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October 2, 1980

Mr. Steve Rebuck
1341 Oceanaire
San Luis Obispo CA 93401

RE: ART BEAL FOUNDATION

Dear Steve:

At long last, I am enclosing the proposed minutes of the September 30, 1980, special meeting of directors of the Art Beal Foundation at which time John, Vicki, and Jim Duenow resigned their positions as directors and officers. Also at that meeting, you, Stan House and Fran Dukehart were elected as successor-directors. Also enclosed is a proposed form letter to be sent to all members of the foundation pursuant to John's request and, unless this is painfully objectionable to you, I think something along these lines should be forwarded to them in the very near future so that we can clean up this entire matter. If these documents meet with your approval, please notify me as soon as possible and I will forward the originals to John for obtaining the necessary signatures along with the resignations which I have also prepared. In that letter, I will request him to contact you so that transfer of the corporate bank accounts can be accomplished as soon as possible.

Very truly yours,



DAVID FITZPATRICK

DF/lis
Encls.

WAIVER OF NOTICE AND CONSENT TO HOLDING OF
SPECIAL MEETING OF DIRECTORS OF
ART BEAL FOUNDATION
A CALIFORNIA CORPORATION

HELD: September 30, 1980
238½ Sandercock Street
San Luis Obispo, California

The undersigned, being the directors of the above named corporation, do hereby waive notice and consent to the holding of a special meeting of the board of directors of the said corporation, to be held at the time, date and place above mentioned, for the purpose of transacting such business as may be germane to the meeting.

Dated at San Luis Obispo, California, this
30th day of September, 1980.

JOHN FITZRANDOLPH

VICKI LEON

JAMES M. DUENOW

MINUTES OF SPECIAL MEETING OF DIRECTORS OF
ART BEAL FOUNDATION
A CALIFORNIA CORPORATION

HELD: September 30, 1980
238½ Sandercock Street
San Luis Obispo, California

A special meeting of the board of directors of the above named corporation was held at the time, date and place above mentioned.

The following directors were present: JOHN FITZRANDOLPH, VICKI LEON and JAMES M. DUENOW.

JOHN FITZRANDOLPH, president of the corporation, called the meeting to order and acted as chairman thereof, and VICKI LEON, secretary of the corporation, acted as secretary of the meeting.

The chairman announced that a quorum was present, and that the meeting, having been duly convened, was ready to proceed with its business.

RESIGNATION OF DIRECTORS AND ELECTION OF BOARD

The president stated that he had received signed resignations from JOHN FITZRANDOLPH, VICKI LEON and JAMES M. DUENOW, effective upon the election of their respective successors. Ms. LEON suggested that the meeting proceed with the election of a new board at this time. The following persons were thereupon nominated to act as directors for the remainder of the terms of the retiring board and until their successors are elected:

STEVE REBUCK
STAN HOUSE
FRAN DUKEHART

Upon motion by Mr. DUENOW, seconded by Ms. LEON, the nominated persons were unanimously elected as successor directors, to take office at the conclusion of this meeting.

There being no further business to come before the said meeting, it was, on motion duly made, seconded and unanimously carried, adjourned.

ATTEST:

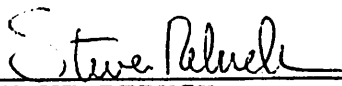
JOHN FITZRANDOLPH

VICKI LEON
Secretary

ALL PERSONS INTERESTED IN THE ART BEAL FOUNDATION:

This letter is to inform you that on September 30, 1980, a special meeting of the board of directors of the Art Beal Foundation was held at 238½ Sandercock Street, John Fitzrandolph's home. At that meeting, John, Vicki, and Jim Duenow, the three directors of the Art Beal Foundation since its conception back in the spring of 1977, all submitted their resignations as directors and officers of the corporation. John had previously indicated that his recent business commitments have precluded him from committing as much time as he would like to the foundation and had requested that the undersigned relieve him of the responsibilities of managing the foundation.

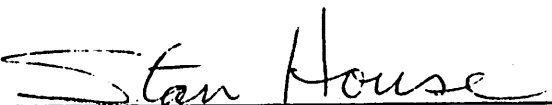
We would like to thank John, Vicki, and Jim for the time and energies they have expended in the past three and a half years for the foundation. John has been quite cooperative in effecting the transfer of control of the foundation to us and we anticipate his continued cooperation if necessary in the future.



STEVE REBUCK



FRAN DUKEHART



STAN HOUSE