

October 21, 2016

From: W. David Rogers, Jr.
1856 Turnberry Terrace
Orlando, Fl 32804

To: Board of Directors of Orlando Metropolitan Bridge Center (OMBC)
756 Bennett Road
Orlando, Florida 32819

The purpose of this letter is to advise you of my objection to the manner in which you are operating OMBC. You appear to be running OMBC in the best interests of the game owners to the detriment of OMBC. This would be a breach of your fiduciary duty to the corporation you represent.

I am one of eleven Bond holders who have the sole voting rights in electing four members of the board. As such, we have an investment to see that OMBC is operated in a financially sound manner. It appears that this is not the case.

The best interests of OMBC would be served as follows:

- 1) Allow the players to become members. Game fees will be reduced to members to make it feasible to join.
- 2) Provide for a board that is comprised only of players. Game Directors shouldn't be allowed on the board due to their conflict of interest.
- 3) OMBC should own all the games. A Club Administrator will hire all Game Directors and run the bridge center. Teachers would be allowed to hold classes at the Bridge Center as they presently do. This would supplement their income from Directors' fees.
- 4) This format will allow OMBC to reap the profits that Directors and Game Owners now enjoy. These profits will be used to enhance bridge activities at the center and eliminate debt.

All of the other non-profit Bridge Clubs in Florida operate in this fashion and none of them have Directors on their boards. A recent poll showed that 91% of the players would like to vote for the board.

Some history is appropriate for perspective. OMBC was formed as a non profit corporation on a membership basis as stated in the Articles of Incorporation. As such, the city of Orlando declared it to be for a public purpose and leased the land for a nominal fee and subsidized the utilities. When a popular director and teacher was discharged without known cause or due process, many players protested to no avail and a movement to let the players vote for the Board began.

When it was pointed out to the board that there were no members, they took the position that the Bylaws provided that the Bondholders were the only people that could vote. They said the Bylaws controlled over the Articles of Incorporation. When the Board discovered they were in error, they amended the said Articles to eliminate members. Thereby, making them consistent with the Bylaws. Initially, \$400,000 in bonds were sold to finance the building and startup expenses. That amount has been reduced to \$76,000 held by the eleven bond holders.

My objections are as follows:

- 1) The Board is controlled by Directors who are Game Owners and their supporters. The Board consists of four members elected by Bondholders and three game owners as well as Directors who are appointed by themselves. The majority of the bonds are owned by the Directors, Game Owners, and their supporters; thereby giving them control of the Board. One of the elected members of the Board is the husband of a Game Owner and Director; thereby giving the Game Owners a majority of the Board. In short, the fox is guarding the henhouse.
- 2) The Board controls the process of bond redemption, thereby ensuring that the Game Owners and Directors will always have the votes necessary to control the board.
- 3) The Board meetings are closed to all players, Bondholders, and voters. They used to be open. I know of no reason for a non-profit corporation to have closed Board meetings. Other non-profit clubs in Florida not only have open board meetings, but post financial statements. What reason do you have to meet in private?
- 4) An offer was made to the Board to buy all the outstanding Bonds at zero interest thereby saving OMBC all the interest they're now paying to the Bondholders. This offer wasn't accepted by the Board. The reason is obvious because the Game Owners would lose control of the Board. This is an example of the mismanagement of OMBC.
- 5) The Game Owners charge \$7 per session game fees and more for special events. This is the highest for non-profit Bridge Clubs in the area. Given the subsidies by the City of Orlando, this is too high. The Bridge Club in The Villages (Lake County) have subsidized rent and their games fees are \$2 per session. Most other clubs in this area charge \$5 per session.
- 6) The life's blood of any Bridge Club is the players. It is wrong to have an electorate of eleven Bondholders and deny the players the right to vote.
- 7) It is also wrong to allow the Board to channel profits from the game to private individuals. THAT IS NOT SERVING A PUBLIC PURPOSE.

As a Bondholder and voter, I have requested from the Board the following:

- 1) The names of all current Officers and Directors.
- 2) The names and addresses of all current bond holders.
- 3) An opportunity to review all financial records of OMBC.

After almost three months, they responded to my first request but refused to comply with the others citing a Florida Statute that pertains to only members of the general public. I believe that I have the right to review the financial status of OMBC to ascertain that it is being operated as it should be. Also, under the Bylaws it is stated the Treasurer shall "Make the books of the OMBC's financial condition available for review upon a reasonable request of Bondholders and Game Proprietors."

I therefore renew my demand to review the financial records of OMBC within 15 days from the date of this letter.

I am advising the Mayor of Orlando, ACBL, District 9, Unit 240, and others of the problem that plagues this club and asking for any help they may offer.

It is not my intention to harm OMBC, but to save it for the players.

Sincerely,

W. David Rogers, Jr.

Cc: Mayor of Orlando
ACBL
District 9 of ACBL
Unit 240 of District 9
Scott Maxwell, Orlando Sentinel
Gloria McLain
John Oden