



COUNCIL OF CO-OWNERS
OF ESJ TOWERS CONDOMINIUM

May 26, 2024

NOTICE OF EXTRAORDINARY MEETING TO APPROVE LEASE OF LOBBY BAR COMMON AREA,
SETTLEMENT AGREEMENTS WITH ESJ TOWERS INC. AND ATTENURE'S NEW PROPOSAL FOR AN
AGREEMENT TO AUTHORIZE ATTENURE TO NEGOTIATE AND LITIGATE THE COUNCIL'S
INSURANCE CLAIM AND TO RATIFY THE ATTENURE ASSIGNMENT DOCUMENTS, AS AMENDED

To: All members of the Council of Co-Owners of ESJ Towers Condominium (Owners of Units (Full Owners or FOs)) and Owners of Intervals or Premises Interests (Deeded Vacation Owner or VOs)):

From: Chana Cohen, President of the Board of Directors

Dear members of the Council of Co-Owners:

This constitutes a Notice of an Extraordinary Meeting of the Council of Co-Owners of ESJ Towers Condominium (also known as the HOA), which will be held at the **Hospitality Room** located in the lobby of ESJ Towers Condominium, 6165 Isla Verde Avenue, Carolina PR, on **May 31, 2024**, at **5:00 pm** and that and vote the all members with a right to vote are invited to attend at the Extraordinary Meeting.

The items to be discussed and voted upon in the meeting are the following:

1. Approval of Proposal to Lease Lobby Bar and Authorization to enter into Lease Agreement

The Board of Directors requests that the Council approve a proposal that it has received to lease, for \$2,000 of monthly rent, the common areas of the lobby that contain lobby bar, a storage area and an area near the beach entrance for an exterior bar and that the President be authorized to sign the Lease Agreement in representation of the Council of Co-Owners. In accordance with the Condominium Law, the Council of Co-Owners must approve the lease of common areas. The proposed Lease Agreement is available on the website www.esjhoa.com.

2. Approval of Settlement with ESJ Towers Inc. and Authorization to enter into Stipulation

In the bankruptcy case (*In re ESJ Towers Inc.*, 22-01676(ESL)), the Debtor (ESJ Towers Inc.) held an auction of all its assets. From the sale price, the Debtor has proposed to pay \$1,300,000 to settle the Council's administrative claim, which is comprised of maintenance fees and other amounts incurred after June 10, 2022 up to the closing of the sale which shall occur on or before June 20, 2024. In addition, the Bankruptcy Court approved the debtor's reorganization plan, in

which the debtor included the Council of Co-Owners in Class 6 (unsecured creditors) and the Council's pro-rata share (calculated on the basis of the sums claimed in Proofs of Claim Nos. 98, 99, 100, 101 and 102) the debtor has estimated that the Council of Co-Owners will receive dividends of approximately \$463,342.74, which would be received on or before June 20, 2024. In addition, the Board would receive its pro-rata share of the proceeds of the causes of action that may be brought by the committee that will be in charge of claims under Chapter 5 of the Bankruptcy Code (it could be the committee of unsecured creditors or the post-confirmation committee, if the Bankruptcy Court orders that the creditors' committee be replaced by the post-confirmation committee). The Debtor would be ceding to the Council of Co-Owners any interest in the insurance claim against Chubb. In addition, by stipulation, the other pending cases in which ESJ Towers Inc. is a party to settle the controversy of said corporation with the Board would be closed. The Board is submitting the proposed settlement for the Council's approval or rejection in compliance with Article 54 of the Condominium Act.

3. Approval of Attenure's new Proposal and Authorization to enter into Stipulation

The Board of Directors requests that the Council approve Attenure's new proposal and authorize the Board to enter into an agreement with Attenure, as outlined in the attached stipulation titled *Agreement to Authorize Attenure to Negotiate and Litigate the Insurance Claim Against Chubb Insurance Company of Puerto Rico and to Ratify Assignment Documents, as amended herein*. The proposed Stipulation is available on the website www.esjhoa.com.

All documents relevant to the agenda matters will be available on the website www.esjhoa.com. In accordance with the Condominium Act of Puerto Rico (Act 129 of 2020), only the matters included in this agenda may be discussed in this extraordinary meeting. Each owner is entitled to one (1) vote, regardless of the number of units owned (including intervals or premises interests).

Those owners who owe: three (3) or more installments of installments, and/or assessments, and/or special installments, and/or fines with overdue payment of sixty (60) days or more, and/or any premium expired communal insurance for any of the apartments of which they are the owner, may not vote nor may they give their consent or express themselves in the assemblies of the Council of Owners, until they satisfy the debt in full or the Treasurer certifies that the payment plan approved by the Board of Directors prior to the assembly, nor those owners who have not accredited their "status" of owner by delivering a copy of their deed of sale or any legal document that recognizes them as the owner of the apartment. The voting list maintained by the HOA board will be the official information used to verify the owner's status and ability to vote.

When one (1) or more units belong to a legal person, the entity will designate, by corporate resolution, the person who will represent it to attend the assembly and exercise the right to vote that corresponds to the unit. If a unit belongs jointly to different owners, they will appoint one (1) single person to represent the unit. The corporate resolution or designation must be received at the HOA office or by e-mail at esjtowers1975@gmail.com on or before **May 30, 2024, at 5:00 pm**, as required by Article 51 of Act 129 of 2020.

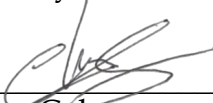
If you cannot attend the Assembly, you can be represented with a power of attorney or proxy, as long as you meet the requirements for participation in the Assembly and your

proxyholder meets the requirements of the proxy of Article 51 of Act 129 of 2020, with a proxy duly completed and delivered to Administration, email: esjtowers1975@gmail.com at least 24 hours before the Assembly. Each proxyholder may represent only one (1) owner at a time. As required by Article 51 of Act 129 of 2020, the deadline to submit a proxy is on or before **May 30, 2024**, at **5:00 pm** and proxies received after the deadline may not be counted. A copy of the proxy form is included with this notice and may be requested at the HOA office. After completing the proxy in its entirety, remember to sign it, hand in the signed original to the HOA office before the deadline and give a copy to the person who will represent you (the proxyholder).

This Notice shall be displayed in the bulletin board. This Notice and all documents are also available on the website www.esjhoa.com. If you need to update your owner's information, make a payment to cure overdue balances of assessments, special assessments, insurance premiums, fines or maintenance fees or need a copy of this notice or of the proxy form, please call Mrs. Sophymar Hernandez Diaz at 1(787)691-9973; send an email to esjtowers1975@gmail.com; or submit a request in person at the HOA office on the mezzanine level. The list of units qualified to vote with payments calculated to this date is available for inspection at said HOA office. This list will be updated to the date of the meeting to ascertain the final eligible owners entitled to vote at the election. If you would like to verify your owner status or unit's eligibility, please do so on or before **May 30, 2024**, at **5:00 pm**.

A copy of this Notice, all notifications of the notice, all proxies received, the recording of votes at the meeting, a certification of the results, and all notifications of the results shall be kept at the HOA office and may be inspected upon request.

Cordially,



Chana Cohen,
President of the Board of Directors