

September 21, 2009

Mr. Doug Lofstrom
Vice President - Events
OC Fair & Event Center
88 Fair Drive
Costa Mesa, CA 92626

Copy:
OC Fair & Event Center - Human Resources Department

Dear Mr. Lofstrom:

I have been employed by the OC Fair & Event Center- 32nd District Agricultural Association ("OCFEC") for 20 years, and had served in the position of Director of Event Sales & Services for the past 10 years.

Because of a State implemented furlough day program, issues started to develop in February 2009. Two specific issues arose at that time. First, on February 5, 2009 Director, Michael Treacy, issued a Directive that exempt employees subject to the furlough day program would be non-exempt during any week where that employee was forced to take a furlough day, and such employees were entitled to overtime pay for that week. Second, issues arose as to where the monies were going that were being withheld from the employee of the furlough day. The monies were supposed to revert back to the State of California due to the budget crisis. Information had been discovered that the OCFEC was not reverting the money, and instead was using the money on facilities.

By May 2009 the program outlined in Director Treacy's February 5, 2009 Directive had not been implemented. CEO Steve Beazley conducted a series of employee meetings to address employees' concerns about these wage and hour issues. During one such meeting with my department, the Event Sales & Services Department, after Mr. Beazley had encouraged employees to speak out with questions, one employee Robert Mosley spoke out and asked questions about why Director Treacy's program had not been implemented, and questioned as to where the furlough money was going. It was later discovered that some of the money was allocated to subsidize the AI's Brain exhibit at the OC Fair, as the exhibit had run over budget, and that fact could be hidden by using the furlough money.

Following this meeting, Mr. Beazley called me into a meeting because I was Mr. Mosley's department head. Mr. Beazley instructed me to "write-up" Mr. Mosley for insubordination. I told Mr. Beazley that I would not do that. Then Mr. Beazley told me to find something else to write him on and suggested Mr. Mosley's work performance. Again, I said I would not do that as Mr. Mosley's work performance

was exceptional. Mr. Beazley then got very mad, and shouted "If you're not going to do it, then I will make sure he does not pass probation and get him out of here." Mr. Beazley also advised me that he thought I had poor judgment of the situation and that I would "face consequences down the road if you don't get Bob out of this organization."

From that meeting, I was subjected to a continuing series of acts, which I believe were intentioned to create a hostile working environment for me as retaliation by Steve Beazley as a means for making me "face the consequences."

In July 2009 I attended a weekly management team meeting and Mr. Beazley made Mr. Mosley the focus of the meeting. Mr. Beazley commenced to instigate the other managers to attack Mr. Mosley and stated that as CEO he could not fire Mr. Mosley because he (Mr. Beazley) was a "lightning rod in this organization", and then encouraged the other managers to put the pressure on. During that meeting I felt ostracized because of the multiple attacks on one of my subordinates, and the fact I was supposed to be the Department head.

Following that meeting I met with my supervisor Doug Lofstrom who is the Vice President of Events. I told Mr. Lofstrom that I thought it was unacceptable for the management team to conspire to retaliate against an employee because that employee was raising issues regarding wage and hours law.

Then, in mid-July 2009 the OCFEC Board announced that it was supporting the Governor by approving a resolution to sell the fairgrounds. This was followed by another wave of concern on the part of OCFEC employees. Issues started arising that the OCFEC Board was going to attempt to form a private or non-profit group to purchase the fairgrounds and seize control of it.

Many vendors started wearing "save the fair" T-shirts, including one of my direct reports Jana Nelson. Ms. Nelson had also apparently sent an email on her own time from her own computer about issues related to the sale of the fairgrounds.

On August 8, 2009 Doug Lofstrom, my supervisor and Vice President of Events stated he wanted to have a meeting with me, Ms. Nelson, Mr. Beazley, the CEO and the Human Resources manager. Mr. Lofstrom stated this was not a disciplinary meeting, but wanted the HR manager there. Ms. Nelson advised that if it was not a disciplinary meeting she did not want HR present. Mr. Lofstrom checked with Mr. Beazley, who stated that HR would not be at the meeting. Mr. Lofstrom wanted to question Ms. Nelson about her email that she had sent. In the meeting Ms. Nelson opined that she was concerned that the OCFEC Board was underhanded and may be committing political corruption for their actions of supporting the sale then turning around and developing a private, non-profit to purchase the public asset without conducting open public process before approving the direction. The CEO then got frustrated and stated

that if Ms. Nelson didn't like the direction the fair was going in that she could leave.

About an hour after this meeting, I called to meet with Doug Lofstrom. I advised Mr. Lofstrom that I thought a hostile work environment was occurring because of the escalating harassment and retaliation against employees who in good faith believed that illegal conduct was occurring and were voicing their concerns. Mr. Lofstrom advised that I should report my concerns to H.R.. I told him that since this problem stems from the Executive Management Team, and that H.R. reports to them, that I could not trust them to act independently. I also told Mr. Lofstrom that he had taken absolutely no action to prevent the harassment and retaliation.

On August 9, 2009, the last day of the OC Fair, Mr. Mosley was terminated. Three days following that, I was transferred to manage the security/parking departments, two departments that I had previously overseen and were small portions of my prior responsibilities as Director of Event Sales & Services. This was in essence a defacto demotion in that the transfer resulted in substantially less responsibility and a clear example of Mr. Beazley using his authority as CEO to follow up on his statement back in May that I would "face the consequences down the road" if I did not follow his directive to get Mr. Mosley out of the organization.

Following the transfer, I have been subjected to constant demand from Mr. Lofstrom for justifications for working hours in my current position.

It is clear that the facts as set forth above were a scheme of harassment and retaliation against me for my own complaints of illegal conduct, but also for supporting other employees who were reporting illegal conduct. It is equally clear to me that these actions were set in motion as a means to force me to leave OCFEC and for my career and credibility to be destroyed.

My working environment has become so intolerable, that I do not believe the average person could endure the severe and pervasive conduct. Further, since these actions are being orchestrated by the CEO, Mr. Beazley, with the assistance of Human Resources, I do not feel that any further complaints from me would change or correct this situation.

As such, I am left with no further recourse but to resign, and consider this a constructive termination with my last day of employment on October 2, 2009.

Sincerely,



Mark Entner