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September 28, 1992

Elizabeth Appel
President, Art Beal Foundation, Inc.
881 Hillcrest Dr.
Cambria, CA 93428

Re: Letter of indemnity

Dear Ms. Appel:

This is in response to your letter of September 3, 1992.

This firm has, at various times in the past, undertaken legal work for the Art Beal Foundation at no cost. Our contact with the foundation has always been Steve Rebuck, and his requests for legal service on behalf of the foundation have always been handled on an informal basis by my partner David Fitzpatrick.

When Mr. Rebuck contacted us after Mr. Beal's death, Mr. Fitzpatrick was unavailable. Although I had not dealt with the Foundation previously, I agreed to Mr. Rebuck's request to obtain the permission of the mortuary to create a death mask of Mr. Beal. Mr. Rebuck indicated that the request was urgent, which was confirmed by a representative of the mortuary. Before drafting the agreement, I advised Mr. Rebuck that the mortuary was requiring an indemnity provision and would not consent to the creation of a death mask without such a provision. Mr. Rebuck agreed to this provision and reviewed the finished agreement. I assumed that his actions were authorized by and on behalf of the Foundation, as we had never had any indication that Mr. Rebuck was not so authorized.

This firm will still consider providing services to the Foundation on a pro bono basis in the future. However, before any such work is commenced, we will require a resolution from the Board of Directors signed by the President and the Secretary of the Foundation. This procedure will serve to protect both the integrity of the Foundation and this firm from misunderstandings regarding the scope of any authority to act.

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Please inform all of your board members of this condition. We trust you will find it fair and responsive to your request.

Very truly yours,

FITZPATRICK, BARBIERI & RAVER



WILLIAM R. RAVER

WR/kd