

Eastern Gardens

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April 23, 2010

To: All Members/Shareholders of Eastern Gardens Cooperative, Inc.

From: Eastern Gardens Board of Directors

Subject: Litigation Issues

Dear Members/Shareholders:

This is to advise the general membership that your elected volunteer Board of Directors for Eastern Gardens Cooperative Incorporated, is currently involved with litigation issues. On behalf of Eastern Gardens (EG) and its membership, the Board of Directors has retained legal counsel to assist in resolving the legal issues. There is a possibility of either of the following: i) special assessment, ii) carrying charge increase or iii) emergency operating savings withdrawal to cover legal costs.

As a member/shareholder of the corporation, if you are approached or contacted in reference to litigation issues with Eastern Gardens, with the exception of EG legal counsel or the Board of Directors, the Board is asking each of you to abstain from any involvement. The situation is still in the investigation phase, and is not public record; the Board and management are not at liberty to discuss the issues. So to maintain the privacy of the parties involved and for the protection of Eastern Gardens and its membership, no names will be mentioned at this time.

Sincerely,

EASTERN GARDENS COOPERATIVE, INC.

Frank Lenhart *James Patrick* *Donna Schmelz*

Ed Healy *Merritt Miller* *Rick Caughey*

Board of Directors