

FINAL

**RIVER PLACE EAST
BOARD OF DIRECTORS MEETING - SPECIAL
WEDNESDAY, MAY 27TH, 2009**

Present: Mr. Brian Fredericks Vice President
Ms. M.J. Schmelzer OA Representative
Mr. Jeff Waylus Director
Mr. Rob Vignato Secretary (minute preparation)

Management: None Present

Others: Robert E. Worst, Attorney for Kabaugh, Pfund, & Messersmith
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I. CALL TO ORDER:

Mr. Fredericks called the meeting to order at 6:45 p.m.

II. SHAREHOLDER PARTICIPATION:

There was no shareholder participation.

III. APPROVAL OF MINUTES:

Not applicable.

IV. OFFICER'S REPORT:

No officer's reports.

V. UNIT SALES:

Unit sales were not discussed.

VI. NEW BUSINESS

No new business discussed.

VII. OLD BUSINESS:

The board and Mr. Worst discussed our options with the Vasser law suit. The options ranged from the loss of attorney fees and other expenses of up to \$500,000 to a decision in favor of RPE and dismissal of all charges. There is a strong possibility Vasser will "non-suit" the claims which will post-pone the trial for up to 6 additional months. After discussion the various options and considering the potential outcomes, the board decided to move forward with the trial as detailed in the motion below.

MOTION: Ms. Schmelzer moved, Mr. Waylus seconded that after considerations of the risks and options for the corporation (RPE) as described by Mr. Worst, the

defense move forward with the trial and not seek a continuance. The motion passed unanimously (4-0-0).

MOTION: Ms. Schmelzer moved, Mr. Vignato seconded that in the event Hartford withdraws its insurance coverage of the corporation (RPE), the corporation (RPE) will retain Kalbaugh, Pfund, and Messersmith to continue our defense during the trial and the lawsuit. The motion passed unanimously (4-0-0).

MOTION: Mr. Waylus moved, Mr. Vignato seconded that Ms. Schmelzer sign the interrogations on behalf of the corporation (RPE). The motion passed (3-0-1) as Ms. Schmelzer abstained.

VIII. EXECUTIVE SESSION

No executive session was commenced.

IX. ACTION ITEMS:

None at this time.