

Special Meeting – Huntington Beach Play House

November 4, 2007

The meeting was called to order at 5:14 PM by the Board President, Dawn Conant, and addressed the following issues;

- Confirmation that all members in attendance had signed in.
- All in attendance were welcomed and thanked for their attendance.
- The meeting agenda and schedule were reviewed.
- The floor will be opened to parties who wish to make statements or wish to ask questions. Three minutes will be allowed to each person addressing the meeting.
- The process for Proxy voting for any members who could not stay for the entire meeting was reviewed.
- Lloyd Skaggs was introduced as the Guardian of the Ballot Box. He is the only individual who is authorized to accept Ballots and Proxy Forms.
- Betty Green, Box Office Manager, was introduced as the authority for membership verification for this meeting.
- Peter Farney, Board Member, was introduced as the Member in charge of signing in all members in attendance at this meeting.
- The Proctor Panel who will count the Ballots and Proxy Forms were introduced: Bill Verhaegan, Don McAlister and Marty Eckmann, all are past Board Members.
- All Board Members in attendance were introduced, Catherine Stip, Vice President; Bettie Muellenberg, Business Manager; Linda Frame, Parliamentarian; Richard Rieth, April Gentry, Treasurer; Monica Bartolone, and Nathan Singh.
- Legal Counsel, Erin Muellenberg, was introduced.

A question was asked from the floor regarding minor voting rights. The question was ruled out of order and would be addressed during the Open Floor session.

- Bill Rae was introduced as the CPA representing HBPH.
- The membership was encouraged to not complete their ballots until they had a chance to hear both sides of the issues.

Dawn Conant presented the position of the HBPH Board of Directors. Ms. Conant thanked everyone for attending and advised that the Playhouse needed the help of the membership in resolving an internal dispute that has not been able to be resolved. The behavior and demeanor of Joe Syiek at both meetings and in e-mail has been hostile and disruptive. In spite of numerous attempts to resolve these problems, it became necessary for the Board to call for a vote to remove Mr. Syiek from the Board of the HBPH. The recall vote was completed in April 2007. The vote was 10 in favor, 2 opposed, 2 abstentions and 1 absent. The vote passed and Mr. Syiek was requested to turn in his keys and other materials to the Playhouse and leave. Mr. Syiek refused to surrender them but did leave the meeting. One Board Member recommended that, due to the level of anger demonstrated by Mr. Syiek, the locks on the Playhouse be changed to prevent any possibility of retaliation.

Regarding the disabling of the HBPH website, Ms. Conant noted that although Mr. Syiek will be stating that he did not disable the website, he position will be reliant upon the lack of technical website knowledge of the standard person. The cost to the HBPH to repair the damage caused to the website by Mr. Syiek's actions exceeded \$2,000.00. Exhibits 9, 10 and 11 will verify these facts. Once the HBPH website was restored, Mr. Syiek responded quickly by claiming ownership of the work he had provided for the website and threatening legal action. HBPH retained Legal Counsel, Gordon Firemark, to contact Mr. Syiek to offer mediation. Mr. Syiek did not respond.

Mr. Syiek made a demand to the Board for the QuickBooks database, which contains membership information including confidential personal and financial information. Although Mr. Syiek has and will deny this, the evidence of his request is clearly stated in the court documents presented as Exhibit 1.

Mr. Syiek then alleged that HBPH funds have been misappropriated by the Board. This is absolutely untrue. All actions of the Board Members have been in the best interest of the HBPH. HBPH is operated by volunteers who donate in excess of 14,400 hours of free work per year. Encore volunteers donate in excess of 4,489 free hours of work per season. Production staff volunteers donate in excess of 11,760 hours of free work per year. Volunteer actors donate in excess of 19,000 hours of free work per year. Paid staff of HBPH receive minimum wage and do not receive benefits. Under no circumstances have the volunteer HBPH Board members done anything that is not in the best interest of HBPH.

Mr. Syiek claims that he was voted onto the Board because he feels that the City deserves an excellent playhouse. Most of the current Board Members voted for Mr. Syiek when he ran for the Board. It was only after working with him that it became evident that his behavior was disruptive and hostile. It is difficult to get enough Board Members, and most leave within 1 to 2 years due to the time commitment required. Due to the actions of Mr. Syiek, the Board is recommending he be removed for life.

Presentation by April Gentry, Treasurer: Ms. Gentry owns and operates a non-CPA accounting business and has been an Accountant for 20 years. April stated that she chose an accounting career over a medical career because "No one dies from a bad accounting error". "Even the IRS forgives penalties when mistakes are found and corrected". Ms. Gentry stressed that the HBPH has "No Debt". The embezzlement that has been implied by Mr. Syiek is not evident. Embezzlement is usually offset by increases in the debt of an organization. HBPH has no debt. HBPH produces 7 shows per year which is a high volume for an all volunteer theater. Ms. Gentry referred to the wall charts that represented Mr. Syiek's allegations and justified two of the questioned areas with an explanation of a journal entry error and a single year that HBPH hired a paid Director.

Ms. Gentry noted that the charts show that the income of HBPH continues to grow.

5:25 PM – Presentation by Bill Rae, CPA. Mr. Rae has been a CPA for 25 years and has been performing work for HBPH for approximately one and a half years. Ms. Conant requested Mr. Rae to perform a 10 year review of HBPH books. Mr. Rae explained that HBPH sells tickets each fall for the following year's season. This income, prior to 2000 was being reported in the year it was received instead of being properly deferred to the actual year of the season. Mr. Rae provided an explanation of accrual based accounting and how the change to this format affected the financial results of the years 2000 and 2001. The change in reporting resulted in a gap. Mr. Rae advised that the proper way to perform a 10 year review is to pick a consistent accounting basis and

review all years on the same basis. Mr. Rae explained the 2004 bookkeeping error where the revenue was applied incorrectly into Retained Earnings. The error has been in QuickBooks. The revenue figures for the other accounting years were verified as accurate.

5:40 PM Joe Syiek addressed the meeting. Mr. Syiek thanked everyone for attending and stated that he has been asking for this meeting for 6 months. Mr. Syiek stated that the membership elects Board Members to secure the future and protect the assets of HBPH and that he has been on the Board for almost 2 years. He commented that he challenges the Board when actions are taken that go against the By-Laws or the law. He alleged that the "Leaders don't like it when anyone questions them" and that the Board twists the facts and people resign as a result. He has not resigned though. My. Syiek stated that he has an accounting background and has worked for Ernst & Young. Mr. Syiek stated that he has spent 25 years advising Boards on their business and financial practices.

Regarding the use of personal information, Mr. Syiek stated that he only used the information for a couple of Board Members who had asked him advice on real estate.

Regarding disruptive behavior, Mr. Syiek stated that the leadership of HBPH is long term people who feel threatened by new members. Mr. Syiek stated that he had been asked by an ex-Board Member to run for the Board to help get rid of new members who were disruptive. Mr. Syiek also brought in new members.

Mr. Syiek stated that all members have the right to see the financial records of HBPH and that the Board Members have the right to see any and all information contained in the books and records. Mr. Syiek claimed that weak financial management is a problem at HBPH and that errors need to be fixed. He questioned how the membership could trust the actions of the Board. Mr. Syiek claimed that there were several months of meeting minutes that are not available.

Other allegations made by Mr. Syiek were:

- The Board filling 3 open Board positions with 4 new Board Members.
- In April 2007, when he was voted off the board, there were 177 members of HBPH and that there are 318 members now.
- That ballots were intentionally not sent to all members.
- That the Board contacted some members by phone regarding the ballot.
- That an improper meeting was held to vote on whether members under 18 could vote.
- That after the last meeting, a small group met in secret to draft changes to the By-Laws.
- That in April the Board President attempted to expand the power of the President through changes to the By-Laws. Mr. Syiek stated that he challenged this stating that changes to the By-Laws required membership approval. Mr. Syiek's opinion is that all of this was done to give almost all the power to the Board President and that when he challenged this, he was labeled as disruptive.
- That the Board voted 6 to 6 to cancel the 2007 season and that he "begged" the Board to give him one more chance to try and work with the City. Mr. Syiek stated that he was the only one who went to the City Council meeting and that

the City Council voted unanimously in his favor, and that the Board was amazed at this result.

- That HBPH has been in business for 45 years and has no home of its own, and that the Project Autonomy account funds were used for expenses and that the account was closed on 2004.

Regarding the alleged disabling of the HBPH website, Mr. Syiek stated that he did not disable the website. He pulled the images that he had created for HBPH by turning off his server. He did this because the Board illegally removed him from the Board.

Mr. Syiek stated that he became a member to support the playhouse and help establish standard business controls. He stated that he made challenges when the President did things without the rest of the Board. He stated that the Board has failed to serve the playhouse and alleges that the playhouse has suffered a steady cultural and financial demise.

5:58 PM Mr. Syiek closed his comments asking for a change and stating that after 45 years there needs to be a change and that it is up to the membership to decide.

Open Floor Session

- ❖ D. Karian asked if the accounting error was fixed because the question had been asked. Mr. Rae responded yes.
- ❖ It was asked if there should not have been a spike in the funds the year after the change in the accounting basis. Mr. Rae explained that this would not happen because each following year the income continues to be deferred. Mr. Syiek challenged that the financial records all showed income on a cash basis. Mr. Rae responded that upon deeper review of the records it was found that although the records were labeled as being on a cash basis, they were actually on an accrual basis. Mr. Rae noted that Mr. Syiek raising this question was good.
- ❖ D. Karian questioned the decision regarding voting rights of minors. Counsel responded that this issue was raised this week and that the decision was based on how the California Code addresses the age of majority. D. Karian asked why this came up at this time. Counsel responded that the question was asked by the Panel because as a vote of this nature had not been called at HBPH previously. Counsel noted that any ballots already received from minors would be set aside.
- ❖ It was asked about prior elections where minors voted. Counsel responded that this was an issue for the courts.
- ❖ Bill Verhaegan stated that after receiving the letters from HBPH and Mr. Syiek, he wanted to come back and be involved in the process to assist in making the process fair. Mr. Verhaegan stated that he raised the question of minors voting rights and that none of the Board Members had any idea on this issue as it had never been addressed before. The Board did not raise this question. Mr. Syiek stated that his minor children had previously voted in HBPH elections. Mary Eckmann noted that there was previously a juvenile category, but this ended when the rates were raised. She stated that if minors were not going to be allowed to vote that their rates should be reduced. Ms. Conant stated that the Board was not trying to deny anyone. The Board did not know the answer and asked Legal Counsel to research and advice on this issue. Counsel recommended that the Board make a motion that in order to vote on substantive issues a member must have reached the age of majority and that any ballots

- received from minors be accepted and held in a pending status. Counsel also noted that it is not known how this could affect the vote but that any impact would be minor. The floor asked if this issue was voted on by the membership. The response was no. Someone from the floor noted that this decision appeared to be in the Board's favor. B. Verhaegan stated that these ballots will be set aside and will only be looked at if the vote was close. There may be no need to consider these ballots. R. Rieth noted that no one on the Board had any idea how any of these ballots had been voted, therefore it is not possible to know whose favor this decision could be in. The floor asked how it would be determined who were under 18. Ms. Conant advised that some of the members who are minors have appeared in HBPH shows and had advised the Board of their age. Miss. A. Karian stated to the meeting that she is 17 and has several years of theater experience. She has volunteered at HBPH and cares deeply about HBPH and she feels that her vote should be recognized.
- ❖ C. Stip stated that several attempts had been made to resolve the issues between Mr. Syiek and the Board and that Mr. Syiek was asked in several meetings what it was that he wanted and how reconciliation could be reached. Ms. Stip asked Mr. Syiek to stand and asked him to confirm that she had asked him to accept the position of Marketing and Sales for HBPH and that he refused. Ms. Stip also asked Mr. Syiek to acknowledge that he is also a playwright. Mr. Syiek confirmed this was accurate.
 - ❖ Mr. Syiek claimed that he was asked if he would resign if HBPH put on another one of his plays. P. Farney challenged Mr. Syiek to state who had made this alleged offer. Mr. Syiek stated that Ms. Muellenberg, Legal Counsel, made this offer. Ms. Muellenberg stated that this claim was not true. Mr. Syiek also stated that Ms. Muellenberg told him that taking this issue to a membership meeting would be a disaster. R. Rieth noted that this type of behavior is the reason that the Board decided to remove Mr. Syiek from the Board. Ms. Stip noted that the reason Mr. Syiek only had one production is that a script for his second play was never received and opined that the motive for Mr. Syiek's participation in HBPH is to get his plays produced. Mr. Syiek claims that the Board voted his show off.
 - ❖ Ms. Conant brought the meeting back to order and the Open Floor Session resumed.
 - ❖ The floor asked Mr. Syiek what he wanted to change at HBPH. Mr. Syiek stated that financial information must be timely and accurate. He stated there is no Finance Committee and there were no finances to review during his first year on the Board. Mr. Syiek stated that there were 7 months in 2006 in which no financial reports were approved by the board. According to Mr. Syiek, this occurred prior to Ms. Gentry assuming the position of Treasurer. L. Frame asked Mr. Syiek if he was suggesting that something that was already fixed still needed to be fixed. Mr. Syiek stated that HBPH exists show to show. The floor asked Mr. Syiek if his show had made money. He responded yes.
 - ❖ The floor asked when the last audit was conducted. Mr. Rae advised that a formal audit had not been done and that his primary function was tax preparation. Mr. Rae also stated that he had worked at Ernst & Young as has Mr. Syiek and that they both know that the cost of a full audit would be prohibitive for a non-profit organization. Mr. Rae estimated the cost at \$30,000 to \$40,000. This cost is due to the extensive requirements of an audit, including peer review, Sarbanes

- Oxley regulations, etc... Mr. Rae advised that he is discussing alternative financial review options with the Board. Ms. Gentry noted that Mr. Rae is a CPA and that Mr. Syiek, although having an accounting background, is not a CPA. The mistakes Mr. Syiek discovered do not warrant having him on the board merely to be a financial watchdog. The CPA can review the accounting records on a regular basis; this is what the CPA does for a living day in and day out. Joe is not qualified for such a task.
- ❖ Ms. Gentry stated that we “do not need a combative watchdog on the Board”. Meetings are combative and Mr. Syiek is not a team player, which has been demonstrated at this meeting.
 - ❖ It was stated from the floor that it appeared that Mr. Syiek is being singled out because he challenges issues and that the Board has not been responsive to the membership. He noted that Mr. Syiek has training and experience.
 - ❖ Ms. Frame stated that it appeared that Mr. Syiek’s focus was to fix blame instead of fixing problems.
 - ❖ Ms. Conant noted that Mr. Syiek did not raise any of the accounting errors until after he was voted off the Board. Discussion ensued regarding whether or not Mr. Syiek had previously had the 10 years of financial information which he used to prepare the charts for his letter. Mr. Syiek claims this information was received after the trial and that the court ordered him to receive 5 years of meeting minutes and 5 years of financial statements. Legal Counsel stated that as neither attorney was allowed to view the documents provided after the trial, she could not confirm the content.
 - ❖ Counsel stated that the position of the Board had always been to provide Joe with everything he requested except for the Membership List and electronic database. The court only ordered 5 years of documents and did not grant Mr. Syiek the Membership List or the electronic database. Counsel also noted that the Board had received complaints from members about receiving calls from Mr. Syiek. Ms. Stip confirmed that complaints had been received from members regarding phone contacts from Mr. Syiek and Carol. She opined that Mr. Syiek already possessed the membership list as this information was not provided in accordance with the court order. Ms. Stip also stated that the Board did not bring in members for the purpose of this vote. Mr. Syiek again claimed that he received 10 years of records from the attorney and that the only other info he had was from being on the Board, which he was entitled to as a Board Member. Counsel stated that the court ordered he not receive the Membership List or the electronic database. Mr. Syiek stated “The court said no but the law says yes”.
 - ❖ BJ noted that this meeting is just like the Board meetings, all about money. The Board also produces shows. BJ asked how many HBPH members existed in 2005. The response was 125. BJ asked how many showed up to meetings. The response was 25 to 50. She asked where all the people at the meeting came from. It was also noted that minors do not usually show up at meetings.
 - ❖ Debbie Henderson was Treasurer from Feb. 2005 through Feb. 2007. Ms. Henderson stated that the QuickBooks program is very easy to make errors in. Ms. Henderson does not recall ever missing a report and takes offense to Mr. Syiek’s allegations. Ms. Henderson noted that most of the challenges that were made regarding the financial statements were about differences between the

“Play Reports” and the Income Statement. The data for the “Play Reports” captures November of the prior fiscal year and rolls into the new fiscal year for production discussions. The Income Statement will never agree to the Play Reports for this very reason. She stated that everyone does their best. She stated that the type of behavior exhibited in this meeting is why she left the Board.

- ❖ B. Verhaegan asked several questions of Mr. Syiek regarding the website. Q: What server does the HBPH website operate on? A: The playhouse server handles the playhouse website and connects to other servers to support ticket sales, etc... Mr. Syiek’s server maintained pictures that were used on the HBPH website. Q: Did Mr. Syiek ask the Board if he could copyright the material he provided for the HBPH website. A: Yes (Ms. Conant stated this was absolutely false.) Q: What HBPH information is/was on Mr. Syiek’s server? A: A link was set up for donations with advisory e-mails being sent to Mr. Syiek.
- ❖ B. Verhaegan noted that e-mail examples are available at the meeting for inspection and cited SB1386 which prohibits private information being sent electronically without advising the parties whose information has been sent. B. Verhaegan requested that the Board investigate if this has occurred and that if it has, appropriate action be taken.
- ❖ Mr. Syiek stated that the data flow was set up this way as he was Director of Fundraising and was entitled to this information. He also stated that he maintained the website on a secure server. Ms. Conant stated that these things were done by Mr. Syiek on his own.
- ❖ It was stated from the floor that there is a huge group of people who care about HBPH and do not want it to close. It was asked if these people were season ticket holders. The floor stated that you did not have to be a season ticket holder to care or to volunteer.
- ❖ It was stated from the floor that the HBPH website could still function and that this allegation is slanderous to Mr. Syiek. Ms. Stip responded that the reverse was true and Mr. Syiek had slandered the Board.
- ❖ Mr. Farney noted that Mr. Syiek had stated that he was able to gather information on the number of “hits” on the HBPH website and asked how this was done if his server was shut down. Mr. Syiek responded that he used his website password that all Board Members have.
- ❖ Ms. Gentry asked the person in the audience who stated that she cared about the Playhouse and did not want to see it close why she thought the playhouse was closing when the season was already in production. The answer she got was that she had been a member since Feb. or March and that her kids attend the Academy of Performing Arts at HBHS and that they had heard this.
- ❖ In reference to copyrights, Ms. Gentry stated that she had recently completed copyrighting 3 logos with names for her business and that this process had taken almost 2 years to complete. She hired an attorney, at a cost of \$10,000 to secure all clearances for her logos and complete the process. In order to copyright a logo with her company name, searches had to be completed to ensure that no other copyrights existed for this name. Ms. Gentry asked Legal Counsel how an artist could claim copyright on another business’s name (HBPH).

- ❖ Legal Counsel responded that registering a copyright does take approximately 2 years and that a copyright is not valid if it is not registered.
- ❖ Legal Counsel also responded to Mr. Syiek's earlier allegation, that she had told him that bringing this issue to a membership meeting would be a disaster, and stated that this statement was also not true.
- ❖ Mr. Albertson (lifetime member) asked if the control numbers on the ballots could be removed as he did not want to be on a list of who voted for who. Ms. Conant assured him that these numbers were only being utilized to ensure that no duplicate voting occurred and that once counted, the ballots and proxy forms would be sealed in the ballot box and would only be accessed again in the event a recount was required. No lists or cross referencing to names would be done. Mr. Albertson stated that he would trust Ms. Conant that this was accurate.
- ❖ Further to the issue of HBPH closing, a woman from the floor stated that the programs always have a lot of "Boo Hoo" in them and that this gives members an uneasy feeling. Ms. Gentry responded that articles of this nature are common in the publications of non-profit organizations and are a means to encourage donations.

Ms. Conant noted that the time originally allotted for the Open Floor Session had been exceeded and that, with agreement from the membership, the meeting would move to Closing Statements. Agreement was noted.

Monica Bartolone stated that she had been a Board Member for several years and had come to HBPH with no prior theater experience. She learned from and enjoyed volunteering at HBPH. However, after Mr. Syiek joined the Board, the meetings went to 11:00 PM and were not enjoyable anymore. She has considered resigning but has remained due to her commitment to HBPH.

Catherine Stip stated that she has been on the HBPH Board for 15 years and that she also came to HBPH with no prior theater experience. She has put a lot of her own time and money into productions for the benefit of the playhouse. She joked that "if she had \$200,000 she would not be here". She stated that after Mr. Syiek joined the Board and the meetings became contentious, she did not want to participate anymore. Ms. Stip stated that she would resign if MR. Syiek remained on the Board.

Bettie Muellenberg stated that she has been a Board Member for many years and that the legal costs to HBPH to defend itself from harm have exceeded \$20,000. A show can be produced for this amount. She stated that she voluntarily performs the work that used to be done by a paid staff person earning \$20,000 to \$30,000 a year and that she feels the benefit of all her work this year has been offset by these expenses. Ms. Muellenberg also stated that she will resign if Mr. Syiek remains on the Board.

Lloyd Skaggs stated that he had been a Board member for 4 years and discussed the cost, time and money, of putting on a production.

Peter Farney stated that he has been a Board Member since April and that he was amazed by the contentious tone of the meetings. He stated that he originally felt that this contentiousness as well as removing Joe from the Board, was bad for HBPH. He was one of the two "no" votes in Mr. Syiek's original recall. He felt taking this to the membership was not good for HBPH. He talked to Mr. Syiek in an effort to

resolve the issues and was never able to get a specific answer from Mr., Syiek on what he wanted. He feels this entire mess is bad for the playhouse.

Bill Verhaegan stated that he has not been involved with HBPH for the last 5 years, but had previously served on the Board for 11 or 12 years. He stated that the playhouse is a balance of business and art, and that most people do not understand the time required to serve on the Board. This is the reason that most Board Members leave. He noted that there have always been issues on the Board, but the Board was always able to resolve them. This situation is a tragedy. He has known Ms. Conant for a long time and she and the other Board Members are not what they are being portrayed to be by Mr. Syiek. He recommended that everyone, including Mr. Syiek, remain on the Board and try to resolve this issue, until the next general meeting in January.

Nathan Singh stated that he was 18 when he joined the Board and is the youngest Board Member. He echoed Mr. Verhaegan's comments and noted that he knows Mr. Syiek and his kids. He stated that everyone puts in a lot of time and encouraged everyone to work together and focus on putting on good shows. He stated that actors and directors are hearing about this mess and reminded everyone that there is no "I" in theater.

Erin Muellenberg, Legal Counsel, stated that the only reason this meeting was being held is because it was ordered by the court in response to Mr. Syiek's demand in his lawsuit. The Board wanted to wait until the General Meeting in January, but this was not possible due to Mr. Syiek's lawsuit.

David Karian stated that several things are needed to make a strong organization. HBPH needs art and a financial structure. The members have a right to know that these things are being done. He feels tonight's meeting is positive for HBPH.

Ms. Eckmann questioned when Angel Members began only receiving one vote. She stated that she has been an Angel Member since 1982 and has always had two votes. The Board stated that all members, according to the By-Laws, received one vote each. Bill Verhaegan noted that a long time ago it might have been that Angel Members had two votes. R. Rieth cited Section E of the By-Laws, Privileges of Members, dated 2002, which stated that each member receives one vote. Ms. Eckmann questioned when this was changed and felt that she should be entitled to two votes. Don McAlister stated that he was on the Board and on the By-Lay Committee when the By-Laws were last revised. He confirmed that the revised By-Laws were sent out to the membership and were voted on, and approved, at the General Meeting by all parties present. The By-Lays are the law and must be followed.

7:22PM Dawn Conant stated that the Board is distressed by this event and wants to move forward with the business of the playhouse.

Joe Syiek apologized to Debbie Henderson and stated that his claims were not intended as an indictment of her skills. He stated, regarding the discussion with Peter Farney, that he had been asked to sign a document stating that he would no longer be disruptive and would leave the Board if he was. He stated he did not get a clear definition of disruptive. He stated that "putting on shows is a small part of our purpose". Finances have to be in place and done right in order to succeed. He stated his goal as "giving back to the community and benefiting HBPH", and stated that he has volunteered his time and personal funds to HBPH.

Harold Gooder called for the question.

Ms. Conant explained the process for replacement ballots. Ms. Conant and Mr. Verhaegen explained the process for proxy ballots for anyone who has been granted proxies but cannot stay until all the forms have been verified. Proxy votes will be designated on a pink ballot that has been verified with the member's assigned number. Any proxy forms that are verified as being assigned to an individual will be voted in accordance with the pink proxy ballot that the member has filled out. Members were instructed to see Mr. Farney to obtain the pink proxy ballots or ask any questions about the proxy voting process.

Ms. Conant thanked the membership for their attendance and support of HBPH. She advised the membership that they were invited to stay while the Proctor Panel counted the votes if they wished to do so but they chose to leave they would be able to get the results from the HBPH web site where they would be posted on the following day, Monday Nov 5.

Ms. Conant adjourned the special meeting and the Proctor Panel began the ballot counting process.

The ballot counting process was directed by the three-member Proxy Panel and was witnessed by the Guardian, Legal Counsel and Mr. Syiek.

At approximately 1:00 AM, the Proctor Panel announced the results of the voting to the Board Members still in attendance. The ballots, proxy forms and voting control lists were sealed in the Ballot Box and a final tally sheet summarizing the results was give to Ms. Conant to communicate to the rest of the Board and the membership.