

Not Positive—Scurrilous

With the date of September 6, 2008, a group using the name “Positive Solutions” has circulated an appeal to members of Third Mutual to vote for the slate of candidates for election to the board of directors consisting of Bragg, Freshley, Henderson, and Paulus. This circular contains statements that are untrue, misrepresentations, and information that supposedly is not available to anyone other than the directors and staff subject to the confidentiality rule.

The opposing candidates and minority board members are referred to as “dissidents.” The promoters of this circular ignore the fact that the only difference between the majority and the minority is the sudden conversion of Cynthia Conners, elected on a platform of “transparency” and doing all in her power to maintain the secrecy created and continued by PCM. She has never explained the reasons for her conversion.

The circular charges an attempt to remove PCM, without any information as to the date, the persons who made the attempt, or where in the records of the corporation the attempt is recorded.

The circular charges an attempt “to change away our lawyers.” The firm of Hart, King and Coldren is not on retainer to Third Mutual, and contends that it has never represented PCM. However the Firm has recognized that in any dispute between Third Mutual and PCM, the firm could not represent Third Mutual. Third needs attorneys who are not beholden to any other entity in this community, and who can represent Third Mutual in any matter that arises.

The circular charges an attempt to “replace our

auditors, KPMG and our bank, Bank of America.” No information is given about the time, place, or persons involved in any such attempt. It is true that Third Mutual maintains an account with the Bank of America with balances exceeding the maximum insured by the Federal Deposit Insurance Corporation by hundreds of thousands of dollars, and some directors have criticized this practice. Even KPMG called this to management’s attention in the audit report, but no action has been taken to correct the situation.

Another charge relates to supposed dismissal of “advice from attorneys, risk managers, and other experts.” Again, no details are given to support this statement. How could directors in the minority dismiss such advice since the minority cannot take any action without the concurrence of the majority headed by president Conners.

The charge is made that staff members have been treated with rudeness and contempt. When, where, which staff, and by whom? No details; just a bare unverifiable statement. Mistreatment of members and directors by staff apparently are acceptable to this group.

To add weight to these false statements, a list of alleged supporters is printed on the circular. Again, the integrity of the authors of the circular is questionable. The names of the supporters are listed twice in order to give the impression that they are many. In addition, the names of both husbands and wives are listed separately, although each manor is entitled to only one vote. One of the “supporters” was deceased before the date of the circular, and another never saw the circular nor authorized the use of her name.

(Continued on page 8)