

May 22, 2009

**Via E-mail: mkessler@investigation.com**  
**and U.S. Mail**

Michael G. Kessler  
KESSLER INTERNATIONAL  
45 Rockefeller Plaza, 20<sup>th</sup> Floor  
New York, New York 10111-2000

Re: *Response to your Follow up Request to Review CALI Financial Records*

Dear Mr. Kessler:

We are in receipt of your correspondence dated May 7, 2009.

First, just so there is no confusion, we have provided to you, on behalf of CALI, all of the financial documents, which met your stated purpose, as required by California Corporations Code section 8333. A member is not entitled to unfettered access to all financial documents of a corporation that they happen to be curious about. The law is very clear that access is limited to those documents that are reasonably related to the purpose stated and which is reasonably related to such person's interests as a member.

Based upon this stated purpose, we have provided you with all of the documents that comply with your stated purpose.

In addition to producing documents, we also pointed out to you in our letter of April 24<sup>th</sup>, CALI and its Board members rely upon independent CPA review and audit of its business records. This is part of the Board's fiduciary obligation pursuant to California Corporations Code 7231(b). The Corporation Code envisions a management structure for a nonprofit corporation, like CALI, to have all corporate powers exercised by or under the board's direction (Corp Code 7210). It is not feasible nor practical for individual members of the association to attempt to perform the functions of the board and its hired consultants.

Since your stated purpose for wanting to review financial records was to dispel "rumors of financial mismanagement," that purpose is fulfilled by providing you with knowledge that the CALI Board of Directors is relying upon qualified independent consultants, who are specialists in this field. In this instance, CALI has retained the services of Rossman MacDonald & Benetti, Inc., who has been in the continuous practice of public accounting for over 50 years. Rossman MacDonald & Benetti, Inc. is a member of the Private Companies Practice Section (PCPS) and the Employee Benefit Plan Audit Quality Center (EBPAQC) of the AICPA, the California Society of CPA's, and is licensed by the California Board of Accountancy. They are certainly qualified to competently review and audit CALI's financial records. However, despite providing

Michael G. Kessler  
May 22, 2009  
Page 2

this information, which alone met your purpose, we still provided you with not only last years Profit & Loss statement, but the current year to date as well.

We also requested that if you have information or evidence that these independent CPA's are unqualified to review and audit the company records to provide it to my office for further consideration. We have received nothing from you indicating that there is anything to support a concern of mismanagement.

As you are aware, based upon your communications with Mark McClain, our office does not and has never represented CALI-PAC, which we understand to be a separate entity with separate officers from CALI. We did provide you with the Secretary of State links that provides you with the requested public information that is available.

Based upon your stated purpose, it would appear that the documents and information previously provided comply fully with your request. This information should be sufficient to allay your concerns about the "rumors" which has led you to request for review of CALI financial documents.

Very truly yours,



BRAD D. BLEICHNER

cc: CALI Office  
Jim Zimmer, CALI President