JAMES A. FLEMINC, D.P.A. 30 Antibes, Laguna Niguel, CA 92677 MOBILE 949-257-6567 HOME 949-499-1722 interfleming@vahou.com

July 9, 2007

Ms. Suzerro Lovely, Acting Superintendent Capistrano Unified School District 33122 Valle Road San Juan Capistrano, CA 92675

Dear M. Lovely:

At its meeting of September 11, 2006, the School Board unanimously approved covering my legal fees in matters related to the investigation of staff activities which were alleged to have occurred during the recall process. As a part of making that decision, the Board approved a finding which acknowledged that the fees were for activities related to the performance of my duties as Superintendent. The second finding was Board acknowledgement that whatever happened or was alleged to have happened did not have malicious intent and occurred within the context of my belief that any actions taken were in the interests of the school district.

On March 5, 2007, again by a unanimous vote, the Board rescinded its earlier decision to cover attorney's fees. At that point in time it appeared almost a moot point since these had been very little in expense requests submitted for several months previous. In a press article which appeared following this March 5 board decision, however, it was stated that if legal activities were to commence, I could return to the Board seeking reinstatement of the original September 11, 2006 commitment.

As the Board is no doubt aware, on May 24, 2007, a Grand Jury indictment was issued against me, charging the commission of felonies related to staff activities that are alleged to have occurred during the period of the recall process. There is nothing in the indictment that would alter the Board's original September 11, 2006 findings. There is no allegation of personal gain not that I acted with malicious intent.

The purpose of this letter is to formally request that the School Board nenew its September 11, 2006 findings and approval of my legal expenses.

While I am not empowered to speak for Susan McGill it was with great dismay that I learned of her indictment. It would be both honorable and proper, in my opinion, that the Board exercise the findings and attorney fee discretion permitted by law and provide attorney's fee coverage for Susan McGill, as well.

Please call me should you have any questions regarding this letter. Meanwhile, I look forward to learning of the Board's response to my request.

Sincerely.

James A. Floming