

APES HILL BENEVOLENT SOCIETY INC.

The Society for the Successful Development of Apes Hill

Paul Lamb, President
Yvonne Lankry, Vice President & Treasurer
Charles Pattison, Vice President & Secretary

The Grove
21 Pine Road
Belleville, St. Michael
Barbados

July 18, 2022

Members of the Apes Hill Club Homeowners Association Inc. (the “HOA”)

Dear Fellow Members of the HOA:

I write to you, as President of the Apes Hill Benevolent Society Inc. (the “Society”) which was formed as a non-profit company under the laws of Barbados in December 2021 by fellow members of the HOA (the “Owners Group”) to represent the interests of all members of the HOA who are concerned that:

- 1) the HOA is in precarious financial condition and is not supported by most of its members as evidenced by its 2021 Financial Statements which are attached for your information.
- 2) the HOA is operated by a Board of Directors that has been invalidly appointed by Plantation Sanctuary Inc. (‘PSI’), the current developer at Apes Hill, rather than duly elected by the membership of the HOA pursuant to its By-laws.
- 3) its Board makes decisions benefiting PSI, such as approving new Rules of the HOA in 2021 that continue to remain in effect: (a) mandating that all members, in addition to unsupported HOA membership fees, pay an initiation fee of US\$125,000 to join the golf club, annual golf club membership dues of US\$20,000 and share in the operating losses of the golf club; and (b) providing that the HOA directors only owe a fiduciary duty to PSI, rather than to the HOA and its membership as required by the Companies Act of Barbados.

In response to the above, the Owners Group retained Barbados legal counsel to investigate the activities of the HOA and PSI, to ascertain the relevant and controlling documents, and to determine the relevant facts. Based on those investigations, Leslie F. Haynes, Q.C. and Shane Kingston of Harridyal-Sodha & Associates have opined that:

- 1) PSI does not have authority in law to validly appoint Directors of the HOA.
- 2) All HOA Directors whether elected by the members of the HOA or invalidly appointed by PSI owe a statutory fiduciary duty to act in the best interests of the HOA and its members collectively, and not in their own interests nor those of PSI.

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- 3) HOA Directors that are employed or paid by PSI have a conflict of interest in any transaction involving PSI that cannot be waived or overcome, and any actions taken by such Directors involving PSI subjects that Director to liability for breaches of statutory fiduciary duty.
- 4) The 2021 Rules of the HOA requiring mandatory membership in the golf club and the elimination of fiduciary duties to the HOA and all its members are illegal.

As you may know Mr. Anthony Audian, the Chairman of the Board of the HOA, indicated at the last annual meeting of the HOA that the HOA was about to make a proposal to resolve the concerns raised by the Owners Group. This is their proposal: PSI will allow the members of the HOA to put forward 3 names and PSI will have the opportunity to select one of the proposed persons to join the Board. If PSI declines the first 3 names, then another 3 names may be put forward until one is accepted by PSI.

This proposal was rejected by the Owners Group because the HOA has to be operated in accordance with applicable law and its By-laws; its Board of Directors must now be elected by its membership; and all Directors must now have fiduciary duties to the HOA and all its members. For your further information in this regard, I am attaching the letter of Leslie F. Haynes, Q.C. dated May 30th, 2022, to Dentons, the attorneys for the HOA and PSI, that sets forth in detail the positions of the Owners Group which have still not been addressed by the HOA and PSI. On July 8th Dentons advised Mr. Haynes that they no longer represent the HOA, that Mr. Haynes's letter of the May 30th was passed on for reply to Mmes Bynoe, Martinez & Co who are now representing the HOA , and that Dentons is still representing PSI who has changed its name to Apes Hill (Barbados) Inc.

Since it is apparent that the HOA and PSI are not going to meet with the Owners Group or make a proposal that addresses their concerns, the Board of Directors of the Society has approved the construction of a website for the Society-- apeshillbenevolentsociety.com--- that is now open for your inspection. If you have any questions after you have visited the website, please feel free to send them to me by email and I will do my best to answer them.

Please consider contributing to the Society to support the maintenance of its website, its ongoing efforts to protect the rights of current and future members of the HOA and the development of a Membership Plan to open membership in the Society to all members of the HOA who are not PSI with the aim of expediting and funding, if necessary, litigation for the benefit of all members of the HOA against the current Board of Directors of HOA and PSI. All contributions, no matter how small or large, will be gratefully accepted by the Society if paid by cheque to the order of "Harridyal Sodha & Associates", as attorneys for the Society, and mailed to the Apes Hill Benevolent Society c/o Harridyal Sodha & Associates, the Grove, 21 Pine Road, Belleville, St. Michael, Barbados.

Yours faithfully,

Paul Lamb
President