

Attention all COPP members and other interested parties:

Our class action lawsuit has resulted in a settlement reached through mediation between the attorneys for the plaintiffs and the attorneys for DRI and the rest of the defendants.

There have been financial concessions. They are now willing to take the remaining two years of payments and make them into FOUR years of payments. This will reduce the amount due in each of the next two years. If the escalation/contingency is not needed (or is lower than originally anticipated) years 3 and 4 will see reduced amounts billed, conceivably with NO funds due at all, rather than collect the contingency fees up front.

They are also going to assume the expense of the defaults (\$4M) as they are also collecting the deeds on those intervals. Further, they have agreed to drop \$1M of the \$1.7M management fees. There were also Governance issues addressed. For all future elections, FULL DISCLOSURE must be made of ANY affiliation with DRI and all of its subsidiaries as well as *familial* connections. All non-DRI board members will be educated about "fiduciary responsibility" and "conflict of interest" so as to assure that all is above board. Additionally, the board members will have an "independent" attorney available for consultation with regard to board activities.

Although we will NOT be receiving the owner list, there is a new wrinkle which will address the issue. A "neutral third party" will be given the owner's contact info. The owners will be able to submit letters to be disseminated to the owners. The only editing permitted is to remove threats or obscenity.

This "third party" will also oversee the statements submitted by board candidates, again with editing only for the removal of threat or obscenity.

This summarizes some of the key points in the Poipu Settlement Agreement – Fully Executed which can be found on our website at <http://poipuowners.org/News.html>

Please continue to monitor the website and our Newsletters for additional information.