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March 17, 2011

Christopher T. Harrison, Esq.  
Cades Schutte Building  
1000 Bishop Street, Suite 1200  
Honolulu, Hawaii 96813

**Re: Demand for Retraction Concerning The ASNY Company, LLC  
and Arthur Spector; Response to Your Letter of February 23, 2011**

Dear Mr. Harrison:

I have been retained by Jim Cahill, Carol Nelson, Tom Podl, Charlie Johnson, John Oliver and Jay Solomon ("Clients") to respond to your February 23, 2011 letter to them demanding a retraction of portions of their letter to Sands of Kahana time share owners.

From reading your letter, I understand your demand was prompted in part by a portion of a sentence in the SOK Concerned Owners Committee's February 14, 2011 letter (the "SOKCO Letter") which you quote as saying "When ASNY (Arte Spector of New York) took 13 of his companies into bankruptcy. . . ." Your letter claims "This statement falsely implies that ASNY and Mr. Spector have filed for bankruptcy." However, your letter omits the portion of the sentence which says "(see our website)" directing readers to the SOKCO website where the bankrupt companies referenced in the part you quote are specifically identified by name and bankruptcy case number, to wit:

Destinations Unlimited, LLC: 09-22030  
Consolidated Realty, Inc.: 09-22031  
Consolidated Media, LLC: 09-22032  
CRI Travel Holdings, LLC: 09-22033  
Consolidated Resorts Travel, LLC: 09-22034  
Consolidated Resorts, Inc.: 09-22035  
Consolidated Maui, Inc.: 09-22036  
Consolidated Kona, Inc.: 09-22037  
Lahaina Ticket Company, Inc.: 09-22038  
Soleil PS, LLC: 09-22039  
Soleil LV, LLC: 09-22040  
Consolidated Tahiti, Inc.: 09-22041  
Consolidated Orlando, Inc.: 09-22042  
Consolidated Tickets, LLC: 09-22043

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Given this specific and unambiguous information, and the absence of any reference in the SOKCO Letter or the SOKCO website to Mr. Spector filing for personal bankruptcy or any bankruptcy filing on behalf of The ASNY Company, LLC, it is difficult to find any basis for claiming my Clients *implied* anything to the contrary.

Your letter also says “The statement continues with references to Consolidated Resorts Management and Soleil Management that imply an improper purpose or conspiracy on the part of ASNY and Mr. Spector regarding the reason these companies did not file for bankruptcy.” The SOKCO letter actually reads:

Consolidated Resorts Management (manages the Sands of Kahana) and Soleil Management (manages the Las Vegas resorts). When you call the management company, they answer the phone as Soleil Management presumably because of the stigma attached to the CRI name due to the Bankruptcy. We believe that these two management companies remained in business to manage the properties and to protect lucrative incomes that they generate from the Time Share operations[.]

The information I have reviewed indicates the first sentences are factually correct. Neither Consolidated Resorts Management nor Soleil Management is in bankruptcy. The combined Consolidated Resorts Management/Soleil Management website<sup>1</sup> lists ten Hawaii properties and three Las Vegas properties. Consolidated Resorts Management participated in the recent Sands of Kahana time share owners annual meeting as property manager. *Tahiti Village*<sup>2</sup> in Las Vegas is identified as “the newest jewel in the Soleil Management portfolio of Timeshare managed Resorts.” From this information and context, it is reasonable to believe Consolidated Resorts Management manages the nine other Hawaii properties and Soleil Management manages and the two other Las Vegas properties. If that is not the case please advise so a correction can be made.

The final sentence – stating my Clients’ belief or opinion – appears consistent with available information and normal management company goals; retain management contracts for profitable properties and protect the income they generate. If their belief is mistaken vis-à-vis Consolidated Resorts Management and Soleil Management, please advise.

For the foregoing reasons, the implications described in your letter do not appear to be well founded in the language you reference. In addition, since your letter provides no supporting facts for claims that the “statements damage the reputation of ASNY and Mr. Spector and expose them to financial harm, including interference with business relationships” neither I nor my clients have any basis to determine their validity or accuracy. However, out of an abundance of caution, my Clients will post the following clarification on the SOKCO website and will send copies to the same owners to whom the SOKCO Letter was sent. My clients do not have addresses for all SOK owners. If you want the clarification to go to all SOK owners, please provide their addresses.

### CLARIFICATION

Dear SOK Timeshare Owner:

Shortly before the recent Annual Meeting, we received a letter from Mr. Christopher T. Harrison of the Honolulu law firm Cades

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<sup>1</sup> <http://www.crm.lv.com>

<sup>2</sup> [http://www.crm.lv.com/property\\_tahiti\\_village.asp](http://www.crm.lv.com/property_tahiti_village.asp)

Schutte saying he represents Arthur Spector and The ASNY Company, LLC. ("ASNY"). The letter says our February 23, 2011 letter to you "falsely implies that ASNY and Mr. Spector have filed for bankruptcy" and included "references to Consolidated Resorts Management and Soleil Management that imply an improper purpose or conspiracy on the part of ASNY and Mr. Spector regarding the reason these companies did not file for bankruptcy." Mr. Harrison's letter also says our statements damaged the reputation of ASNY and Mr. Spector and exposed them to financial harm, and demanded a retraction.

It is absolutely critical to us that the information we provide to you be accurate. So, out of an abundance of caution and to avoid even the possibility of confusion, we are posting and sending this clarification.

Let us make it absolutely clear that we did not say, did not intend to imply and do not believe we did imply that either Mr. Spector or The ASNY Company, LLC had filed for bankruptcy or was or is in bankruptcy. As far as we know, they are not. We specifically listed on our web site the names and bankruptcy case numbers of the entities which did file for bankruptcy and neither Mr. Spector nor ASNY is included. Let us also make it absolutely clear that by briefly discussing the management operations and properties of Consolidated Resorts Management and Soleil Management, we did not allege, did not intend to imply and do not believe we did imply that Mr. Spector or The ASNY Company, LLC was or is involved in an illegal conspiracy. As far as we know, they are not.

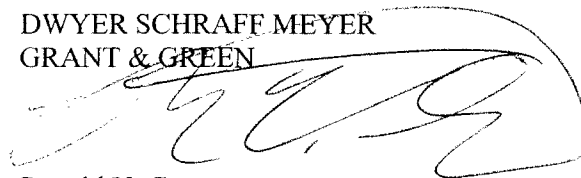
Your Sands of Kahana Concerned Owners Committee

While my Clients are willing to post and send the Clarification, they do so as an expedient means of compromising and resolving a potential dispute. They are not, and shall not be deemed to be, admitting any wrongdoing, fault or liability and they reserve all rights to make such claims and bring such actions as may be necessary or appropriate to protect and defend their rights and interests as, *inter alia*, Sands of Kahana owners.

Please direct all future communication on this matter to the undersigned.

Very truly yours,

DWYER SCHRAFF MEYER  
GRANT & GREEN



Ronald V. Grant

RVG:mmk