SPECIAL BOARD OF DIRECTORS MEETING
Thursday, April 16, 2020, at 1:30 p.m.
TELECONFERENCE – GoToMeeting
(https://global.gotomeeting.com/join/993324685)

BOARD OF DIRECTORS PRESENT:
Chairman Sonny Ada
Vice-Chairman Milton Morinaga
Director Stephen Gatewood
Director Shur Matsumoto
Director Therese Arriola
Director Brad Kloppeburg
Director JoAnn Camacho
Director Derrick Muna-Quinata
Director Paul Shimizu
Director Sam Shinhara
Director Satoru Murata
Director Robert Hofmann

BOARD OF DIRECTORS ABSENT:
Director Flori-Ann Dela Cruz

GVB MANAGEMENT & STAFF PRESENT:
AJ Rosario
Maria San Nicolas
Trevor Lan - GVB Taiwan
Colleen Cabedo
Nakisha Garrido
Nicole Benavente
Gabie Francuez
Bobby Alvarez
Nico Fujikawa
Brayan Simsiman
Taylor Pangilinan
Derrick Camacho
Nadine Leon Guerrero
Russell Ocampo
Valerie Sablan
Josh Tyquienco
Josie Villanueva
Trixie Naholowaa
Angie Mamaril
Mai Perez
Annabel Certeza
Felix Yen – GVB Taiwan
Sharlene Guerrero
Regina Nedlic
Jay Park – GVB Korea
Pilar Laguna
Chris Lizama
Mariane Dela Cruz
Ilene Quitigua
Tonya Formano
Dee Hernandez
Elaine Pangelinan

Colleen Cabedo
Juanita Sablan
Mark Manglona
Karida Brennan
Sydney Leon Guerrero
Bree Garrido
Lisa Linek
Cil Dydasco
Kraig Camacho
Crystal Mendiola
Hiroshi Kaneko - GVB Japan

GUESTS:
Troy Torres - Kandit News Group
Oyaol Ngiririkil
Steve Ruder
Jay Merrill
Aubriene Merfalen
Charles McDonald

AGENDA

I. CALL TO ORDER
Chairman Ada called the Special Board of Director's meeting to order at 1:30 p.m. A quorum was met with nine board members present at the time.

II. ROLL CALL

III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A
Director Shinohara made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous Board of Directors meeting dated March 12, 2020. Motion Approved.

IV. CHAIRMAN’S REPORT

Chairman Ada thanked everyone for continuing the work of the bureau. He reported that the COVID-19 situation for Guam and our core markets are still very fluid. However, GVB must and shall be ready to respond when the time arrives to open for business. GVB continues to tighten and tweak its budget, seek federal funds, gather information to share locally and abroad, ensure public safety, and stays organized and funded to send the message and support to our members to welcome visitors back to our shores.

Chairman Ada thanked the Governor and her office, Senators, Mayors, various island leaders and departments, the sailors of the USS TR, for minding the health and wellbeing of our people and our visitors. He thanked the Department of Homeland Security, GHRA, the various Chambers of Commerce and volunteer groups, for all their efforts as Guam navigates through unchartered waters. Chairman Ada expressed much gratitude to those on the medical and safety frontlines.

He asked that the bureau continue to adjust, be innovative and to work as a team because the people of Guam depend on the tourism industry.
V. PRESIDENT & CEO’S REPORT

1) SHUT OFF CAMERA TO MAXIMIZE BANDWIDTH
2) IDENTIFY YOURSELF WHENEVER YOU SPEAK.
3) IF YOU’RE LATE, DON’T ANNOUNCE YOURSELF,
4) USE YOUR MUTE BUTTON IF NOT SPEAKING.

CONFERENCE CALL ETIQUETTE
GVB BOARD OF DIRECTOR MEETING
04.16.2020

GUAM VISITORS BUREAU
PRESIDENT’S REPORT
04.16.2020

Fiscal Year 2020 Projection
Adjusted for COVID-19 Impacts
Total: 903,156 (-44.6%)

<table>
<thead>
<tr>
<th>Month</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>% to LY</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2020</td>
<td>121,668</td>
<td>184,450</td>
<td>10.6%</td>
</tr>
<tr>
<td>November 2020</td>
<td>122,649</td>
<td>143,297</td>
<td>1.4%</td>
</tr>
<tr>
<td>December 2020</td>
<td>143,104</td>
<td>157,408</td>
<td>7.7%</td>
</tr>
<tr>
<td>January 2020</td>
<td>142,507</td>
<td>155,479</td>
<td>6.0%</td>
</tr>
<tr>
<td>February 2020</td>
<td>157,344</td>
<td>170,830</td>
<td>21.0%</td>
</tr>
<tr>
<td>March 2020</td>
<td>149,332</td>
<td>29,823</td>
<td>-79.5%</td>
</tr>
<tr>
<td>April 2020</td>
<td>121,004</td>
<td>3,844</td>
<td>-96.8%</td>
</tr>
<tr>
<td>May 2020</td>
<td>120,411</td>
<td>12,404</td>
<td>-89.7%</td>
</tr>
<tr>
<td>June 2020</td>
<td>133,828</td>
<td>18,844</td>
<td>-86.4%</td>
</tr>
<tr>
<td>July 2020</td>
<td>144,776</td>
<td>28,993</td>
<td>-79.4%</td>
</tr>
<tr>
<td>August 2020</td>
<td>158,856</td>
<td>43,337</td>
<td>-70.4%</td>
</tr>
<tr>
<td>September 2020</td>
<td>177,880</td>
<td>51,577</td>
<td>-22.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,837,049</td>
<td>903,156</td>
<td>-44.6%</td>
</tr>
</tbody>
</table>

Research

Current Project
Membership Outreach Movement (MOM): In a unified effort, the Guam Visitors Bureau (GVB), the Guam Hotel & Restaurant Association (GHRA) and the Guam Chamber of Commerce will be reaching out to their collective membership to assist businesses impacted by COVID-19. The information collected will assist the Guam Department of Labor with preparing employers and employees to access federal assistance programs.

Suspended/Deferred Projects
Daily Arrival reports / Preliminary Monthly Summaries have been delayed due to the government suspension of non-essential services until May 5, 2020.

Visitor Exit Surveys - will be suspended until further notice, contingent upon ability to obtain reasonable sample sizes based on volume of visitors arriving in Guam.

Economic Impact Reports - Tourism Satellite Account (TSA) impact reports have been suspended due to budget limitations resulting from COVID-19 impacts to Guam’s Tourism Industry.

GVB Operations

In support of Executive Order 2020-03, GVB management has implemented operational measures to mitigate the risk of spreading the infection amongst staff through work from home policies, procedures, and teleconference.
What is GVB doing?

Federal Aide
In an effort to find federal funds to support GVB, we have been engaging in discussions with FEMA, GEDA, and other agencies.

1. Federal Emergency Management Agency (FEMA)
2. U.S. Economic Development Administration (SEDA)

Grant inquiry efforts are ongoing to secure funding to support GVB projects through Federal Emergency Management Agency (FEMA). GVB has submitted our request for public assistance.

Urgent communication with USA to explore federal opportunity with their guidance through the U.S. Economic Development Administration.

What is GVB doing?

Crisis Communication

Communication Assets

- Updated FAQs for GVB, TR & TCB
- Completed the Guam Business Bureau and the Guam Hotel & Restaurant Association revised our print “Frequently Asked Questions” sheets to reflect updates on the mandatory business protocols. These communication tools were approved by the Guam Chamber of Commerce and translated into the languages of our source markets by the GVB. Updated FAQs are available in English, tagalog, and Mandarin.
- Letter to Governor Lou Leon Guerrero announcing the GVB’s shift to public health crisis communications efforts.
- Letter to Guam Chamber of Commerce and GVB
- Completed GVB Communication document and joint collaboration on a piece with the Guam Chamber of Commerce and the Guam Hotel & Restaurant Association to provide updates and gather help/GU resources for funding and other business resources at the Island.

- Guam Business Bureau and Guam Tourism Authority

What is GVB doing?

Outreach and Public Safety Support

Visitor Safety Officers

- Visitor Safety Officers have supported Guam Police Department & Department of Parks and Recreation to enforce social isolation and distancing mandates.

What is GVB doing?

Crisis Communication

Industry Outreach

- Weekly Industry Reports
- Three reports were sent out to GVB’s members and industry stakeholders.
- Weekly Industry Outlook

- Newsletters
- Called the Industry Outlook Newsletter GVB, which features updates from GVB, GEDA, and Guam Chamber of Commerce about assistance and resources for Guam businesses impacted by COVID-19.

- Reinforcement
- Weekly PR/Marketing
- Write-ups primarily focused on COVID-19 updates and recognizing GVB members.

Social Media

- COVID-19/GVB 1000 likes and sharing across several industry leaders
- COVID-19 updates reinforced and sharing industry partners who are offering to-do services. There are initiatives over 1000 members on social media pages.

What is GVB doing?

GVB Website

Important Notice

COVID-19

The information is updated daily. This website is updated daily with critical information for Guam businesses and the general public.

Information on the website is updated daily to ensure the latest information is available. The website includes the latest updates on COVID-19, resources for businesses, and recommendations for individuals.

Important Notice

COVID-19

The website is updated daily to ensure the latest information is available. The website includes the latest updates on COVID-19, resources for businesses, and recommendations for individuals.
VI. TREASURER’S REPORT

- The tourist attraction fund is the source revenue that funds GVB’s entire operations. It is the source of GVB’s allotments, our budgets, all our bonds, and also a reference for the GHRA occupancy tax revenue bonds.
- Based on Research’s forecast, March – July 2020, we will not be collecting enough revenues to cover the debt service payments that are required on our bonds. As a result, it is unlikely that GVB will receive any funding from the TAF moving forward.

a. Comptroller’s Report

EXHIBIT B

TAF Tracking with Feb 2020 Actuals

Board Motion #2 (Exec Motion #2 to Ratify)

Motion Description: Motion to Approve Revised FY20 Budget adjusted for impacts on the TAF related to Covid-19

Background: Covid-19 has had significant impacts to the visitor industry. As a result, it is anticipated that TAF collections for the balance of the fiscal year, will be significantly under initial estimates. Given this is GVBs funding source, a reduction in the budget will be necessary as TAF collections for the balance of the fiscal year are not anticipated to exceed significantly the minimum debt payments required on the bonds outstanding.

Cost Estimates: See Details
Account to be Charged: See Details
Action Required: Board Approval Required

FY20 Budget Adjustment

GVB Fund Balance Classification

ROD Meeting Minutes
April 16, 2020
GVB Cash Balance Recap & Cash Shortfall

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance Not Restricted</td>
<td>$9,408,614.83</td>
</tr>
<tr>
<td>Budget F Spending Forecast [April - September 2022] by Dept.</td>
<td>$6,723,324.00</td>
</tr>
<tr>
<td>Budget F Monthly Average Estimated March Paveables</td>
<td>$1,278,337.00</td>
</tr>
<tr>
<td>Accounts Receivable Aging Report</td>
<td>$1,938,628.40</td>
</tr>
</tbody>
</table>

C Total Funding Deficit | $(726,386.52)

> AR Aging pending renewal and may result in exolution of funding deficit.
> Avg. Consumption Tax of $16,307 form Japan can also offset the deficit 
(597,841.81 YTD Feb20)
> Total Funding Deficit as a result of FY20 Budget Cut will be offset by the 
DOM Adjustment Request amounting to $840,623.00 for the month of March 2020

Board Motion #1 by the Treasurer

**Motion Description:** Motion to re-purpose $1,000,000 board approved capital projects in addition to $1,246,726 Rainy Day Fund for Recovery Plans Funding. Formal board resolution will be to follow once specific spending is identified.

**Background:** On December 12, 2019, board authorized funding for various capital projects. This includes the $3M Matapang and Ypoa Beach upgrade. While the team prepares for recovery plan efforts, in the next few months, $1M is deemed necessary to increase funding of the Rainy-Day Fund. GVB management will continue to locate grant sources to materialize the tourist attraction upgrades from other source such as grants.

**Cost Estimate:** $1,000,000
**Account to be Charged:** CAPEX, GIP
**Action Required:** Board Approval Required

Proposed Recovery Funding

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-purpose Board Authorized Capital Projects for Ypoa &amp; Matapang Beach Upgrade</td>
<td>C1 Beach (Ypoa &amp; Matapang) Upgrade FY20</td>
<td>$1,000,000.00</td>
</tr>
<tr>
<td>d Allocate for Recovery Fund</td>
<td></td>
<td>$(1,000,000.00)</td>
</tr>
<tr>
<td>Reserved for Possible Grant Matching</td>
<td></td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Proposed Recovery Plan Funding Source</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR1 Bank of Guam - Rainy Day Fund</td>
<td></td>
<td>$1,246,726.59</td>
</tr>
<tr>
<td>d Re-purpose Board Authorized CAPEX</td>
<td></td>
<td>$1,046,000.00</td>
</tr>
<tr>
<td>e Total Fund Available for Recovery</td>
<td></td>
<td>$2,346,726.59</td>
</tr>
</tbody>
</table>

Board Motion #6 (Exec Motion #6 to Ratify)

**Motion Description:** Motion to ratify the approval of FY21 Budget based on the issuance of BBBM's Budget Ceiling in the amount of $22,490,651.

**Background:** On February 27, 2021, GVB board approved to submit a budget at BBBM at $25,424,172 which was received by BBBM on March 6, 2020. On March 31, 2020, BBBM send GVB a letter rejecting the submission and required GVB to submit the budget based on the Budget Ceiling at $22,490,651 which includes Rainy Day Fund of $650,000 and Non-Profit of $640,000.00. On April 9, 2020 the Executive Committee voted to comply with the BBBM budget ceiling since GVB is not in the position to make adjustment on its FY21 budget amidst COVID-19.

**Cost Estimate:** See Details
**Account to be Charged:** See Details
**Action Required:** Board Approval Required

FY21 Budget Ceiling Submission

<table>
<thead>
<tr>
<th>Program</th>
<th>FY21</th>
<th>FY21 Budget Ceiling</th>
<th>Increase/Decrease FY20 to FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Board</td>
<td>BBBM</td>
<td>V1</td>
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<tr>
<td></td>
<td>Approved</td>
<td>Budget</td>
<td>Increase/Decrease</td>
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<td>Administrative</td>
<td>3,600,000.00</td>
<td>3,900,295.00</td>
<td>366,295.00</td>
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<td>Marketing</td>
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<td>0.00</td>
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<tr>
<td>Sports &amp; Events</td>
<td>850,000.00</td>
<td>850,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Research</td>
<td>650,000.00</td>
<td>650,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>CHDO</td>
<td>750,000.00</td>
<td>750,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>VISO</td>
<td>965,660.00</td>
<td>965,755.151</td>
<td>101,115.151</td>
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<tr>
<td>DD</td>
<td>1,085,000.00</td>
<td>1,218,128.00</td>
<td>133,128.00</td>
</tr>
<tr>
<td>Rainy Day Fund</td>
<td>650,000.00</td>
<td>650,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Air Service Support</td>
<td>640,000.00</td>
<td>640,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>32,246,680.00</td>
<td>35,414,172.00</td>
<td>3,167,492.00</td>
</tr>
</tbody>
</table>

**$22.4M Budget Ceiling** - BBBM Required Submission

Board Approval Required

Board Motion #4 (Exec Motion #4 to Ratify)

**Motion Description:** Motion to authorize President and CEO to perform all actions with respect to managing GVB contracts in response to the COVID-19 pandemic.

**Background:** GVB management has identified contract adjustments to best position GVB to respond to the COVID-19 pandemic. Vendors have been contacted and agreements reached to modify contracts. Management will continue to actively manage contracts to support GVB's operations and its pandemic response.

**Cost Estimate:** Not Applicable
**Account to be Charged:** Not Applicable
**Action Required:** Board Approval Required

BOD Meeting Minutes
April 16, 2020

Page 6 of 18
• The Tourist Attraction Fund (TAF) funds bond payments and are made through DOA & BBMR and managed by GEDA. GVB does not participate in making those payments.
• It is unlikely that we will receive a substantial amount of resources from the TAF moving forward. There are ongoing efforts to explore alternative revenue sources, including grants from the federal government. GVB is also working with GEDA to expend all efforts to exercise potential grants that may be available to GVB in terms of stimulating our economy.
• To date, GVB received 9M out of 2M that was budgeted and is owed a balance of 13M.
• Based on the budget law, GVB should be receiving 49% of the total forecasted revenues associated with the Tourist Attraction Fund. However, hotel occupancy taxes are collected from a hotel stay, we have zero arrivals and virtually zero hotel stays other than rooms occupied by the Theodore Roosevelt sailors, a significant reduction in March through July bringing us to where our revenue collections are under our debt service requirements. There is a 2-3 month lag in funds distribution.
• Money allotted to GVB is not collected from the previous year. It is based on a projected goal for this year. Money GVB receives is based on the collections from the last month and remitted to GVB. It is based on a running account.
• A request was submitted to DOA for March, and we have yet to receive the cash.
• President & CEO Laguña shared her conversation with GEDA regarding the Hot Bond debt service. GEDA mentioned that if GVB did not have enough, DOA would find other means to fulfill the obligation. The bond agreement will initially take from the TAF, the Government is obligated and will pay the debt service from any source the government of Guam could tap.
• Any incoming collections will go to the bond, leaving GVB with nothing for a few months. In light of this, GVB took action to reduce the current year budget. The bureau is conversing on how to allocate funds from the Rainy-Day fund to expend on needs that GVB has in the immediate term.

1. Director Shinohara made a motion, seconded by Director Gatewood, to approve the Revised FY20 Budget adjusted for impacts on the TAF related to COVID-19. Motion Approved.

   **Background:** COVID-19 has had significant impacts on the visitor industry. As a result, it is anticipated that TAF collections for the balance of the fiscal year will be significantly under initial estimates. Given this is GVB’s funding source, a reduction in the budget will be necessary as TAF collections for the balance of the fiscal year are not anticipated to exceed significantly the minimum debt payments required on the Bonds outstanding.

   **Action Required:** Board Approval Required.

2. Director Shinohara made a motion, seconded by Director Arriola, to re-purpose $1000,000 board approved capital projects in addition to $1,246,726 Rainy Day fund for Recovery Plans Funding. Formal board resolution to follow once specific spending is identified. Motion Approved.

   **Background:** On December 12, 2019, the board authorized funding for various capital projects. This includes the $3M Matapang and Ypao Beach upgrade. While the team prepares for recovery plan efforts, in the next few months, $1M is deemed necessary to increase funding of the Rainy-Day Fund. GVB management will continue to locate grant sources to materialize the tourist attraction upgrades from other sources, such as grants.

   **Action Required:** Board Approval Required.

   - Of the 3M dollars that were set aside earlier in the year for both Matapang and Ypao beach upgrades, 1M will be purposed. Given our need to recover in the markets, these funds will be reduced and allocated to recovery efforts.

**VII. REPORT OF THE BOARD COMMITTEES**

• Director Shinohara reminded everyone that our visitor arrivals are uncertain and encouraged GVB to develop a robust strategic plan to ensure that we are ready to propel Guam forward once we are open for business.
A. EXECUTIVE COMMITTEE

3. Vice-Chairman Morinaga made a motion, seconded by Director Shinozaka, to ratify the approval of the FY21 Budget based on the issuance of BBMR’s Budget Ceiling of $22,490,651. Motion Approved.

Background: On February 27, 2020, the GVB board approved to submit a budget at BBMR at $25,424,172, which was received by BBMR on March 6, 2020. On March 31, 2020, BBMR send GVB a letter rejecting the submission and required GVB to submit the Budget based on the Budget Ceiling at $22,490,651, which includes Rainy Day Fund of $650,000 and Non-Profit of $640,000.00. On April 9, 2020, the Executive Committee voted to comply with the BBMR budget ceiling since GVB is not in the position to make adjustments on its FY21 budget amidst COVID-19.

Action Required: Board Approval Required.

4. Vice-Chairman Morinaga made a motion, seconded by Director Shinozaka, to ratify the temporary restructure of the Japan Marketing Team reporting from the President & CEO to the Director of Global Marketing for the next three months, which will be from March-May 2020. The board will revisit the effectiveness of change and decide long-term plans of the reporting structure. Motion Amended.

Background: On September 28, 2000, the Board of Directors shifted the reporting structure of the Japan Marketing team to the General Manager. With unprecedented events that the bureau is facing, the crisis of COVID 19 and the significant drop in visitor arrivals which can result in serious austerity measures, it will be a significant advantage to re-align marketing strategies during the recovery period with an objective of maximizing current resources available, facilitate efficient communication and collaboration.

Cost Estimate: Not Applicable
Account to be Charge: Not Applicable
Action Required: Board Approval

- Director Camacho suggested that every market, including Japan, should be consolidated. The Director of Global Marketing shall lead and direct the Marketing team indefinitely. Director Shinozaka added that all Marketing functions should align with this suggestion.
- Organizational chart will change, the reason why

5. Director Camacho amends the motion, seconded by Director Shinozaka, to restructure the Japan Marketing Team reporting from the President & CEO to Global Marketing, permanently. Motion approved.

6. Vice-Chairman Morinaga made a motion, seconded by Director Camacho, to authorize President and CEO to perform all actions with respect to managing GVB contracts in response to the COVID-19 pandemic. Motion approved.

Background: GVB management has identified contract adjustments to best position GVB to respond to the COVID-19 pandemic. Vendors have been contacted, and agreements reached to modify contracts. Management will continue to actively manage contracts to support GVB’s operations and its pandemic response.

Action Required: Board Approval Required.

- Chairman Ada added that this motion is in consultation with Legal Counsel.
7. **Vice-Chairman Morinaga made a motion, seconded by Director Camacho, to ratify the cancellation of the Compensation and Classification Study – GVB RFP 2020-006. Motion Approved.**

**Background:** On March 25, 2020, the Department of Administration sent a letter to GV3 regarding the Compensation and Classification Study. Aside from the DOA’s point of view, the Executive Committee supports the cancellation of this study at this time due to the gravity of COVID-19 on the bureau’s finances and priorities.

**Action Required:** Board Approval Required

- **DISCUSSION:**
  - The board previously approved a pay study. The board agreed to cancel the study because it is not the appropriate time to revisit compensation.

8. **Vice-Chairman Morinaga made a motion, seconded by Director Shinohara, to ratify and to extend the planning, architectural & Engineering Consultant services for RFP 2020-007. Motion Approved.**

**Background:** The current GVB contract for Planning, Architectural, and Engineering services has been extended and is on a month to month basis. This service is critical for proper oversight of the CIP projects under Destination Development, such as the Fujita Ponding Basin and the Median Lighting. The RFP was issued on March 10, 2020, with a submission deadline of March 31, 2020. On March 18, 2020, it was extended on April 28, 2020. Due to the evolving crisis of COVID-19, it is prudent that the RFP continues and be extended to May 29, 2020.

**Action Required:** Board Ratification required.

B. **ADMINISTRATION & GOVERNMENT RELATIONS**

9. **Director Camacho made a motion, seconded by Director Arriola, to ratify implementation of the Interim Policy/Standard Operating Procedures (SOP) to ensure that GVB, as an employer, exercise its duty to care for employees and preserve workplace safety during the COVID 19 outbreak. Motion Approved.**

a) **GVB-FA-007 Work from Home (WFH) Policy**

- This SOP covers Travels of employees paid by GVB, of which we offer Administrative Leave for Self-Quarantine based on the task force proposed amendment to the policy during the COVID-19 outbreak.
- The SOP also sets a limited period from March 13, 2020, to April 30, 2020.

b) **GVB-FA-008 Pandemic Planning Checklist**

- **Attachment:** 1) GVB-FA-007 2) GVB-FA-008 with attachments
- **Cost Estimate:** Not Applicable
- **Account to be Charge:** Not Applicable
- **Action Required:** Approval of the Board

**Action Required:** Board Approval Required

10. **Director Camacho made a motion, seconded by Director Arriola to ratify approval of the temporary amendment below to the GVB Travel Policy due to the COVID-19 Outbreak. Motion Approved.**

The Board acknowledges that during this current situation, there are increased risks involved in carrying out the duties of the Guam Visitors Bureau. Therefore, the following amendments will be in place for the duration of the Coronavirus outbreak.
GVB paid travel

1. No one is required to travel. If an employee or representative of the Bureau is uncomfortable traveling in the current climate, there will be no repercussions.
2. To ensure consistency with our marketing messages in-country, approved projects should continue unless otherwise stated.
3. Whenever possible, travel to areas of concern will be avoided.
4. If travel must continue, the delegation will be reduced to the minimum number of people.
5. If you are showing symptoms after a trip, you must self-quarantine for a minimum of 14 days at home using administrative leave. You will be required to bring clearance from your doctor before returning to the workplace.

Cost Estimate: Administrative Leave Cost if used (Need to review since Government of Guam notified Cabinet of no Government of Guam funds is to be used for off-island Travel and in the event of self-isolation, Sick Leave Pay will be used
Account to be Charge: Applicable Market
Action Required: Approval of the Board

11. Director Camacho made a motion, seconded by Director Hoffman, to approve the Renewal of the Directors and Officers Policy that will be expiring on May 21, 2020. Motion Approved.

Background: On February 27, 2020, AM Insurance presented the Directors and Officers (D&O) Policy to Board Directors. During the board meeting, the board inquired if coverage can be increased, and individuals covered on the policy can be expanded to include all employees. The D&O Policy came into effect on May 21, 2019, and will expire on May 21, 2020. AM Insurance proposed the same premium coverage identical to last year’s policy. AM Insurance stated that the D&O policy does not cover all employees, but only listed Directors & Officers. Managers who are declared are covered only under the employment practice liability portion. An increase in D&O Limits is currently pending the underwriter’s approval.

Action Required: Board approval required.

Guam Sports and Cultural Ambassador Program

12. Director Shimizu made a motion, seconded by Director Hoffman, to ratify approval of the policy below in regards to the Guam Sports and Cultural Ambassador Program due to the COVID-19 Outbreak. Motion Amended by Director Arriola.

Due to the COVID-19 outbreak, to reduce liability, all travel associated with the Sports and Cultural Ambassador program will be suspended if travel to is an area of concern, including transit airports.

Cost Estimate: Not Applicable
Account to be Charge: Not Applicable
Action Required: Approval of the Board

- Director Arriola expressed her concern over people traveling during this time.

13. Director Shinohara made a motion, seconded by Director Camacho, to suspend all travel associated with the sports and cultural ambassador program until further notice. Motion Approved.

C. DESTINATION MANAGEMENT

- Destination Management is in discussions to pursue grants related to this field of work. They are working with GPD to see if expended costs by our VSOs could be covered.
- A FEMA conference was attended by our team to gain information and resources that are available to the Bureau
- GVB is working with DPW to find out if we could receive reimbursements or include in their grants some support for the roadside maintenance that GVB is currently funding.
D. VISITOR & SAFETY SATISFACTION
- The VSOs have been managing those that are violating the Executive Orders in Tumon. The VSO program is an excellent asset for our industry and island.

E. CULTURAL & HERITAGE
- Nothing to report

F. RESEARCH / MEMBERSHIP & COMMUNITY OUTREACH
- The MOM program is an outreach to GVB’s industry partners. The program informs GVB partners of available federal funding resources made available to them. Director Gatwood thanked Director Camacho for being a pivotal link to GVB. Director Camacho is working with the Guam Chamber of Commerce and GHRA in combining their membership listing garnering a total of 782 businesses.
- Research Director, Nico Fujikawa will lead a team of 16 to conduct callouts to businesses on Guam. The team will provide information and guidance on how to register their businesses on the Department of Labor’s Hire Guam site.
- Tourism businesses are included as well. Director Camacho provided information to the Guam Korean association and the Guam Japan Association.

G. SPORTS & EVENTS
- Nothing to report

H. AIR SERVICE DEVELOPMENT

- **Major Markets**
  - Japan, Korea, and Taiwan

- **Rebuild Capacity**
  - In all areas of the industry (airline, hotel, optiontours, transportation, etc.)

- **2 Part Plan**
  - Pre and Post Recovery
  - 1) Ready in advance
  - Social media - posting of positive messages

- **ACTION:** The board approved 2.2M for recovery plans. As GVB works to solidify plans, Pilar & Nadine to ensure that we are proactively reaching out to the airlines and travel agencies that serve our core markets. Work with the optional tour providers to ensure that they are in good shape to provide the options that our visitors need. Without the optional tours, we don’t have a destination to sell.

**UNITED AIRLINES**
- Continuous service restoration efforts, operating select Guam routes, including daily Guam-Honolulu by June 15, 2020.

**JAPAN AIRLINES**
- JA has extended their suspension of international flights until 30 April 2020.

**KOREAN AIR**
- No flight service between Guam and Korea.
  - Return on Guam
  - KOREA AIR 3/25/2002 - 6/20/2020 Suspended
  - REEX/IX 6/20/2002 Resumed

**CHINA AIRLINES**
- To comply with the passenger international policy of Taiwan government, China Airlines suspended passengers to Vienna via Hong Kong on 28 Apr 2020

**PHILIPPINE AIRLINES**
- LEAG-JBABO 6/18/2020 (Deportation Order) till 15 July 2020 will not accept any domestic and international flights.
  - Passenger on the international route.
  - May be suspended by Philippines and international airlines for global public health conditions and travel environment.
  - PHL is setting date to operate a reduced number of domestic weekly flights and international flights to China, Hong Kong, Macau, Taiwan, Vietnam, Malaysia, Indonesia, Thailand, Cambodia, Vietnam, Malaysia, Indonesia, and South Korea.

- **Secure airline service**
  - Loss of seats: April - May 1-30, June 1-30, July 1-30

- **Focus** on support of travel agents
  - Major agents such as JTB, H.I.T., JAL, KNT, NTA, Hana Tours, VB Tours, and Very Good Tours have closed their doors during the pandemic

- **Target markets** changing due to situation
  - Previous targets such as S. China, S. Korea, Japan no longer relevant at this time
  - Looking at young, adventure seeking targets

BOD Meeting Minutes
April 16, 2020
Director Shinohara shared that there is zero demand and barely any individuals flying in from United Airlines. There are no new bookings. Demand is looking very weak through July.

I. JAPAN

Outbound Travelers

Travel Alert from Japan:

- March 8, the Ministry of Foreign Affairs has raised travel advice for 49 countries and territories, including the United States, Italy, and "South Korea".
- It is necessary to follow the advice of the official travel警告 and be prepared for long-term travel.

For April 10, it has been decided to close the offices from April 11 to 30 and suspend the operation till the new month. Service is expected to return in May.

Outbound Tourism

Travel trade in Japan:

- JTB: Package tour sales from May 17, 2020
- JAL: Domestic suspension up to May 14
- United Airlines: Domestic suspension up to May 14
- JAL, United, and other airlines have announced that domestic and international flights have been suspended.

As of March 2020:

<table>
<thead>
<tr>
<th>Category</th>
<th>Month</th>
<th>Number of Suspended Flights</th>
<th>Number of Capacity Flights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>March-May</td>
<td>507</td>
<td>53,400</td>
</tr>
<tr>
<td>Charter</td>
<td>March-May</td>
<td>284</td>
<td>91,585</td>
</tr>
<tr>
<td>Total</td>
<td>March-May</td>
<td>791</td>
<td>144,985</td>
</tr>
</tbody>
</table>

Air Capacity Flights (% Unusual)

UNITEA

BOD Meeting Minutes
April 16, 2020
Forecast numbers for June and July is the assumption that everyone will fly the regular schedule and just reduced load factors.

They have not heard of any cancelations from airlines from June and onward. Numbers were collected from passenger airlines except from United Airlines.

ACTION: Kaneko to monitor the financial and consumer situation in Japan.

GVB Japan is looking to start on recovery plans mid-June if everything is solved.
Key Notes of Korea Market

- **COVID-19 crisis seems under control and the situation is getting stabilized**
- **Travel Trend**
  - 87% of Korean airlines’ airplanes are not operating currently waiting at the parking lot.
  - Most of travel trade partners are temporarily closed or part-time operation.
  - However, airlines are getting ready to re-open services depending on the travel condition.
  - Airlines and travel agencies are expecting to re-open Guam travel product from 2nd half of 2020.
- **Consumer Trend**
  - Increase domestic / day trip demand from middle of March
  - Increase online-only / no booking the previous travel experience
  - According to the big data analysis, Guam is hugely hit on the social media as a core travel destination.
- **KOREA is managing the communication message based on the 2C information for the integrity**
- **Forecast on Guam Market Demand from Korea**
  - Once Guam’s situation is stabilized and opened for the inbound, Korea market is ready to be rebound.
  - Guam is the top priority destination for BOE and BOC with various advantages & LISF (short difference, nature, shopping etc.)

- It appears Korea will rebound much quicker than Japan as far as visits to Guam are concerned.
K. GREATER CHINA

Committee Minutes dated March 13, 2020

TAIWAN MARKETING

FELIX YEN.
COUNTRY MANAGER

- Since 2020/2/25, Taiwan issued a level three travel warning to all overseas countries. All unnecessary overseas travel is not supported.
- The government has initiated an electronic security monitoring system that will allow easier identification of infected individuals and communities.
- The government is strongly recommending to cancel events with over 1000 participants and over 5000 attendees.
- Central Epidemic Command Center (CECC) urges people seek a 14-day period of self-quarantine upon arrival, and places in towns listed on the list of counties having severe infections.
- To ensure that healthcare facilities can be sufficient to respond to COVID-19 wishes in Taiwan, CECC continues to carry out its COVID-19 preparations and exercises with six exercises.

The Taiwan Episcombe

[Images of people wearing masks and healthcare workers]

- Major travel agencies including Lion Travel, Best Tour, Coba Tour, etc. have cancelled all overseas tours to level three warning destinations until the end of April.
- Taiwan government has prohibited all inbound and outbound tour groups processed by travel agencies until the end of May.
- Tourism Bureau, Ministry of Transportation and Communications (MoTC) has subsidized the Travel Association of Taiwan Agents (TATA) to hold 5 on-job training seminars during such tourism industry suspension on April 6, 10, 16, 20, 21.

[Images of people in a seminar and travel agents]

- A media gathering (12/30) and a travel agency gathering (12/31) were arranged to provide media members to provide comments on 2020 and the current travel situation. In light of the Hong Kong issue, a foreign entry, reentry plan, and evaluation meeting in the Central Epidemic Command Center (CECC) have been arranged. The training of foreign affairs (MOFA) and CECC personnel staff for reentry and reentry issues were also arranged. In response to China Airlines' problems, flight schedule adjustments were also arranged.
- TATA International Travel Agent (ITTA) is holding a 4 on-job training seminars on April 6, 10, 16, 20, 21. The trainings will focus on business travel and hospitality
- The CECC is preparing to hold a seminar for travel agencies on April 6th.
- Posting of having images of Guan and words of encouragement

EXHIBIT D

China Airlines has canceled all COVID and C028 flights from March 20, 2020 until September 2020

<table>
<thead>
<tr>
<th>Month</th>
<th>Capacitive Hours (in millions)</th>
<th>Total Hours (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>3,643</td>
<td>3,643</td>
</tr>
<tr>
<td>April</td>
<td>4,744</td>
<td>4,744</td>
</tr>
<tr>
<td>May</td>
<td>5,744</td>
<td>5,744</td>
</tr>
<tr>
<td>June</td>
<td>6,744</td>
<td>6,744</td>
</tr>
<tr>
<td>July</td>
<td>7,744</td>
<td>7,744</td>
</tr>
<tr>
<td>August</td>
<td>8,744</td>
<td>8,744</td>
</tr>
</tbody>
</table>

- The government has declared that the total would be spending NT$1.05 trillion (US$33.3 billion) including a second round of measures, as an assistance to fight the virus. The budget includes:
  - NT$700 billion (around US$23 billion) for credit line
  - NT$150 billion (around US$5 billion) for cash subsidy
- However, the government is extending the payment period of taxes:
  - Along with Ministry of Transportation of Communications (MoTC) budget, the tourism industry is receiving:
    - First round of measure: NT$1.3 billion around US$43 million
    - Second round of measure: NT$23.4 billion around US$745 million
- Total: NT$50 billion (around US$1.7 billion) to subsidize approximately 200,000 workers

Meeting with CAA

Meeting with CAA

Training seminars

TVS-TV Secal Fridge
L. NORTH AMERICA & PACIFIC MARKETS
  • Nothing to report.

M. NEW MARKETS
  • Nothing to report.

VIII. CORONA VIRUS TASK FORCE

• Keep everyone informed about what is happening on Guam
• The Governor’s office is waiting to hear about GVB’s recovery plan as they make financial decisions and financial moves.
• The hotels have not given any indication that the Navy will extend their hotel stay for the sailors.
• About 3,800 people are occupying the hotels. Three thousand two hundred of Military, the others are FEMA. The occupancy rate is about 47%.

IX. OLD BUSINESS
  • None

X. NEW BUSINESS
  • None

XI. EXECUTIVE SESSION
  • None

XII. ANNOUNCEMENTS

Upcoming Board Meetings:
  • April 30 at 1:30 pm.

XIII. ADJOURNMENT

Director Shinohara made a motion, seconded by Director Gatewood, to adjourn the board meeting at 3:36 pm.

Mrs. Theresa C. Arriglia, Secretary of the Board of Directors

Board Minutes respectively submitted by Valerie Sablan, Executive Secretary

RMD Meeting Minutes
April 16, 2020
ACTION ITEMS:

1. The board approved 2.2M for recovery plans. As GVB works to solidify plans, Pilar & Nacine to ensure that we are proactively reaching out to the airlines and travel agencies that serve our core markets. Work with the optional tour providers to ensure that they are in good shape to provide the options that our visitors need. Without the optional tours, we don't have a destination to sell.

2. Kaneko to monitor the financial and consumer situation in Japan.