

file

September 24, 2002

Dear Members of the Art Beal Board of Directors:

This letter will serve as my notice of resignation from the Board of the Art Beal Foundation, effective immediately. It has been a pleasure to serve.

The archive project is 99% complete, and I will finish it very soon. I am committed to finishing all the work for the project and also to lend a voice, if permitted, to the finalization of this organization.

I have contacted Kathe Tanner of the Cambria Historical Society recently to inquire if they would be interested in becoming the repository of the Art Beal archive. She expressed interest, but expressed that they did not have storage facilities. We discussed the possibility of the Art Beal Foundation paying a 6 month rental on a storage unit for the mutual benefit of the Art Beal Foundation archive and the collection of historical documents belonging to the Cambria Historical Society. Please consider this idea and let me know if you are in favor. Kathe is getting some estimates for monthly rental spaces, anticipated in the \$90 - \$100 range. This would ensure a safe resting place for the documents until the Museum has been established. If, after 6 months, the storage unit rental needed to be renewed, it would become the responsibility of the Historical Society. There are 12 boxes associated with the archive and a painting too large for the boxes.

I have asked Steve Rebeck to look into the financial liabilities, if any, that might have been incurred from the sale of the water meter and the Ridge. So far, I have not received any information. It may be wise to hire an accountant to sort this out as soon as possible. If any taxes are due, they would have to be paid before any of the money in the account was donated to worthy non-profits. A financial statement will follow within 10 - 14 days.

I am happy to work on an informal basis for the completion of these tasks, unless other Board members would like to oversee any outstanding jobs.

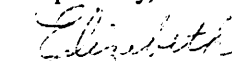
I had an encounter with the O'Malleys recently that became hostile to me (as a Board member) with a threat from Michael O'Malley to sue the Board. I believe he was frustrated that we are not turning all of Art's works and life history over to them. However, I feel that the local museum, open and available to all, for all time to come, is a preferable local place for Art's life story. I'm wondering how you feel about it.

Thank you for all your efforts .. it's been a long road. I believe we did the best we could, given all the circumstances and challenges. Feel free to call. I'll send the financial statement ... also, it's possible to send a disc with the archive data on it to any member who'd like it. It is formatted for Macs.

Much respect to each of you, each a link in a small chain that held up the work and times of someone who found his way into our hearts. I hope Art knew how fortunate he was.

I'll be in touch.

Respectfully,



Elizabeth Appel