



August 20, 2021

Dear Kendall,

This letter is in response to your communications dated August 4, 2021 and August 12, 2021. Your refusal to submit board nominations in timely fashion according to the Foundation's bylaws, and your refusal to meet with the Society Board last week — a meeting *you* requested — are simply unacceptable. These actions make it abundantly clear the Foundation Board is stalling and working against BHS, the organization it was created to serve. We've seen this unfortunate strategy for years, including during three months of mediation this spring.

It is your duty as HFI board chair under the Foundation's own bylaws to appoint a nominating committee, and in turn it is the nominating committee's duty to report nominees to the Society Board 10 days before the Society's annual meeting. Prior to 2019, Foundation nominees were reported within that time frame. First Gary Plaag and now you have flagrantly failed to fulfill the duties that your own bylaws require. In fact, nominations for the class of 2021 trustees were due more than a year ago. There is no justification for your failure to report the nominations.

Nor is there any other excuse for your inaction. District Judge William M. Conley thoroughly dismissed the Foundation's "illusory contract" argument, calling it "absurd." Any potential argument about a material breach — however absurd — is further limited by the fact that BHS has restored the size of the Foundation's board to nine. Judge Conley did the Barbershop world a favor by spelling out how this impasse between our organizations will end. He said you need to send nominees.

Judge Conley further noted the Foundation, its board, and its officers have fiduciary responsibilities to the Society under trust law. A preliminary, expert analysis has determined your actions — and inactions — have caused over \$3 million in damages to the Society. What's more, these damages continue to mount. You, your fellow trustees, and the officers of HFI are personally liable for that, and Judge Conley left little doubt you will be held liable if litigation resumes.

The current conflict is grounded in the Foundation's long-standing refusal, including during mediation this spring, to do anything to bring its exorbitant costs under control. Hostility toward BHS started when we asked questions about HFI spending and noted that less than 40 cents of every dollar raised was returned to the Society and its singing communities. In contrast, many of the nation's top fundraising organizations return more than 90 cents on the dollar.

Yet you persist with the unwarranted and unlawful cost structure. HFI's latest audits show your annual giving campaign declined 19% over two years, while your overhead increased. It is shocking that the

[www.barbershop.org](http://www.barbershop.org)



Foundation's management and administration expenses shot up 48% in two years, while BHS endured pandemic-driven layoffs, salary cuts and other cost-cutting measures.

A trustee has a duty to manage the expenses of a trust. As your audit shows, the Foundation Board is flagrantly violating that duty.

It's time for the shenanigans to end. Your actions will determine whether the litigation between us resumes. The fact that you are more than a year behind in nominating trustees, as your bylaws require, and that you invite us to meet, then say you're unavailable until later, is wholly unacceptable.

Lacking nominations from you, we are sending you names of six candidates acceptable to the Society Board. All are highly qualified and chosen for their integrity and determination to act in the best interests of both the Foundation and Society. If you nominate them, we will elect them, and this dispute will be over. Please confirm in writing no later than August 25, 2021 that you agree to nominate these six candidates, whose names are listed below:

- Jeremy Albright — Society Board Member, 2017-2020; BHS Strategic Planning Committee, 2018-present; Police Officer/Chief – retired; Corporate Private Pilot, 2018-present
- Dwayne Cooper — Society Treasurer, 2010-2017; Southwestern District Past President and Hall of Fame; Master of Accounting Science and Bachelor of Accountancy from University of Illinois; 20 years of not-for-profit experience
- Noah Funderburg, Past Society President, 2007-2008; BHS Ethics Committee; Associate Dean of Administration of the University of Alabama Law School, 1994-2015
- David Haedtler – Society Board Member, 2016-2019; BHS Nominating Committee Chair; Far Western District Quartet Champion; Independent Collaboration Systems Consultant
- Sherry Knight — Board Member, MountainTown Singers, 2015-present, and Pioneer District, 2019-present; Co-founder, Paladin Communications, 2019-present; Associate Vice President of Communications at Central Michigan University, 2012-2019
- Alan Lamson — Past Society President, 2011-2012; Society Interim CEO, 2011-2012; Society Hall of Fame 2019; Owner, FLB Architecture & Planning, Inc.

Sincerely,

John Donehower

A handwritten signature in black ink that reads "John Donehower". The signature is fluid and cursive, with a long horizontal stroke at the end.

[www.barbershop.org](http://www.barbershop.org)