

To My Colleagues And Many Friends At Buckeye:

On Wednesday afternoon, November 2nd, I was informed by David Cook that my employment at Buckeye was to be terminated. I was told that I could pack up immediately and that I would be paid until the end of the month. I was told that this was the unanimous decision of the Directors of Buckeye Service Corporation as well as of the Executive Committee of Buckeye Federal Savings and Loan. It was suggested that I resign. I said I would not. I requested that the reasons and/or rationale for my termination be furnished to me in writing. I have received nothing. Prior to the meeting November 2nd, I had been given no indication that my firing was imminent.

Apparently, it had not occurred to anyone that Buckeye Service Corporation, being an independently chartered entity, would have specific procedures for the removal of an officer. I pointed this out and on Wednesday, November 9th, a special meeting of the Directors was convened. At this meeting I was summarily removed from the office of President of Buckeye Service Corporation. This might be regarded as curious in itself since, over the years, all strategy (and many operational) decisions have been decisions of all of the Directors. The record: Buckeye Service Corporation survived the real estate depression of 1974-76; during 1977, we made great progress. Although Buckeye sold out its interest, Windrush Creek is now a success. Land sales from the Georgesville Road tract are pending. At Indian Trails, ninety-eight lots, for gross revenues of approximately \$1 million, have been sold in just sixteen months. The Indian Trails PUD was approved by the FHLBB as a thirteen-year project, ending in 1986. It is off to an exciting start. I have attempted to explain to the Directors that cost accounting for large-scale real estate projects requires a technical expertise that Buckeye does not have. Buckeye really will not know how Indian Trails is doing financially until outside help is sought. To back off of Indian Trails now would be to waste an asset of considerable future value.

Now, having said the above, I want to state that I have absolutely no quarrel with a new management's prerogative to choose its own team. I am sorry not to be a part of it. When I was outspoken, I did not mean to offend. It simply is my belief that better decisions are made when all ideas are on the table. I regret that my continued participation at Buckeye seems to have been perceived as threatening by some of my colleagues. I always believed that there was enough challenge at Buckeye to keep everyone busy.

A specific matter that I would like to address is the way things have been done at Buckeye recently. I have observed an increasing lack of consideration and sensitivity in the treatment of people; this is totally unnecessary. Those of the new power structure would do well to contemplate that arrogance, once accepted as the norm in dealing with others, may come back to haunt. We all take our turn on the defensive. Finally, it is just my luck to get sacked in November rather than June. A summer of leisure on unemployment would not have been all bad. Our situations are always changing, but friendships remain. That is the important thing. Good luck.

David

David W. Guthrie