FOREIGN INVESTMENT BOARD
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BOARD MEETING MINUTES
DATE: SEPTEMBER 30, 2026
LOCATION: FOREIGN INVESTMENT BOARD OFFICE
3RD FLOOR-ONE STOP BUILDING, KOROR PALAU

1. CALL TO ORDER

Chairperson Cornelia R. Mason called the meeting to order at **5:09 p.m.**

2. PRAYER

Member Ephraim Ngirachitei led the prayer.

3. ROLL CALL

Chairperson Cornelia R. Mason conducted the roll call:

Board Member	Status
Chairperson Cornelia R. Mason	Present
Member Yvonne Ueda	Present
Member Noah Secharraimul	Present
Member Ayanna Ramarui	Present
Member Ephraim Ngirachitei	Present
Member Turang Rengiil	Excused
Member Stephanie Nakamura	Excused

Since five (5) members were present, a quorum was established.

Also present at the meeting were Executive Director Raymond August, serving as Board Secretary; Administrative Officer Judith Brodnansky; and Criminal Investigator Arielle Rengulbai, who assisted with the facilitation of the meeting.

4. ADOPTION OF THE NOTICE OF THE MEETING/AGENDA

Chairperson C. Mason asked the Board members to review the agenda. Member E. Ngirachitei made a motion to adopt the meeting agenda, seconded by Member A. Ramarui. The meeting agenda was adopted unanimously.

5. APPROVAL OF THE MINUTES

Chairperson C. Mason asked the Board members to review the Board Meeting Minutes of September 16, 2026. Member Y. Ueda made a motion to approve the minutes, seconded by Member E. Ngirachitei. The minutes were approved unanimously.

6. NEW BUSINESS

A. BOARD REVIEW/COMMUNICATION

1. FIAC #728-2022: PALAU WONDERLAND (From Legal Counsel Mr. Quay Polloi)

The Board reviewed the matter of FIAC 728-2022: Palau Wonderland, including the grantee's voluntary surrender of its Foreign Investment Approval Certificate (FIAC).

On January 19, 2026, FIB issued notices of intent to revoke to FIAC grantees that were inactive, had failed to file required reports, or had not commenced their approved business activities. Palau Wonderland responded on February 17, 2026, explaining the reasons for non-commencement and providing a project overview. Notices advising that administrative hearings would be held were issued on July 28 and August 6, 2026. On August 11, 2026, the grantee requested that the two hearings be combined into one. On September 18, 2026, the grantee notified the Board that it was voluntarily surrendering its FIAC.

Chairperson Mason stated that the Board needed to consider whether to accept the voluntary surrender and proceed with closure. Member Ngirachitei questioned whether the grantee should be penalized for failing to commence its approved business activities within the required period and emphasized the importance of applying a consistent standard to other grantees. Chairperson Mason proposed that grantees who engaged with FIB and responded to the process would not be fined, while those who did not engage could be subject to penalties. She also acknowledged that FIB had not consistently monitored or acted on non-commencement at the twelve-month mark and stated that the Board should enforce the requirements consistently going forward.

Member Secharraimul stated that failure to commence within twelve months could have supported revocation and that the Board should establish a consistent standard for future cases. The Board discussed the FIAC's existing conditions and the revised regulations. Executive Director August referred to Condition No. 3(i) of Palau Wonderland's FIAC, which provides for forfeiture of fifty percent of the required deposit if the grantee fails to commence business activities within twelve months, and Section 6(c), which addresses the Grantor's authority to modify, suspend, or revoke a certificate for specified non-compliance.

Chairperson Mason stated that the FIAC template had not been updated following revisions to the regulations and raised concerns about possible inconsistencies between

the template and the current administrative process. The Board discussed the Administrative Procedure Act (APA) process, including the need for an administrative hearing before making a formal finding of violation. Member Ngirachitei requested that the Board identify and rely on the applicable legal and regulatory provisions so that enforcement decisions would be clear and consistent. Member Yvonne explained that accepting a voluntary surrender would allow FIB to proceed with the ordinary closure process and would not eliminate any outstanding liabilities. The Board also discussed administrative costs, consistent treatment of grantees, and whether Palau Wonderland could apply for a FIAC again in the future. Chairperson Mason stated that voluntary surrender would not, by itself, prevent a future application.

Chairperson Mason presented a proposed resolution to accept the voluntary surrender, cancel the scheduled administrative hearing, and initiate closure procedures. The Board discussed whether it could make a formal finding of violation without completing the APA hearing process. It was noted during the discussion that the initial notice concerning non-commencement was not itself a final determination of violation.

ACTION TAKEN: Member Ueda moved that, in response to the request from FIAC 728-2022: Palau Wonderland, the Board accept the grantee's voluntary surrender of its FIAC and proceed with the administrative procedures to close the case. Member Secharraimul seconded the motion. The motion was approved unanimously. The Board accepted the voluntary surrender and directed that the administrative closure procedures proceed. The scheduled administrative hearing was to be cancelled in connection with acceptance of the surrender. No penalty was imposed as part of the Board's action; the Board did not make a formal finding that no violation had occurred.

2. BOARD APPLICATIONS REVIEW

The Board decided to defer the applications listed below until the next meeting, pending completion of the circulation process and receipt of further comments from the different agencies for consideration during the Board's deliberation and decision-making:

1. APP #847-2026: ISLAND TABLE INC. GROUP
2. APP #849-2026: THE ELEPHANT
3. APP #848-2026: STAY STAUNCH PALAU – Renewal
4. FIAC APP #845-2026: IMPERIAL PALAU CORP. (IMPAC)

3. APP #846-2026: LBF GALAXY PALAU LTD. (FIAC #361-2001) – Renewal

Since the Board denied this renewal application last year in August 2025, and the statute of limitations for the appeal had passed, the Board did not accept the application.

ACTION TAKEN: The Board directed Executive Director R. August to send a letter to the grantee informing the grantee that the Board had previously denied the

renewal application and could not entertain another renewal application. The grantee may submit a new application, but not a renewal application.

B. BOARD ACTIONS

1. H.A. BUSINESSES — SUSPECTED FRONT-BUSINESS INVESTIGATION

Executive Director R. August presented to the Board the investigation report prepared by the Criminal Investigators. Based on the investigation report, the Board believed that there was a potential front-business violation.

The Board decided to further the investigation and request additional documentation from Mr. Hasinto Asanuma in accordance with 28 PNC § 120(d).

ACTION TAKEN: Member A. Ramarui made a motion to request additional documents from Mr. Hasinto Asanuma, seconded by Member E. Ngirachitei. The motion was approved by all members present and voting, except Member Y. Ueda, who was recused.

Note: Member Y. Ueda recused herself from the discussion and decision-making because she believed there was a conflict of interest, as her family owns a retail business similar to Mr. Hasinto's business.

2. FIAC REVOCATIONS AND FINES

The following FIAC holders had violations and were afforded an opportunity for an administrative hearing for the Board to consider their violations. The grantees did not appear at the hearing or communicate with the Board regarding their violations.

ACTION TAKEN: Therefore, Member Y. Ueda made a motion to revoke their FIACs, seconded by Member A. Ramarui. The motion was approved unanimously, and the FIACs were revoked. In addition, Member Y. Ueda made a motion to fine each of the following grantees in the amount of their respective deposits, not to exceed $10,000 USD (the statutory maximum penalty for the first FIA offense under 28PNC Section 113(d)). The motion was seconded by Member A. Ramarui and approved unanimously.

The following FIACs were revoked:

1. **FIAC #717-2012:** WESLEY BO PAN (PALAU FENSHENG FISHERIES VENTURE)
2. **FIAC #735-2023:** BO PAN (PALAU PING AN REAL ESTATE COMPANY)
3. **FIAC #404A-2008:** TSP (TORSTEN SCHAUDT PHYSIOTHERAPY)
4. **FIAC #596-2016:** HOPSUN DEVELOPMENT
5. **FIAC #639-2018:** GEOMERLION, INC.
6. **FIAC #629-2017:** INTEGRAL LIMITED

7. **FIAC #758-2024:** PALAU MAJESTY DEVELOPMENT INC.
8. **FIAC #552-2015:** PALAU INTERNATIONAL INSURANCE CORPORATION
9. **FIAC #748-2023:** GTOVE CONSTRUCTION
10. **FIAC #642-2018:** PALAU INTERNATIONAL BUSINESS RESEARCH
11. **FIAC #559-2015:** ABLE CORPORATION
12. **FIAC #682-2020:** ZHAODE PALAU, LIMITED
13. **FIAC #762-2025:** SCUBASPA LIMITED

3. FIAC #466-2011: ISLAND PARADISE RESORT

The Board decided to defer the matter and include it with all other FIACs that are not in compliance with the Corporate Registry for discussion at the next meeting.

7. ANNOUNCEMENTS

1. Executive Director R. August will be on medical leave in the United States from October 7, 2026, through December 29, 2026.
2. The next meeting will be held on **October 14, 2026, at 5:00 p.m.**

8. ADJOURNMENT

The meeting was adjourned at **6:39 p.m.**

PREPARED BY:

EXECUTIVE DIRECTOR RAYMOND AUGUST DATE 10/12/2026
BOARD SECRETARY, FIB

APPROVED BY:

CORNELIA R. MASON
CHAIRPERSON