areas shall not require prior Board or owner approval unless otherwise specified.

Section 2.4 Board Authority

The Association Board shall provide governance oversight and strategic supervision of the hospitality enterprise.
Board authority includes:

- Budget approval;
- Financial oversight;
- Strategic review;
- Major contract approval;

- Governance policy approval;
- Hospitality Company oversight;
- Performance review;
- Approval of expenditures requiring Board authorization.

The Board shall focus on governance and oversight rather than routine operational management.

Section 2.5 Owner Authority

Participating owners retain authority over significant matters affecting ownership rights, governance structure, and long-term program direction.
Owner approval shall be required for:

- Removal of the Hospitality Company;
- Material fee changes;
- Program dissolution;
- Sale of significant hospitality assets;
- Material amendments affecting owner rights;
- Structural changes to the hospitality enterprise.

Owner authority represents the highest level of governance within the hospitality program.

Section 2.6 Financial Approval Authority

Financial authority shall be allocated as follows:
Level One Authority — Hospitality Company
The Hospitality Company may approve unbudgeted expenditures up to Five Thousand Dollars ($5,000) per occurrence, provided such expenditures are reasonably necessary for hospitality operations and consistent with the objectives of the hospitality enterprise.
Level Two Authority — Association Board
The Board shall approve unbudgeted expenditures exceeding Five Thousand Dollars ($5,000) but not exceeding Twenty-Five Thousand Dollars ($25,000).
Level Three Authority — Participating Owners
Owner approval shall be required for unbudgeted expenditures exceeding Twenty-Five Thousand Dollars ($25,000), unless otherwise authorized through approved budgets or emergency provisions.
Budgeted Expenditures. Any expenditure included within an approved annual operating budget shall be deemed authorized and shall not require additional approval solely because of its amount.
Emergency expenditures reasonably necessary to protect life, safety, property, guests, or business continuity may be authorized as provided under the Hospitality Company Management Agreement.

Section 2.7 Strategic Decision Authority

Strategic decisions affecting the long-term direction of the hospitality enterprise shall generally be reviewed by the Board.
Such decisions may include:

- Major technology initiatives;
- Brand development initiatives;
- Strategic partnerships;
- Market expansion initiatives;
- Capital recommendations;
- Significant operational restructuring.

Strategic decisions materially affecting owner rights or economic interests shall be subject to owner approval requirements where applicable.

Section 2.8 Interpretation of Authority

In the event uncertainty exists regarding approval authority, the matter shall be referred to the Association Board for interpretation.
The Board shall interpret this Framework consistent with:

- Operational efficiency;
- Governance accountability;
- Financial stewardship;
- Owner protections;
- Long-term hospitality objectives.

The intent of this Article is to ensure that decisions are made at the most appropriate level while preserving transparency, accountability, and owner confidence.

ARTICLE III

VOTING REQUIREMENTS

Section 3.1 Purpose

The purpose of this Article is to establish consistent voting procedures and approval requirements for matters requiring action by the Association Board or participating owners. The voting requirements established herein are intended to promote transparency, accountability, stability, and informed decision-making while preserving efficient governance.

Section 3.2 Board Voting Requirements

Unless otherwise specified within this Framework or applicable governing documents, actions requiring Board approval shall be approved by a simple majority of Board members present at a duly called meeting at which a quorum exists.
Board approvals may include:

- Annual budget approval;
- Strategic plan approval;
- Major contract approval;
- Governance policy approval;
- Financial oversight actions;
- Expenditures requiring Board authorization.

The Board shall maintain records of all significant actions approved pursuant to its authority.

Section 3.3 Owner Voting Requirements

Matters requiring owner approval shall be submitted to participating ownership interests entitled to vote.
Unless otherwise specified herein, owner approval shall require a simple majority of ownership interests participating in the vote.
Voting procedures shall be conducted in a manner reasonably designed to ensure fairness, transparency, and adequate opportunity for owner participation.

Section 3.4 Supermajority Voting Requirements

The following matters shall require approval by not less than sixty-seven percent (67%) of participating ownership interests entitled to vote:

- Removal of the Hospitality Company;
- Changes to the Hospitality Services Fee structure;
- Program dissolution;
- Sale of significant hospitality assets;
- Material amendments affecting owner rights;

- Material changes to governance authority;
- Structural changes affecting the hospitality enterprise.

Any proposal that would materially affect owner rights, governance authority, financial participation, or the long-term structure of the hospitality enterprise shall be subject to the supermajority approval requirements established under this Section, regardless of whether such proposal is specifically identified above.
The purpose of the supermajority requirement is to provide stability and prevent significant changes from occurring without broad owner support.

Section 3.5 Quorum Requirements

No vote requiring Board or owner approval shall be valid unless a quorum is present as defined by applicable Association governing documents.
If Association governing documents do not specifically address a particular hospitality matter, the Board may establish reasonable procedures consistent with the objectives of this Framework.

Section 3.6 Emergency Actions

Nothing contained herein shall prevent the Hospitality Company or the Board from taking emergency actions reasonably necessary to:

- Protect life or safety;
- Protect guests;
- Protect property;
- Preserve business continuity;
- Prevent significant financial loss.

Emergency actions shall be reported promptly to the appropriate governance authority and documented in the official records of the hospitality program.

Section 3.7 Written Consents & Electronic Voting

To the extent permitted by applicable law and governing documents, approvals may be obtained through:

- Written consent;
- Electronic voting;
- Secure online voting platforms;
- Electronic communications approved by the Board.

The objective of this provision is to encourage participation while maintaining appropriate governance controls.

Section 3.8 Documentation of Votes

All Board and owner votes shall be documented and maintained as part of the official records of the hospitality program.
Records shall include:

- Date of vote;
- Matter presented;
- Approval threshold required;
- Results of the vote;
- Effective date of action.

Such records shall be available for review in accordance with applicable reporting and information access provisions.

Section 3.9 Tie Votes & Unresolved Matters

In the event a required vote fails to achieve the necessary approval threshold, the matter shall be deemed not approved.
The Board may reconsider such matters at a future meeting, modify the proposal, seek additional owner input, or refer the matter for further review and analysis.
Failure to obtain approval shall not be interpreted as approval by default.

Section 3.10 Governance Objective

The voting procedures established under this Article are intended to balance efficiency with accountability, protect owner interests, promote transparency, and support the long-term stability of the hospitality enterprise.
All voting procedures shall be administered in good faith and in a manner consistent with the objectives established throughout the Governance Approval Framework.

ARTICLE IV

BUDGETING & FINANCIAL OVERSIGHT

Section 4.1 Purpose

The purpose of this Article is to establish a transparent and accountable framework for budgeting, financial oversight, expenditure approval, and financial reporting within the hospitality enterprise.
The parties acknowledge that effective financial stewardship is essential to maintaining owner confidence, supporting operational excellence, and preserving long-term owner value.

Section 4.2 Financial Oversight Philosophy

The hospitality enterprise shall operate under principles of:

- Transparency;
- Accountability;
- Financial discipline;
- Responsible stewardship;
- Long-term value creation.

Financial decisions shall be made in a manner reasonably intended to support both current operational needs and the long-term interests of participating owners.

Section 4.3 Annual Budget Process

The Hospitality Company shall prepare a proposed annual operating budget for review by the Association Board.
The proposed budget shall include, at a minimum:

- Revenue projections;
- Occupancy assumptions;
- Average Daily Rate (ADR) assumptions;
- Marketing expenditures;
- Technology expenditures;
- Vendor expenses;
- Operational expenses;
- Strategic initiatives;
- Capital recommendations.

The budget shall be presented sufficiently in advance of the fiscal year to allow meaningful review and discussion.

Section 4.4 Budget Review & Approval

The Association Board shall review the proposed annual operating budget and may:

- Approve the budget as submitted;
- Request modifications;
- Approve the budget with revisions;
- Return the budget for additional review.

The approved budget shall serve as the primary financial operating plan for the hospitality enterprise during the applicable fiscal year.

Section 4.5 Budget Amendments

Material changes to the approved budget occurring during the fiscal year shall be presented to the Board for review and approval.
Budget adjustments may be necessary due to:

- Market conditions;
- Operational requirements;
- Strategic opportunities;
- Technology initiatives;
- Unanticipated expenses;
- Regulatory changes.

The objective of this provision is to maintain flexibility while preserving financial oversight.

Section 4.6 Financial Reporting

The Hospitality Company shall provide financial reporting in accordance with the Hospitality Company Management Agreement and the Financial Reporting Standards Appendix.
Reports shall include information reasonably necessary to evaluate:

- Revenue performance;
- Expense performance;
- Cash position;
- Budget variances;
- Owner distributions;
- Financial trends.

Reporting shall be timely, understandable, and reasonably accessible to participating owners and the Board.

Section 4.7 Budget Variance Review

The Hospitality Company shall identify and explain material variances between budgeted and actual performance.
Variance analysis may include:

- Revenue variances;
- Occupancy variances;
- Pricing variances;
- Expense variances;
- Marketing performance;
- Technology expenditures;
- Strategic initiative performance.

The purpose of variance review is to support informed decision-making and continuous improvement.

Section 4.8 Cash Management

The Hospitality Company shall maintain appropriate controls governing the receipt, disbursement, safeguarding, and reporting of hospitality funds.
Cash management practices shall be designed to:

- Protect financial assets;
- Promote transparency;
- Support operational stability;
- Facilitate accurate reporting.

Hospitality operating accounts shall be maintained separately and used exclusively for authorized hospitality purposes.

Section 4.9 Expenditure Oversight

Financial expenditures shall be administered in accordance with the approval thresholds established within the Authority Matrix.
The Board shall periodically review expenditure activity to ensure compliance with approved budgets and governance requirements.
Nothing herein shall prevent reasonable emergency expenditures necessary to protect guests, property, or business continuity.

Section 4.10 Strategic Financial Review

At least annually, the Board shall review the overall financial performance of the hospitality enterprise.
The review may consider:

- Revenue growth;
- Occupancy performance;
- Direct booking growth;
- Expense management;
- Marketing effectiveness;
- Technology investments;
- Owner returns;

- Long-term financial sustainability.

The purpose of the review shall be to evaluate whether the hospitality enterprise is advancing its stated objectives.

Section 4.11 Financial Transparency

Financial transparency shall be a fundamental operating principle of the hospitality enterprise. Participating owners shall receive access to financial information consistent with the reporting standards established by the hospitality governance framework.
The objective is to ensure that owners possess sufficient information to evaluate operational effectiveness, financial performance, and strategic progress.

Section 4.12 Governance Objective

The budgeting and financial oversight procedures established under this Article are intended to provide an appropriate balance between operational flexibility and financial accountability.
The parties acknowledge that transparent financial management is essential to maintaining owner confidence, supporting informed governance, and advancing the long-term interests of the hospitality enterprise.

ARTICLE V

STRATEGIC OVERSIGHT & PERFORMANCE REVIEW

Section 5.1 Purpose

The purpose of this Article is to establish a framework for strategic oversight, operational evaluation, performance monitoring, and continuous improvement within the hospitality enterprise.
The parties acknowledge that successful hospitality operations require ongoing assessment of financial performance, guest experience, operational effectiveness, technology utilization, and market competitiveness.
The objective of performance review is to support informed decision-making and long-term value creation rather than to create unnecessary administrative burdens.

Section 5.2 Annual Strategic Review

At least annually, the Hospitality Company shall present a strategic review of the hospitality enterprise to the Association Board.
The review shall evaluate:

- Operational performance;
- Financial performance;
- Guest satisfaction;
- Direct booking growth;
- Marketing effectiveness;
- Competitive positioning;
- Technology initiatives;
- Strategic priorities for the upcoming year.

The annual review shall serve as the primary forum for evaluating overall program direction and long-term objectives.

Section 5.3 Quarterly Performance Review

The Board shall receive quarterly performance updates intended to monitor progress toward established operational and strategic goals.
Quarterly reviews may include:

- Revenue trends;
- Occupancy trends;
- Average Daily Rate (ADR);
- Revenue Per Available Unit (RevPAU);
- Direct booking activity;
- OTA dependency;
- Guest satisfaction indicators;
- Marketing performance;

- Significant operational developments.

The purpose of quarterly review is to identify trends, opportunities, and emerging issues before they become significant concerns.

Section 5.4 Operational Assessment

The Hospitality Company shall periodically assess operational effectiveness and identify opportunities for improvement.
Operational assessments may evaluate:

- Guest experience standards;
- Reservation processes;
- Housekeeping performance;
- Vendor performance;
- Technology utilization;
- Maintenance coordination;
- Communication procedures;
- Service quality.

Recommendations resulting from operational assessments may be presented to the Board for consideration and implementation.

Section 5.5 Market & Competitive Review

The Hospitality Company shall monitor relevant market conditions affecting the hospitality enterprise.
Review areas may include:

- Competitive properties;
- Market pricing trends;
- Distribution channel performance;
- Guest preferences;
- Hospitality technology developments;
- Industry best practices.

The objective of market review is to ensure that the hospitality enterprise remains competitive and responsive to changing conditions.

Section 5.6 Strategic Initiatives

The Hospitality Company may recommend strategic initiatives intended to improve:

- Revenue performance;
- Guest satisfaction;
- Direct booking growth;
- Marketing effectiveness;

- Operational efficiency;
- Technology capabilities;
- Long-term owner value.

Significant initiatives requiring governance approval shall be presented in accordance with the Authority Matrix.

Section 5.7 Corrective Action Recommendations

When performance reviews identify material concerns or opportunities for improvement, the Hospitality Company or Board may recommend corrective actions.
Such recommendations may include:

- Operational adjustments;
- Marketing modifications;
- Technology enhancements;
- Vendor changes;
- Reporting improvements;
- Process improvements;
- Strategic initiatives.

The objective of corrective action is continuous improvement rather than fault-finding.

Section 5.8 Owner Feedback

Participating owners shall have reasonable opportunities to provide feedback regarding hospitality operations, reporting, governance processes, and strategic initiatives.
Owner feedback may be considered as part of the annual strategic review process and may assist in identifying opportunities for improvement.

Section 5.9 Long-Term Planning

The hospitality enterprise shall maintain a long-term perspective in evaluating performance.
Performance shall not be measured solely by short-term revenue fluctuations but shall also consider:

- Guest retention;
- Brand development;
- Direct booking growth;
- Operational stability;
- Owner satisfaction;
- Technology advancement;
- Long-term asset value.

The parties acknowledge that sustainable success often requires balancing short-term results with long-term objectives.

Section 5.10 Governance Objective

The strategic oversight and performance review process established under this Article is intended to promote accountability, encourage continuous improvement, support informed governance, and strengthen the long-term success of the hospitality enterprise.
All reviews conducted pursuant to this Article shall be guided by the principles of transparency, objectivity, collaboration, and long-term owner value creation.

ARTICLE VI

AMENDMENTS & GOVERNANCE REVIEW

Section 6.1 Purpose

The purpose of this Article is to establish procedures governing amendments, governance review, and continuous improvement of the Governance Approval Framework.
The parties acknowledge that hospitality operations, governance practices, technology systems, market conditions, and owner expectations will continue to evolve over time.
Accordingly, this Framework is intended to provide stability while allowing reasonable modifications when necessary to improve governance effectiveness, operational efficiency, transparency, and owner value.

Section 6.2 Amendment Authority

This Framework may be amended only in accordance with the procedures established herein and the applicable provisions of the Hospitality Company Management Agreement.
No amendment shall be effective unless approved by the authority level designated within this Article.
The objective of amendment authority is to preserve governance stability while permitting responsible modernization and improvement.

Section 6.3 Administrative Amendments

The Association Board may approve administrative, technical, procedural, formatting, or clarifying amendments that do not materially affect:

- Owner rights;
- Voting rights;
- Governance authority;
- Financial obligations;
- Approval thresholds;
- Participation requirements.

Such amendments shall be communicated to participating owners within a reasonable period following adoption.

Section 6.4 Material Amendments

Amendments affecting any of the following shall be considered material amendments:

- Owner voting rights;
- Governance authority;
- Approval thresholds;
- Financial approval authority;

- Owner participation rights;
- Removal authority;
- Program governance structure;
- Reserved powers.

Material amendments shall require approval by not less than sixty-seven percent (67%) of participating ownership interests entitled to vote.
For the avoidance of doubt, any amendment that would directly or indirectly reduce owner voting rights, diminish owner protections, expand delegated authority, or materially alter the governance structure of the hospitality enterprise shall be deemed a material amendment subject to the supermajority approval requirements of this Article.

Section 6.5 Periodic Governance Review

The Association Board shall periodically review this Framework to determine whether modifications, clarifications, or improvements are appropriate.
Governance review may consider:

- Operational effectiveness;
- Financial oversight effectiveness;
- Reporting practices;
- Technology developments;
- Industry best practices;
- Owner feedback;
- Strategic objectives.

The purpose of governance review shall be continuous improvement rather than unnecessary modification.

Section 6.6 Recommendations for Change

Recommendations for amendments or governance improvements may be submitted by:

- The Hospitality Company;
- The Association Board;
- Participating owners;
- Authorized committees established by the Board.

Recommendations should include sufficient information to allow informed evaluation and discussion.

Section 6.7 Coordination with Companion Documents

The parties acknowledge that this Framework operates in conjunction with:

- The Constitution of Impala Oceanside Resorts;
- The Hospitality Services Operating Charter;

- The Hospitality Company Management Agreement;
- The Financial Reporting Standards Appendix;
- Owner Participation Agreements.

When practical, amendments should be reviewed in a coordinated manner to preserve consistency among all governance documents.

Section 6.8 Preservation of Governance Principles

In considering amendments, the parties shall seek to preserve the foundational principles established throughout the hospitality governance framework, including:

- Transparency;
- Accountability;
- Financial stewardship;
- Operational excellence;
- Owner alignment;
- Long-term value creation;
- Responsible governance.

No amendment shall be interpreted in a manner inconsistent with these principles unless expressly approved pursuant to the requirements of this Article.

Section 6.9 Governance Objective

The amendment and governance review procedures established under this Article are intended to encourage thoughtful evolution while preserving stability, continuity, and owner confidence. The parties acknowledge that effective governance requires both consistency and adaptability, and that the long-term success of the hospitality enterprise depends upon maintaining an appropriate balance between the two.

ARTICLE VII

RECORDS, COMMUNICATION & REPORTING

Section 7.1 Purpose

The purpose of this Article is to establish standards governing records management, communications, reporting practices, and information access within the hospitality enterprise.
The parties acknowledge that transparent communication and timely access to information are essential components of effective governance, informed decision-making, and owner confidence.
Accordingly, the hospitality enterprise shall maintain reporting and communication practices designed to promote accountability, transparency, and operational continuity.

Section 7.2 Governance Records

The Association Board and Hospitality Company shall maintain records reasonably necessary to document governance activities and operational oversight.
Such records may include:

- Meeting minutes;
- Governance decisions;
- Budget approvals;
- Strategic reviews;
- Financial reports;
- Policy approvals;
- Voting records;
- Amendment records.

Records shall be maintained in a manner reasonably designed to support continuity, transparency, and historical reference.

Section 7.3 Meeting Documentation

Minutes shall be maintained for Board meetings involving hospitality governance matters.
Meeting documentation should include:

- Date of meeting;
- Attendees;
- Matters considered;
- Actions approved;
- Voting results;
- Follow-up actions.

The purpose of meeting documentation is to preserve institutional knowledge and provide an accurate record of governance decisions.

Section 7.4 Owner Communications

Participating owners shall receive communications reasonably necessary to remain informed regarding hospitality operations and governance matters.
Such communications may include:

- Financial reports;
- Operational updates;
- Strategic reviews;
- Budget information;
- Governance notices;
- Voting notices;
- Significant operational developments.

Communications should be timely, understandable, and reasonably accessible.

Section 7.5 Reporting Requirements

The Hospitality Company shall provide reporting in accordance with:

- The Hospitality Company Management Agreement;
- The Financial Reporting Standards Appendix;
- Applicable governance requirements.

Reporting shall be designed to provide meaningful insight into:

- Financial performance;
- Operational performance;
- Occupancy trends;
- Revenue trends;
- Guest satisfaction;
- Marketing effectiveness;
- Direct booking growth;
- Strategic initiatives.

Section 7.6 Information Access

Participating owners shall have reasonable access to information necessary to evaluate the performance of the hospitality enterprise.
Subject to confidentiality requirements and applicable privacy considerations, owners may review:

- Approved budgets;
- Financial reports;
- Governance records;
- Strategic reviews;
- Hospitality performance reports;

- Voting results.
- Other non-confidential information reasonably necessary to evaluate the performance, governance, and financial condition of the hospitality enterprise.

The objective of information access is to support informed ownership participation while protecting confidential and proprietary information.

Section 7.7 Confidential Information

Certain information maintained by the hospitality enterprise may be confidential, proprietary, or competitively sensitive.
Such information may include:

- Guest information;
- Pricing methodologies;
- Marketing strategies;
- Vendor agreements;
- Technology systems;
- Proprietary operating procedures;
- Competitive analyses.

Owners, Board members, and authorized representatives shall exercise reasonable care in protecting confidential information.

Section 7.8 Communication Standards

Communications among the Hospitality Company, Board, and participating owners shall be conducted in a professional, respectful, and constructive manner.
The parties acknowledge that effective communication contributes significantly to governance effectiveness and organizational stability.
Whenever practical, communications should promote:

- Transparency;
- Clarity;
- Accuracy;
- Timeliness;
- Collaboration.

Section 7.9 Record Retention

Governance records shall be retained in accordance with reasonable business practices and applicable legal requirements.
The Board and Hospitality Company shall maintain records in a manner intended to preserve:

- Historical continuity;
- Governance accountability;
- Financial transparency;

- Operational integrity.

Electronic storage systems may be utilized when appropriate.

Section 7.10 Annual Governance Communication

At least annually, participating owners shall receive a governance summary describing:

- Significant decisions made during the year;
- Strategic initiatives undertaken;
- Budget performance;
- Governance developments;
- Future priorities.

The purpose of the annual governance communication is to provide owners with a concise overview of the overall direction and performance of the hospitality enterprise.

Section 7.11 Governance Objective

The records, communication, and reporting practices established under this Article are intended to strengthen owner confidence, support informed governance, preserve institutional knowledge, and promote transparency throughout the hospitality enterprise.
The parties acknowledge that effective communication and reliable information are fundamental to responsible governance and long-term organizational success.

ARTICLE VIII

EXECUTION & ADOPTION

Section 8.1 Effective Date

This Governance Approval Framework shall become effective upon approval and adoption in accordance with applicable governance requirements and the governing documents of the Association.
The effective date shall be identified on the execution page unless otherwise specified.

Section 8.2 Authority to Adopt

The parties acknowledge that this Governance Approval Framework has been developed to support the governance and operation of the Impala Hospitality Program.
Execution of this Framework constitutes acknowledgement that all required approvals have been obtained and that the adopting parties possess the authority necessary to approve and implement its provisions.

Section 8.3 Relationship to Companion Documents

This Governance Approval Framework shall be interpreted in conjunction with:

- Constitution of Impala Oceanside Resorts;
- Hospitality Services Operating Charter;
- Hospitality Company Management Agreement;
- Financial Reporting Standards Appendix;
- Owner Participation Agreements;
- Applicable Association governing documents.

Together, these documents form the governance and operating framework of the hospitality enterprise.

Section 8.4 Certification of Adoption

The undersigned hereby certify that this Governance Approval Framework was approved in accordance with the applicable governance procedures governing the hospitality enterprise and participating ownership interests.
The parties further acknowledge their commitment to administering this Framework in good faith and in a manner reasonably intended to advance the long-term interests of participating owners.

Section 8.5 Statement of Governance Intent

The purpose of this Framework is not merely to establish approval procedures.
Rather, the purpose is to create a governance structure capable of supporting a modern hospitality enterprise characterized by:

- Transparency;
- Accountability;
- Operational excellence;
- Financial stewardship;
- Owner alignment;
- Long-term value creation.

The parties acknowledge that effective governance is essential to maintaining owner confidence, preserving hospitality assets, protecting guest relationships, and supporting the continued success of the hospitality enterprise.

EXECUTION

IN WITNESS WHEREOF, the parties have adopted this Governance Approval Framework as part of the Impala Hospitality Governance Framework Series.

NORTH ISLAND CONDOMINIUM ASSOCIATION (NICA)

By: _____
Name: _____
Title: _____
Date: _____

CERTIFICATION OF APPROVAL

The undersigned hereby certify that this Governance Approval Framework was approved in accordance with the governance requirements applicable to the hospitality enterprise and participating ownership interests.

By: _____
Name: _____
Title: _____
Date: _____

This Governance Approval Framework was approved by the required ownership interests and adopted by the North Island Condominium Association in accordance with the applicable governing documents and approval procedures governing the hospitality enterprise.