

Government Employees Retirement System

Minutes of Board of Trustees Special Meeting

Saturday November 19, 2011

A Special Meeting of the Board of Trustees was held at Renaissance Carambola Beach Resort & Spa in St. Croix (STX). The meeting was called to order at 10:07am after a tour of the facility was conducted. The purpose of the meeting was to receive an update from the financial consultant (Standard International Group – Andre Wright) on the Carambola proposal and GERS's counter proposal regarding modification of terms of the loan agreement.

Trustees in attendance: Carver Farrow, Vice Chairman, Edgar Ross, Leona Smith (by teleconference) and Raymond James, Chairman. Wilbur Callender, Vincent Liger and Desmond Maynard were absent.

Staff in attendance: Austin Nibbs, Administrator and Anthony Selkridge, Assistant Administrator.

Outside Counsel in attendance: Amos Carty, Esq. representing Pedro K. Williams, Board Counsel.

The stenographer was Diane Andrews.

Present for Carambola: Larry Vaughn, President, Carambola Northwest LLC, Mike Walsh, President, Ocean Properties and Management of Carambola, Eddie Sipple, Manager of Carambola, Jerry Innis, Construction and Tom Bolt, Legal Counsel.

Motion made by Trustee Farrow and seconded by Trustee Ross to go into executive session.

Motion passed 4 Yes (Carver Farrow, Edgar Ross, Leona Smith and Raymond James) and 3 Absent (Wilbur Callender, Vincent Liger and Desmond Maynard).

Executive Session

Andre Wright, Executive Vice President, Standard International Group gave an update via teleconference on his due diligence on the Carambola proposal and his recommendations for a GERS counter proposal. There were back and forth discussions and negotiation points between both parties and request for additional financial information before a final decision is made by the Board.

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Motion made by Trustee Farrow and seconded by Trustee Smith Maynard to come out of executive session. Motion passed 4 Yes (Carver Farrow, Edgar Ross, Leona Smith and Raymond James) and 3 Absent (Wilbur Callender, Vincent Liger and Desmond Maynard).

Regular Session

Andre Wright requested additional financial modeling representing Carambola's proposal in addition to obtaining Marriott's confidence in Carambola and feedback on the new renovations to the property.

Motion made by Trustee Smith and seconded by Trustee Farrow to adjourn the meeting. Motion passed 3 Yes (Carver Farrow, Leona Smith and Raymond James), 1 No (Edgar Ross) and 3 Absent (Wilbur Callender, Vincent Liger and Desmond Maynard).

The meeting adjourned at 11:35a.m.

Austin L. Nibbs, CPA

Administrator/Secretary, GERS Board of Trustees