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To Whom It May Concern:

Hugo Gambetta has asked this office to write a letter concerning an "LRC Update" signed by Jerome L. Davis on May 6, 2008 on behalf of the Lake Region Conference of Seventh Day Adventists relative to a lawsuit it had initiated against Hugo Gambetta, Norman Miles and Greg Baker in 2005. The lawsuit contained a number of allegations of impropriety on the part of the defendants. I will not write regarding Messrs Miles and Baker, co-defendants who this office did not represent, but I will address issues as they concern Mr. Gambetta.

Essentially, the complaint alleged some financial improprieties on the part of Hugo Gambetta. In his answer to the complaint, Mr. Gambetta denied any financial improprieties and denied all allegations of wrongdoing. One must understand that an allegation in a complaint is just that, an allegation. It does not stand for a proven fact, and when denied, it is incumbent upon the plaintiff to prove it at trial. Again, Hugo Gambetta denied all allegations of improprieties and/or wrongdoing.

There never was a trial in this matter. At some point, after spending much time with depositions, interrogatories, and other expenses of litigation and investigation, LRC approached this office, Hugo Gambetta's attorneys, and suggested that the matter be settled out of court. Having spent thousands of dollars defending the lawsuit, and with an expensive trial ahead of him, Mr. Gambetta believed it would be a good idea to settle the case for an appropriate amount. While this office was confident that Mr. Gambetta would prevail at trial, we also wanted him to understand that he would have to continue to spend money on litigation in further preparation for trial and for the trial itself.

Considering the costs of trial, we considered LRC's demand. After a certain amount of negotiation, LRC finally agreed to demand \$20,000.00, and after discussing same with Mr. Gambetta, he agreed to pay it. This amount represented a significant reduction from LRC's initial demand. There were at least three reasons why Hugo Gambetta agreed to settle out of court

- a) Settlement would put an end to the matter quickly without consuming more time and financial resources;

- b) It would cost more to continue the process through the court system than to settle;
- c) Even if Mr. Gambetta prevailed regarding every allegation, he would not recover any money from this process because of the manner in which our litigation system works. To continue the litigation would only have served to incur more expenses and attorney's fees.

Hugo Gambetta repeatedly informed this office that it was against his principles, based upon his belief in biblical statements, to take his own church to court. That is why we never even discussed the subject of a possible counter-suit.

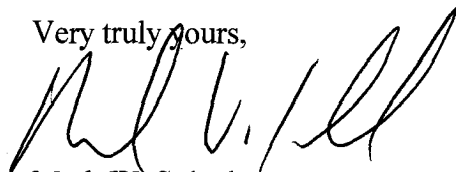
At the end of the day, settlement was a bottom line decision. It would cost more money to defend the matter than to pay off the settlement. In this case, as with most settlements, settlement does not imply accepting responsibility or admission of guilt for any alleged wrongdoing.

Please keep in mind that LRC initiated the settlement discussions, and then backed off its initial demands. No where does a document exist containing an admission of guilt on Mr. Gambetta's part, and he has now received a release of all claims from LRC. This release includes language that LRC releases and forever discharges Hugo Gambetta "from any and all claims, demands, damages, actions, causes of action or suits of any kind or nature whatsoever, from the beginning of time through today..." There is more language in the release signed by Jerome Davis, who also acknowledges that the release is for the purpose of final compromise adjustment and settlement of any and all claims, disputed or otherwise.

In his May 6th LRC Update, Jerome Davis states that "The Executive Committee believed that it would be in the best interest of the Conference to bring closure to this matter so that the Conference can continue to move forward." Frankly, Hugo Gambetta, and this office felt the same way on his behalf. Settlement was in the best interests of all the parties, which at the end of the day was why the case was, indeed, settled.

If you have any further questions, please do not hesitate to contact me.

Very truly yours,



Mark W. Solock