

# *Eastern Gardens*

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May 14, 2010

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

From: Eastern Gardens Board of Directors

Re: Petition, Asking for Explanation of Notice dated April 23, 2010

Dear Members/Shareholders:

In response to a petition by some members of the Cooperative for information regarding the need to raise money for potential legal issues, the Board of Directors desires to respond to the concerns of the members, and explain to the best of our ability the situations which now present themselves.

First, due to concerns of confidentiality for both complainants affected and the alleged perpetrators of the violations, in order to avoid possible retaliation against such individuals and any further litigation issues against Eastern Gardens, we are *not at liberty* to give complete specific information which would reveal the identities of the parties involved.

It is the duty of the Board of Directors to oversee and enforce the rules and bylaws of the community for the health and safety of the community and to abate nuisances which would otherwise jeopardize the safety of the community or the value of their properties. Rules such as the need to maintain properties in accord with public safety, and avoid harassment of others are of prime importance, and are conditions that cannot be tolerated in a safe, healthy, functioning community.

In pursuing these objectives, the parties involved may raise issues, whether meritorious or not, which may result in litigation and/or administrative review either by management the board or legal counsel. To defend the rights of all members to live in a safe, clean environment, litigation and defense may be essential to the process if Eastern Garden's rules and the rules of law are to mean anything at all. To this end, it may be necessary to take legal actions to pursue violators, and to defend against them. Withdrawing monies from our operating reserve savings or raising carrying charges are only a probability, which was not budgeted, and the notice disseminated to the general membership on April 23, 2010 was to inform you of that probability.

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However, we the Board, are working diligently to avoid this, and are inviting both affected parties to negotiate reasonable settlements for all concerned.

We appreciate your patience and cooperation and are asking that you trust your elected volunteer board while we continue to monitor and work to resolve these issues on the behalf of Eastern Gardens and its membership.

Sincerely,  
EASTERN GARDENS COOPERATIVE, INC.

*Frank Lenhart*      *James Patrick*      *Donna Schmelz*

*Ed Healy*      *Merritt Miller*      *Rick Caughey*

Board of Directors

