

als that they were violating California law was willful and malicious and in conscious disregard of Johns' rights with the intent to vex, injure and annoy him, such as to constitute oppression, fraud and/or malice under Civil Code 3294. Cross-Defendants' conduct, as described above, was carried out by its officers, directors and or/ managing agents, or by lower level employees, whose conduct was knowingly authorized and ratified by the officers, directors and/or managing agents of Cross-Defendants.

Accordingly, Johns is entitled to punitive damages in an amount appropriated to punish and make an example of Cross-Defendants."

## *GRF Discretionary Bonus Payments !*

### **W**hat "*GRF DISCRETIONARY BONUS PAYMENTS ?*"

**Residents Voice** first made this plan public last month. Did you notice how the Boards JUMPED at the chance to explain this fund to all of the resident/owners and numerous Directors? The Boards continue with business as usual; Denial, Heads in the Sand, and Lack of Oversight allowing PCM full financial control without board awareness.

The United President explained the situation when a resident questioned the openness of the Bonus payments as follows: "Responding to Betty, you said, 'all the money is kept secret from residents!' All the money is NOT kept secret from residents. If you come to budget hearings you'll learn more about that and as Rhoda said, 'We've all known about the Incentive Plan and Discretionary Bonuses for years ... the amounts of it, what is given to each individual, you're right, we do not know .."

Reference was made by a resident and alluded to in your statement that these plans were both public knowledge going back to 2003. We defy the United President to take a poll and ask the directors under oath, "Who was aware of the amounts of the discretionary Bonus Payments prior to June of 2010?"

It would also be of interest to have them make public any documentation referencing the monthly/yearly bonus payments that were made by PCM. There are no public documents. The President of United stated that we are not privy to the individual employee payments that were made, however, that does not exempt PCM from making available the total monthly/yearly dollars that were spent on this item, and they did not!

In addition, if this is such an open plan and it was available for anyone's perusal, how should those expenses be made available within the General Ledger.

Show the resident/owners where there is a GRF account number with the descriptive word "discretionary" in its title. There is none! At least in the GRF ledger there is an account titled "F.I.C.A. - Incentive Accrual." Is there a "F.I.C.A.—Discretionary Accrual?" No! Nothing is consistent and then we expect a Director to find this when they implement their fiduciary oversight. With our level of expertise, and PCM's reluctance to be open, "It can't be done!"

When you read the Johns Cross-Complaint you come away shaking your head and asking yourself, "Who have we employed to run our business? Who do we place full and complete trust in to make decisions which are in our best interest?"

**Ethics** and **morality** do not come to the forefront when you read about the association The General Manager had with his employer. When you select someone to do work for you, would this be the kind of relationship you would expect?