

**DRAFT**

**ASSOCIATION OF APARTMENT OWNERS OF KAUAI BEACH VILLAS  
SPECIAL OWNERS MEETING  
September 19, 2025 9 A.M. (HST)**

**MINUTES**

**CALL TO ORDER:** Treasurer Keeney called the meeting to order at 9:00 A.M. (HST).

**INTRODUCTIONS:** Present at the meeting were:

**BOARD MEMBERS PRESENT:**

George Keeney      Treasurer

**WYNDHAM MANAGEMENT STAFF AND GUESTS PRESENT:**

Sean Cannard      Director, Resort Operations – Kauai & Maui  
Kanani Ragasa      General Manager, Kauai Beach Villas  
Liane Henderson      Administrative Assistant/Recording Secretary, Kauai Beach Villas  
Erica Contrades      Housekeeping & Maintenance Manager, Kauai Beach Villas  
Kate Solovyan      Assistant General Manager – Wyndham Ka'Eo Kai & Shearwater  
Ginger-lani Daligdig      Administrative Assistant, Wyndham Ka'Eo Kai & Shearwater  
Alan Fern      General Manager – Kauai Coast Resort at The Beach Boy  
Monica Pasco      Manager, Association Governance – Hawaii

**Association Counsel:**

Maxwell Kopper      Porter Kiakona Kopper, LLP

**OWNERS PRESENT:**

Sheila Dunn, Mary Balcom, Beverly Kiesel, Judy Dalton, Richard Leach, Rodger & Sharon Birgen (IOA), Lee & Sandie Hadley (IOA), Jan & Nancy Wanamaker (IOA), Bambi Conway (IOA), Marsha & Ron Hmielewski (IOA)

**PROOF OF NOTICE:** In accordance with Article II, Section 11 of the Bylaws, Notice was sent to all owners of record on August 11, 2025.

**CERTIFICATION OF QUORUM:** A quorum was established with 85.974% of the owners represented in person or by proxy.

**APPOINTMENT OF TELLERS:** Monica Pasco and Liane Henderson were appointed as tellers for this meeting.

**NEW BUSINESS:**

- a. **Motion to Authorize the Board of Directors to File Chapter 11 Bankruptcy Case (Motion 1):** The Notice of Special Meeting requested a vote on whether to authorize the Board to file a Chapter 11 bankruptcy case for the Association to,

among other things, pursue a sale of the entire Project, including all common elements, property interests of the Association, and unit/interval interests of all members/owners, and take any and all action necessary and related to that bankruptcy as stated in the Appendix to Notice of Special Meeting.

**PAHIO Resorts, Inc., by its duly authorized representative Sean Cannard, moved for approval of the following resolutions:**

**Chapter 11 Filing**

**Authorizing and empowering the Board of Directors of the Association, and any officer of the Association (each such persons, an "Authorized Person" and together, the "Authorized Persons"), acting alone or with one or more other Authorized Persons, on behalf of, and in the name of, the Association to execute and verify or certify a petition under chapter 11 of the United States Bankruptcy Code and to cause the same to be filed in the United States Bankruptcy Court (the "Bankruptcy Court") at such time as any such Authorized Person executing the same shall determine and in such form or forms as any such Authorized Person may approve, and in each case in such Authorized Person's sole discretion after consultation with the Association's counsel;**

**Authorizing and empowering each Authorized Person to appear in such bankruptcy proceeding of the Association (the "Bankruptcy Matter") on behalf of the Association or to direct another representative to appear, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the Association with such Bankruptcy Matter and to take all actions (including, without limitation, to negotiate and execute any documents, certificates, supplemental agreements, and instruments) to act as signatory on behalf of the Association in respect of the Bankruptcy Matter and/or any persons to whom such Authorized Persons delegate certain responsibilities, be, and hereby are, authorized to execute and file on behalf of the applicable Association all petitions, schedules, lists, and other motions, papers, or documents, and to take any and all action that they deem necessary or proper to obtain such relief; and**

**Without limiting any of the foregoing authority or power of any Authorized Person, authorizing and empowering (but not requiring) each Authorized Person on behalf of the Association to file all pleadings, motions, papers, or documents, and to take any and all action that they deem necessary or proper to obtain all, any or none of the following relief in the Bankruptcy Matter (i) member consent or Bankruptcy Court order authorizing the sale of the Association's interest in the Kauai Beach Villas condominium project ("Project"), jointly with the sale of the interests of all members, (ii) Bankruptcy Court approval of marketing, bid and sale procedures for the**

Project; (iii) Bankruptcy Court authorization to sell the Project free and clear of the interests of all members, with such interests to attach to the proceeds of sale, subject to distribution by Bankruptcy Court order; (iv) Bankruptcy Court authorization to terminate or amend the declaration and timeshare plan effective at or prior to closing of the sale of the Project; (v) Bankruptcy Court authorization to assume and assign to a purchaser or reject and terminate all executory contracts and unexpired leases to which the Association is a party; (vi) Bankruptcy Court order determining the nature, extent and validity of all claims against the Association and the treatment thereof; (vii) Bankruptcy Court authorization to distribute net sale proceeds (after costs of administration and sale) as well as all remaining property of the Association pursuant to the Bankruptcy Code and Bankruptcy Court; (viii) Bankruptcy Court authorization to dissolve the Association following sale of the Project; and (ix) such other relief as the Authorized Persons deem necessary.

#### **Retention of Professionals**

Authorizing and empowering each of the Authorized Persons to employ on behalf of the Association: (i) a law firm selected by the Authorized Persons as general bankruptcy counsel under Section 327(a) of the Bankruptcy Code; (ii) the law firm of K&L Gates LLP as special bankruptcy counsel under Section 327(e) of the Bankruptcy Code; and (iii) any other legal counsel, accountants, real estate brokers, financial advisors, restructuring advisors, noticing agents or other professionals the Authorized Persons deem necessary, appropriate or advisable (including “conflicts counsel” if required); each to represent and assist the Association in carrying out its duties and responsibilities and exercising its rights under the Bankruptcy Code and any applicable law (including, but not limited to, the law firms filing any pleadings or responses); and in connection therewith, authorizing and empowering the Authorized Persons in accordance with the terms and conditions hereof, to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed appropriate applications for authority to retain such services.

#### **Further Actions and Prior Actions**

Authorizing and empowering the Association to take each of the actions described in these proposed resolutions or any of the actions authorized in these proposed resolutions;

That in addition to the specific authorizations above, the Authorized Persons, either individually or as otherwise required by the applicable Association governing documents and applicable law, be authorized and empowered to execute, acknowledge, deliver, and file any and all agreements, certificates, instruments, powers of attorney, letters, forms,

**transfer, deeds and other documents on behalf of the Association relating to the Bankruptcy Matter;**

**Authorizing and empowering each of the Authorized Persons (and their designees and delegates), in the name of and on behalf of the Association, to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver, and file any and all such agreements, certificates, instruments, and other documents and to pay all expenses, including but not limited to filing fees, in each case as in such Authorized Person's or Authorized Persons' absolute discretion, shall be necessary, appropriate, or desirable in order to fully carry out the intent and accomplish the purposes of these proposed resolutions;**

**That all acts, actions, and transactions relating to the matters contemplated by these proposed resolutions done in the name of and on behalf of the Association, which acts would have been approved by these proposed resolutions except that such acts were taken before the adoption of these proposed resolutions, in all respects be approved, confirmed and ratified as the true acts and deeds of the Association with the same force and effect as if each such act, transaction, agreement, or certificate had been specifically authorized in advance by resolution of the Association; and**

**That any Authorized Person be authorized to do all such other acts, deeds and other things as each Association itself may lawfully do, in accordance with its governing documents and applicable law, howsoever.**

**PTVO Owners Association, Inc., by its duly authorized representative Kate Solovyan, seconded the motion.**

It was noted that in accordance with Article II, Section 3 of the Bylaws, the vote of a majority of apartment owners at a meeting at which quorum shall be present shall be binding upon all apartment owners for all purposes, except where a higher percentage vote is required. The meeting was recessed for voting, tabulating and then resumed. The results of the voting on the motion were read twice, once by the teller and once by the Chair and is as follows:

**70.352% of the common interests voted YES; 15.158% of the common interests voted NO. Therefore, Motion 1 passed with 81.829% of apartment owners at the meeting at which quorum was present voting YES.**

- b. Motion to Authorize the Board of Directors to Acquire or Accept a Unit or Interval on behalf of the Association (Motion 2): The Notice of Special Meeting**

requested a second vote on whether to authorize the Board to acquire or accept a unit or interval prior to a bankruptcy filing by the Association.

**PAHIO Resorts, Inc., by its duly authorized representative Sean Cannard, moved for approval of the following resolution:**

**Conveyance of Interests to Association**

**Authorizing and empowering each Authorized Person, on behalf of the Association, directly or by their designee(s) or delegate(s), to negotiate and execute any documents, certificates, agreements and instrument(s), to act as signatory on behalf of the Association, and to otherwise do and perform all acts as necessary in connection with the acquisition or acceptance by the Association of one or more units or intervals at the Project, as tenant in common, prior to a bankruptcy filing by the Association, and to take any and all action that they deem necessary or proper to obtain such unit(s) or interval(s).**

**PTVO Owners Association, Inc., by its duly authorized representative Kate Solovyan, seconded the motion.**

It was noted that in accordance with Article III, Section 2(I) of the Bylaws, the vote of Apartment Owners owning not less than 67% percent of the common interests are required. The meeting was recessed for voting, tabulating and then resumed. The results of the voting on the motion were read twice, once by the teller and once by the Chair and is as follows:

**70.352% of the common interests voted YES; 15.158% of the common interests voted NO. Therefore, Motion 2 passed with 70.352% of the common interests voting YES.**

**Adjournment:** Having no further business to discuss Treasurer Keeney adjourned the meeting at 10:05 A.M. (HST).

*Prepared by: Liane Henderson, Recording Secretary  
Respectfully Submitted by Jim DeRose, Board Secretary  
Approved by the Ownership on October 9, 2025*