

## 033113- comments on investigation

The report of the investigation was long and it is not finished yet. A confidential portion of the report will be presented during the executive session of next month's board meeting where no members are allowed. Charlie may not be allowed for that matter.

This is solely an investigation of Trustee Wagner with no consideration of surrounding events or other people's actions and prejudices. There is also no question of any behavior by Wagner that is contrary to federal, state, or SEC Bylaws. Conclusions are based on interviews with persons unnamed except for former trustee, Leroy Anaya, and policies written by a committee of trustees and their attorney. These policies would restrict any dissent by trustees, such as Policy 119 which has a section entitled, "Individual Trustee Support for all Board Decisions." which states that "Decisions by the Board must be supported by each trustee regardless of their position during deliberations." Most of these policies hamper or stop any honest look at the activities of the board. Charlie has refused to support illegal actions by the board and to go along to get along. Over the years, he has made public many things that the board wanted hidden such as the lack of payment of capital credit, the unequal representation on the board and the huge sums paid to trustees. One of the more amusing findings is that he had "inappropriate dealings with the SEC Reform Group!" Another is the charge of "unprofessional or discriminatory conduct towards other individuals in his capacity as Trustee" and the fact that he filed a counter suit against the board when that board sued all of the SEC member/owners. He was warned that the board would strike back and they have. This "investigation" is a reminder that another trustee tried to reform the SEC some years ago and was also attacked. The members well understand what is happening in this matter.

A long lecture on Fiduciary Duty seemed to indicate that Trustee Wagner failed in his fiduciary duty to the Board of Trustees. Fiduciary means trust as in "a person who has the power and obligation to act for another under circumstances that require total trust, good faith, and honesty." Trustee Wagner has a fiduciary duty to the members especially those of the district that he was voted to represent and the corporation. He has never failed in this duty. He has no fiduciary duty to the board.

Stay tuned for next month's portion of the "investigation."