



Paradise Community Guilds — 5704 Chapel Drive, Paradise, CA 95969 — NortonBuffaloHall.com — 530.762.1490

July 30, 2018

Robert Greeley
Receiver
3610 American River Drive, #190
Sacramento, CA 95864

Re: Paradise Community Guilds, formerly known as Paradise Grange NO. 490

Dear Mr. Greeley:

Regarding your two letters to me, David Zink, and Paradise Grange NO. 490 dated May 9, 2018 and May 10, 2018, the Executive Committee of the Paradise Community Guilds have directed me to provide you with the following numbered response:

1. I am the duly elected President of Paradise Community Guilds, formerly known as Paradise Grange NO. 490. The name of our organization was changed mid-2016 following the process outlined in our bylaws, and we properly filed the change with the Secretary of State as an Amendment of Articles – a fact evidently known to California Superior Court Judge David I. Brown, and to both the National Grange and newly chartered California State Grange, as evidenced by the Court's March 21, 2018 ORDER GRANTING MOTION FOR APPOINTMENT OF A RECEIVER TO ENFORCE JUDGMENT, Exhibit A (b), where our current corporate name is correctly listed. Accordingly, we request that you address our organization accurately and in accordance with your own listing and the Court's accepted usage in this order. Our reply to you with this letter is intended merely courtesy to correct you of this error and others.

2. In as much as your letter demands that certain action be taken by June 5, 2018, Paradise Community Guilds notes that the envelopes in which you mailed both letters bear a June 11, 2018 postmark – almost a week after your June 5, 2018 compliance date. From this fact it appears that you did not seriously expect a response from us, since your compliance date was already past when the letter was mailed.

Further, Judge David I. Brown's official order authorizing your mailing was not published until July 2, 2018 — more than a month after the dates when both of your letters were presumably written. We are left in the dark as to the accuracy of and our responsibility to respond to a demand letter dated nearly a month before Judge Brown authorized it.

Accordingly, we feel no obligation to comply with your unfortunately executed letters. That we do reply at all is mere courtesy intended to help you correct this and other errors.

3. According to your letter, Paragraph 2(a) of the March 21, 2018 Receivership Order, authorizes

Vision

Be the community you want to live in.

Mission

We foster community by nurturing creativity, practicing stewardship of Nature and promoting values of sustainability.

you to “notify account debtors of the guild that they should make payments” to you as Receiver. Please be advised that Paradise Community Guilds does not presently owe any money to the California Guild, either for dues or any other obligation. Paradise Community Guilds paid all dues owed during the period in question to the California Guild prior to the date of the Receivership Order. We have no outstanding loans.

4. With respect to your demand for payment by Paradise Community Guilds of “general intangibles of the Guild,” if you will through proper channels specify what is meant, we will consider a reply.

5. The invoice for past dues payment (Invoice #20180331-76) that you conveyed to us from the newly chartered California State Grange (May 10, 2018 letter “RE: Delinquent Dues”) represents a claim that has not been litigated, and which we do not recognize. Our understanding is that dues owed to California State Grange (incorporated in 1946) prior to April 5, 2013 were paid in full. Since that date we have paid dues to the same organization, now known as California Guild. As noted above, Paradise Community Guilds paid all dues owed for this year to the California Guild prior to this receivership order. Please advise the court and your client of these facts.

6. Likewise, the invoice for a past loan (Invoice #2018405-08) that you conveyed to us from the newly chartered California State Grange (May 9, 2018 letter “RE: Loans Due”) represents a claim that has not been litigated, and which we do not recognize. Our understanding is that the loan due to the California State Grange (incorporated in 1946) was already partially paid off by April 5, 2013, and as of last year (2017) we paid back the loan in full to the corporation from which we took the loan, now known as California Guild. Please advise the court and your client of these facts.

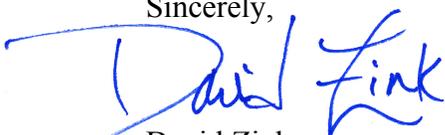
7. Paradise Community Guilds does not recognize the newly chartered California State Grange as having any authority whatsoever over the affairs of the Paradise Community Guilds. We are a 501(c)(8) corporation, and derive that designation through our decades-long friendly affiliation with the corporation now known as California Guild, to which we have a long history of paying dues.

8. As you are aware, in paragraph 6(c) of the July 2, 2018 order referenced above, Judge Brown wrote:

“The rights turned over to the Grange in connection with the above receivables shall be subject to any applicable claims and defenses. Disputes and ancillary collection proceedings related to these letters shall be left to the Grange and the subordinate granges, and/or future judicial proceedings...”

Thus we refer you back to the Court and the Grange in hopes that the above may help correct the Grange’s misperception that it is owed something from Paradise Community Guilds.

Sincerely,



David Zink

President, Paradise Community Guilds