

**Hand Delivered
And Sent Via Email**

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August 10, 2015

Mr. Gary Altman, President
East River Housing Board of Directors
530 Grand Street
New York, New York 10002

Dear Mr. Altman,

I am contacting you regarding the full accounting of the cost of both the Federal Lawsuit and other expenses regarding pets over the past three years.

In December of 2014 you indicated to me that approximately \$575,000 had been spent in the fiscal year ending June 30, 2014. Since the litigation was settled in June 2015 after prolonged litigation there must have been significant expenses from June 2014 until final settlement.

In April of 2015 I again asked for such an accounting. At that time you called me to indicate that a full accounting would be made when the lawsuit was settled. You also asked my opinion of what I thought would be a fair policy and I gave you my opinion including that a survey of cooperators would be appropriate. The settlement has now occurred. After the settlement I called you to continue the conversation but you did not have the courtesy to even return my call.

As you know a recent survey was taken on the pet issue with over 400 cooperators responding overwhelmingly that they wanted a change from the existing policy.

I recently received the July 2015 report from the Board Room. The report on the

dog Litigation was disingenuous at best and may violate your fiduciary responsibility as a Board Member to accurately report the financial position of the coop.

You reported that the only expense to the coop was \$85,000 which was reimbursed by the insurance company plus some other concessions. You claim that there was no admission of guilt is also misleading since it was East River that began the action against these cooperators.

I am requesting a prompt reply to the following questions.

- What has been the total cost of litigation for pets over the past 3 years ?
- How much of this expense was related to the Federal lawsuit ?
- How much of this cost has been covered by insurance and how has this affected our rates ?
- Does the Board have any plans to amend the existing “no pet” policy ?
- Does the Board intend to survey the cooperators to engage them on the issue of pets ?

As I mentioned I believe that the misrepresentation of the litigation expenses may be a violation of your fiduciary responsibility to accurately report coop finances.

Unless an accurate report is provided I may have no alternative but to bring this to the attention of the New York State Attorney General who I believe has the authority to act when coop Boards of Directors violate their fiduciary responsibility.

Sincerely,

Tommy Loeb

CC: East River Board of Directors
Mr. Harold Jacob, General Manager