

Chairman Chris Norby  
Vice Chairman John Moorlach  
Supervisor Bill Campbell  
Supervisor Pat Bates  
Supervisor Janet Nguyen

Dear Supervisors:

Instead of engaging in what could easily become a destructive and futile public debate with Ron Campbell over his inflammatory and inaccurate article in today's Orange County Register, I have chosen to respond directly to each of you and provide you, as I have done in the past, with facts that counter the speculation and innuendo conveyed in the article.

First, let me provide you with some background and, if I am repeating myself, I apologize. When I was appointed trustee of the liquidating trust, Fruehauf de Mexico had been approved for sale, by the Bankruptcy Court's independent Financial Advisor, for \$250,000.00. The company, which formed the last core asset of the trust was sold this year for value at \$14,000,000.00. My charge by the Bankruptcy Court was to increase and enhance the value of the trust's assets so as to provide a maximum return to both the bond holders investors and the creditors. The final liquidated value of the assets sold would seem to suggest that I achieved that goal.

The depositions from which Mr. Campbell has extracted his information were taken approximately one year ago and were done so prior to my having the opportunity to review any relevant documents pertaining to the questions asked or to do any independent discovery regarding the allegations raised by the underlying complaint. In fact, it has only been in the last thirty days that my attorneys have been given access to over four hundred boxes of documents that were taken from the company during the transition from my tenure as trustee to that of the new trustee and hidden from my review. Mr. Campbell conveniently omits numerous statements by myself and my attorney citing this lack of available information and the qualification of my answers based upon this lack of access to relevant documents.

It should also be noted that a review of the deposition questioning reveals an attempt to take each item identified by Mr. Campbell as an isolated event and not view them within the larger context of my duties and responsibilities as both the trustee of the End of the Road Trust and as the chief executive of Fruehauf de Mexico. Had these

issues been taken in this larger context and had they been reviewed against the backdrop of my employment agreement with the company, it would be easily and quickly understood that these actions and expenses were neither egregious nor illegal. This selective interpretation of events contributes significantly to the bias inherent in Mr. Campbell's distillation of nine days of testimony down into a few items of alleged interest.

Turning to the specifics in the article, my first issue is with the oft repeated but never substantiated allegation that I am the subject of criminal investigations by both county and federal prosecutors. There are no criminal investigations pertaining to my conduct as trustee, on either the county or federal level, and I challenge anyone to prove otherwise. The continuous repetition of this unsubstantiated rumor by the media and those seeking to achieve political gain at my expense smacks of McCarthyism and demonstrates the desperation of those who seek headlines and bylines with no regard for the truth.

Despite specific testimony throughout the deposition as to the nature of the credit cards used by the company, Mr. Campbell chooses instead to mischaracterize the situation so as to make me look guilty of some nefarious scheme to defraud the company. The truth of the matter is that the company did not have a credit rating sufficient to obtain a credit card with the limits needed to facilitate the myriad of corporate activities for which a credit card was needed. And so, the company used my credit card, for which I was personally financially liable, for all travel and executive purchase needs of its employees. In fact, while both Dan Harrow and I were at the company, Mr. Harrow traveled on my credit card and, I might add, traveled quite lavishly.

As to the computers mentioned in the article, two computers were bought and paid for with my credit card. One was to be used by the company and, as such, was reimbursable, while the other was for my private use. In seeking reimbursement for charges on the card for that particular month, I only sought reimbursement for one of the laptops. Apparently, accounting put in a second request for payment on the second computer. It must also be remembered that these transactions took place within the last thirty days of my tenure as trustee and, as such, I never had the opportunity to review those purchases or reimbursement requests. The first time that I was able to see the conflicting claims was at my deposition. In that I had been, and at the time of my deposition still was, denied access to any substantive documentation regarding the claims made against me, plus the fact that it was such a nominal amount that was being disputed, I felt that the easiest thing to do would be to tender sufficient monies to cover the cost of both laptops, even though I believe that I had already paid for at least one. I am seeking reimbursement for that payment as part of my counter claim against the trust and Mr. Harrow, again something conveniently omitted from Mr. Campbell's article.

The quote attributed to me on September 26, 2006 is taken out of context. The full quote acknowledges that there is a mistake in the accounting, not that I had done anything wrong.

The December 2002 travel to Hawaii was for a corporate retreat, which was both appropriate and necessary. All corporate executives, and most every legislator at all levels, participate in some sort of group interaction away from the office so as to plan and strategize in a relaxed manner. I do not believe that \$10,000.00 for five or more executives and their families is either extravagant or excessive.

One man's personal trainer is another man's chiropractor is another man's physical therapist. I had, and continue to have, back issues and, pursuant to the services available through my medical reimbursement plan, sought treatment.

The rest of the items identified in the article, dinner at Spago's, a hotel bill for one night in Florida, are nickel and dime issues that were legitimate business expenses. The New York hotel is anything but world class. It must also be remembered that each and every one of these expenses were on the monthly credit card bills sent to Fruehauf de Mexico. The impression given by the article that I was running around the world living a jet set lifestyle with no supervision is completely untrue.

Mr. Campbell, in defining my "assignment" as being to simply liquidate the remains of the trust, presents only half of the story. My obligation, pursuant to the Bankruptcy Court's order, was to eliminate the liabilities of the trust and maximize its assets so as to provide the creditors and bond holder/investors the maximum return possible on their monies and notes. To have simply sold what was, at that time, a shell of a company with extensive liabilities would not have been to fulfill my obligation. My charge was to shed the company of its liabilities and increase the value of its assets. I did this by recovering monies owed to the old Fruehauf, negotiating the unconditional sale of real estate holdings with significant environmental issues and increasing the market share, and thus the value, of Fruehauf de Mexico as a profitable manufacturing entity.

Since a significant portion of Fruehauf de Mexico's potential market was in South America, the opportunity to go on a trade mission to South America with a high profile, sitting Governor was a viable and valuable use of company resources and an expenditure which did, in fact, increase our presence and market share in South America. The purchase of Dorsey Trailer in Alabama was facilitated with the same goal in mind; to protect the value of the trust and increase the value of the assets. There were also issues involving licenses and the company's ability to distribute product in North America which were resolved via the purchase of Dorsey.

We all, on occasion, engage in a little grandiosity and hyperbole, which is what I did on the application for the trade mission. If that is a crime, then I am guilty of overstating the abilities and intentions of the company and its reason for wanting to go on the trade mission. In much the same light, I did on occasion contemplate the purchase of the company. Again, it must be remembered that these depositions occurred prior to my being sworn into office and, as such, I was basing my belief that, at the end of the day, I could run both the Treasurer's Office and an international corporation on speculation and hypotheticals, which is pretty much the same basis used by Mr. Campbell in his story. I have learned, in running the Treasurer/Tax Collectors Office on a day to day basis that I

could not do both and I have abandoned any thought of doing anything other than the job that I was elected to do.

Buried in the third paragraph from the end of the story, one finally comes to the truth, which is that this story, along with the unsubstantiated allegations that have been circulated in both public and private and the grandstanding by certain public figures in regard to my disputes with the subsequent trustee of the trust, are political in scope and purpose. This story has nothing to do with how the office of the Treasurer/Tax Collector is run and this has nothing to do with my commitment to the people who work here and to the public we serve. This article, and all the other stories, rumors, innuendos and speculation that drift through the blogs, appear in the mainstream media and are whispered over drinks, serve only to propel and advance certain political agendas that have nothing to do with what is good for the County of Orange.

The Board of Supervisors has acted reasonably and responsibly in dealing with these issues. I hope that they will continue to proceed with patience and not be stampeded into actions based upon unsubstantiated rumor and innuendo. As always, I am available to meet with you at any time to discuss further these issues and the operations of my office.

Sincerely,

Chriss Street