

January 22, 2019

Linda Chu Takayama, Director  
Department of Labor and Industrial Relations  
830 Punchbowl Street, Rm. 321  
Honolulu, Hawaii 96813

Re: Hawaii Dislocated Workers Act Notice

Dear Director Takayama:

I am writing to notify you that Kai Management Services, LLC will cease management of the Kauai Beach Resort located at 4331 Kauai Beach Drive, Lihue, Hawaii 96786, on March 31, 2019 as a result of the loss of the management agreement with EPG KBR Operating Lessee LLC ("Ownership"). Although we do not believe that this transaction triggers the notice requirements of Haw. Rev. Stat. ch. 394B, as amended, in an abundance of caution, Kai Management Services is providing written notification to the employees who are affected by the transaction and informing them of their potential right to a dislocated worker allowance under the Dislocated Workers' Act.

Kai Management Services' corporate offices are located at 2155 Kalakaua Ave., Honolulu, Hawaii 96815. The number of employees currently employed by Kai Management Services at the property is 238, consisting of 142 full-time, 54 part-time and 42 on-call employees.

Ownership has selected Filament Hospitality as the new management company. Please contact me should you have any questions. I can be reached at (808) 931-1509.

Sincerely,



Janice Wakatsuki  
Senior Vice President, Human Resources  
Aqua-Aston Hospitality, LLC

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DEPT. OF LABOR AND  
INDUSTRIAL RELATIONS  
DIRECTOR'S OFFICE