

B.F. Kneubuhl, Inc. Board Meeting Minutes: Index

It is impossible to determine the intention of the signers of the 1982 Agreement settling the litigations, or the reasons for the litigations, without reference to the Minutes of the Board of Directors of the family company, B.F. Kneubuhl, Inc. and the ancillary correspondence during those years. The 1982 settlement was no mere “parting of the ways” but was intended to be a permanent separation for all time. Conspicuously, Roy Hall left Mike off the correspondence noticing the beneficiaries of the final order of distribution for Lena’s estate. He acted entirely on this understanding of their intention.

Without these Minutes of the Board, the court probably cannot make a definitive order about this issue. The lawyers simply refused to admit them, though promised they would, even into the morning of the last day of trial. They were never offered or admitted despite that the attorney was paid time and a plane ticket to Hawaii to collect it all, and an affidavit by Ben (the custodian) that these were the documents claimed.

When Ben, Sr. died in 1964 he had responsibly arranged his affairs with a marital trust, a residual trust, and incorporated all of the businesses. Lena’s land was also in trust. But the businesses needed hands on management. Mike was there for no other reason than that he had not succeeded on the mainland.

For the next 15 years (1964-1978) the family, led by James, struggled to restrain reckless decisions, control cost overruns, mitigate tax consequences, avoid negative publicity, and pay off loans incurred. James was managing from afar; Ben was locally in charge. Both had long, favorable resumes in the business world.

There were many problems: (1) Mike was a salaried company employee, but set up his own separate businesses, and charged his family company “commissions,” which the family believed to be a conflict of interest (2) He had accepted “commissions” from third parties in an FDA regulated environment, and, although ultimately exonerated the family was mortified and demanded he stop. (3.) He did not report his BFK Inc. income on his taxes, leading to an ASG government audit. (4.) He sought to evict Ben and Gigi from Olo, and take ownership of the company house and trust land at Olo (5.) He sought to disinherit his siblings, remove Trustee James, and step into his shoes. (6.) He attacked the trust as invalid (7.) He intended to make a residential development out of Olo, which infuriated John more than anything else.

The word document index is key word searchable. The documents are also searchable.