

Ten Hottest Questions At The Point At Poipu

Question 1: *Are you a deeded owner at The Point at Poipu?*

Response: If your answer is yes, move to Question 2.

If your answer is no, you most likely belong to the Diamond Resort International (DRI) Hawaii Collection (HC) or other DRI trust or are here on an exchange and have no voting privileges pertaining to The Point at Poipu Association.

Question 2: *Are you concerned that DRI has 60% control (3 of 5 members) of both VOA /AOAO Board of Directors (BODs), but has a disproportionate ownership (approximately 10%) of the property?*

Response: Having three DRI employees on the BOD is a conflict of interest. They can make decisions that favor themselves, not necessarily the interests of deeded owners. They are in total control of the destiny of The Point at Poipu; for instance, should deeded owners wish to seek bids from other property management companies, the DRI controlled board can, AND HAS, prevented this from happening. Under current conditions, deeded owners will never have the opportunity to request and receive competitive bids. In addition, DRI can raise maintenance fees up to 20% at their discretion.

Question 3: *Are you concerned that DRI will not release the list of deeded owners despite multiple requests to management for the list?*

Response: The AOAO By-Laws and Hawaii law states that the list of deeded owners must be released upon request. The significance of the availability of the owners list cannot be overstated. If DRI alone has access to the owners list, they can control proxies as well as all dissemination of business matters to the deeded owners, thus, influencing the outcome of the BOD election. DRI has failed to release a deeded list despite a recent Hawaii court decision where Maui Circuit Court Judge August ordered the management company to give a list to timeshare owners. Without the deeded list, owners are unable to communicate in an organized fashion to support or challenge DRI practices. Obtaining a deeded owners list is the essential first step for owners to regain control of the BOD.

Question 4: *Are you concerned that numerous letters of complaints and inquiries to management and the legal department of DRI have gone unanswered or have been answered unsatisfactorily and with prolonged delays without notification?*

Response: One particular DRI employee indicated that many of these complaints are misunderstandings and fabrications of the truth. In response to this claim, DRI has been asked to release a public statement addressing the identified concerns of deeded owners. They have not complied and apparently have no intention to do so. In addition, it appears that DRI is making a deliberate attempt to keep us uninformed by not scheduling weekly owners' meetings nor publishing a timely newsletter reporting association matters, both of which were done in the past.

Question 5: *Are you concerned that DRI, through the DRI Board of Directors, voted themselves a \$1.6 million (approximately \$170 per deeded week per year) pure profit administrative fee from an annual \$15,000,000 budget for managing The Point at Poipu? In addition, are you also concerned that DRI collects profits (fees) from all other aspects of their management; i.e. reservations and many other services?*

Response: This pure profit administrative fee seems completely out of line and we can find no other management company that does this. Requests have been asked of DRI to validate their reasons but they have not done so. Other management companies stated they could manage The Point at Poipu for an approximate profit of 500,000. This is significantly less than what we are now paying.

Question 6: *Are you concerned that another timeshare resort that had issues similar to those at The Point at Poipu, Polynesian Isle 1 and 4 in Orlando, Florida, recently removed DRI from managing their resort?*

Response: A recent conversation by a deeded owner with the president of the board at Polynesian Isle 1 confirmed this. Requests to DRI to turn over the owner's list only happened after Polynesian Isle 1 hired an attorney. After DRI was voted out, a new management company took over. Accordingly, the Point at Poipu needs to investigate whether a management contract with DRI should be renewed.

Question 7: *Are you aware that when you convert to DRI points without retaining your traditional float/view deed you lose your right to vote at The Point at Poipu?*

Response: Traditional float/view deeded week owners who have not made any changes still have the right to vote on association matters. If you owned traditional float/view deeded weeks and assigned them to DRI points, you still retain ownership of your deed and still have the right to vote on association matters. If you converted your traditional weeks to points, which put the points into the DRI trust, you relinquished your deeds to the trust and you can no longer vote at The Point at Poipu. The continued viability of the association at The Point at Poipu is strengthened by owners who retain their deeds and weakened by those who give them up.

Question 8: *Are you concerned that DRI currently takes foreclosed deeds, converts them to points, and sells them for points in the DRI trust?*

Response: DRI's presence as a management company has resulted in a significant increase in maintenance fees. Consequently, many deeded owners have been forced into foreclosure. DRI has been acquiring these deeds three months after issuing notice of delinquency. Once again, this weakens the effectiveness of the association at the Point at Poipu. It appears that the DRI management company is working against our association.

Question 9: *Do you know that there is an organization of concerned deeded owners that increases in membership daily (currently approaching 400)?*

Response: A group of concerned deeded owners have formed an organization called Concerned Deeded Owners at The Point at Poipu (CDOPP.) The purpose of this organization is to take the appropriate steps to restore control of The Point at Poipu. Because CDOPP has no access to the deeded owners list, this group is attempting to reach owners via this document and through its new website. For further information, enter <http://www.poipuowners.org> in your internet browser or, enter **poipuowners.org** or **CDOPP** in a Google search.

Question 10: *Are you sufficiently concerned to join the CDOPP team in its efforts against DRI?*

Response: When your answer is YES, please contact the appropriate CDOPP representatives listed below based on the first letter of your last name. Feel free to contact any of these individuals for further details and progress reports. You may also wish to contact the DRI customer relations and legal department directly at their corporate number: 877-374-2582 or meet with The Point at Poipu General Manager, Chris Gampon. Please document exactly what they tell you and send this information to one of the persons below. Documentation is very important!

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