

## EXHIBIT I

ORIGINAL

NEW YORK STATE DEPARTMENT OF LAW  
CHARITIES BUREAU

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In the Matter of :

: AOD No. 08-109

PSCH, Inc. and  
Foundation for Supporters of the Disabled :

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ASSURANCE OF DISCONTINUANCE  
PURSUANT TO EXECUTIVE LAW § 63(15)

The Office of the Attorney General of the State of New York (“OAG”), pursuant to authority under the Not-for-Profit Corporation Law (“the N-PCL”), Article 8 of the Estates, Powers and Trusts Law (the “EPTL”), and the Executive Law, initiated an investigation in 2007 into the administration of charitable assets by PSCH, Inc., the Foundation for Supporters of the Disabled (“FSD”), and Ralph D. Farkas, the President of PSCH and FSD. This Assurance of Discontinuance (“Assurance”) contains the findings of the OAG’s investigation and the relief agreed to by PSCH, FSD and the OAG.

FINDINGS

The OAG makes the following findings.

The Parties

1. PSCH is a New York not-for-profit corporation, incorporated on May 7, 1980. Its headquarters are located at 22-44 119<sup>th</sup> Street, College Point, Queens, New York 11356. It was formed following the Willowbrook Consent Decree and the formation of the Office of Mental Retardation and Developmental Difficulties (“OMR”) to provide housing and services to individuals with mental and developmental disabilities. By June 30, 2006, its revenues were

roughly \$58 million, most of which derived from contracts with OMR and the Office of Mental Health ("OMH").

2. FSD is a New York not-for-profit corporation, incorporated on April 2, 1998. Its initial funding came from a grant of nearly \$1.4 million from PSCH. FSD's stated mission is to provide funding for programs serving individuals with disabilities. As of March 31, 2005, it had assets of over \$2.3 million.

3. Both PSCH and FSD are tax-exempt organizations under § 501(c)(3) of the Internal Revenue Code ("IRC") and are registered with the OAG's Charities Bureau.

4. Ralph D. Farkas, one of PSCH's founders, was its president and chief executive officer until he resigned effective as of January 15, 2008. He was a member of the Board of Directors until December 2005. He was president and a Board member of FSD from April 1998 until he resigned effective as of May 8, 2008.

The OAG's Investigation

5. The OAG opened its investigation based on information from OMH, OMR and the Commission on Quality of Care and Advocacy for Persons with Disabilities ("CQC") which conducted its own audit of PSCH, and on information from individual complainants. The investigation focused on complaints that Farkas' compensation from PSCH was excessive, that PSCH's Board of Directors failed to properly administer PSCH's charitable assets, that Farkas used FSD as a vehicle to provide himself with even more compensation, and that FSD's Board failed to properly administer FSD's charitable assets.

6. Based on a comprehensive review of documents, witness examinations and interviews, the OAG's investigation concluded that Farkas' total compensation package approved by the PSCH Board - salary as well as retirement and other benefits - was out of line with

compensation paid to chief executive officers at comparable organizations. It further found that Farkas increased his compensation by awarding himself additional benefits worth nearly \$500,000 by the end of 2007 (including extra deferred compensation payments, an additional insurance policy and an extra 105 days of accrued vacation time) without the knowledge or approval of PSCH's Board. The investigation further found that Farkas improperly used PSCH's corporate credit card for thousands of dollars of personal charges that he misrepresented as business expenses.

7. Based on testamentary and documentary evidence, the investigation concluded that although the PSCH Board attempted to meet its fiduciary obligations in approving Farkas' salary, it failed to develop reasonable procedures for evaluating his total compensation. In the absence of such procedures, the Board approved excessive levels of compensation for Farkas. Moreover, the existence of such procedures could have deterred Farkas from seeking to obtain benefits without Board approval.

8. The investigation also concluded that the PSCH Board failed to properly oversee the administration of PSCH's charitable assets, among other things by failing to ensure that PSCH had proper procedures in place for the use of PSCH's corporate credit card. The investigation also found that the Board approved a bonus payment to Farkas of \$25,000 in October 2003 in part to reimburse him for political contributions, a purpose that was in contravention of IRC § 501(c)(3).

9. With respect to FSD, the investigation found that Farkas created and used FSD as a means of securing even more compensation for himself. Under Farkas' leadership, FSD falsely represented its activities to the donating public, which included PSCH employees and family members, and failed to distribute funds in furtherance of its charitable mission. From 1998 to 2006, FSD made only six grants totaling \$60,000 out of total revenues of more than \$3 million,

while paying Farkas over \$400,000 in salary. FSD's Board existed in name only and provided no oversight of FSD.

10. The OAG determined that Farkas breached his fiduciary obligations to PSCH and FSD to the detriment of both organizations.

#### I. PSCH

##### The Board's Determination of Farkas' Compensation

11. The N-PCL provides that compensation paid to officers and directors of not-for-profit corporations must be "reasonable," "commensurate with services performed", and approved by an affirmative vote of the majority of the board or in a manner provided in the corporation's by-laws. (N-PCL §§ 202(a)(12), 515(b) and 715(f)).

12. PSCH Board members and PSCH counsel, Larry N. Stopol, Esq.,<sup>1</sup> testified in the investigation that the Board approved Farkas' compensation annually at a full meeting of the Board after consideration of recommendations of the Audit & Compensation Committee of the Board (also referred to as the Audit & Finance Committee; hereinafter the "Audit Committee"). However, minutes of the Board's meetings do not record the Board's action approving Farkas' compensation. The minutes of PSCH Board meetings were prepared by Farkas' administrative assistant who was not present during the Board's discussion of Farkas' compensation. In her absence, no other person took minutes of the Board's compensation discussions. Farkas did not want his compensation recorded in documents that could be seen by PSCH staff, including his administrative assistant.

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<sup>1</sup> "PSCH counsel" as used in this Assurance refers to Larry N. Stopol, PSCH's long-time outside general counsel, not counsel retained by PSCH's Board for purposes of the OAG's investigation.

13. N-PCL § 621 requires that not-for-profit corporations keep complete and accurate minutes of board meetings and executive committee meetings. In addition, OMH and OMR repeatedly directed PSCH to record the Board's compensation decisions in its minutes. The failure to keep complete and accurate minutes concerning the Board's determination of Farkas' compensation facilitated Farkas' efforts to avoid disclosure of his compensation and exemplified the Board's failure to insist on proper procedures.

14. Members of the PSCH Board testified that the Audit Committee reviewed Farkas' annual requests for increases in compensation and made recommendations to the full Board. However, like the Board, the Audit Committee did not maintain minutes recording its resolutions concerning Farkas' compensation. Although PSCH counsel took notes of the Audit Committee's meetings, drafted minutes and sent a copy to Farkas, neither Farkas nor PSCH counsel shared the drafts with members of the Committee or full Board or took steps to have the minutes approved.

15. Although there were no final approved minutes of the Audit Committee meetings concerning Farkas' compensation, PSCH sought to create the impression that such minutes existed. PSCH sent copies of the unsigned drafts to PSCH's external auditors, representing them to be minutes of the Audit Committee. In August 2006, PSCH produced copies of minutes of the Audit Committee to CQC auditors, some of which differed from the drafts given to PSCH's auditors: in August 2006, in response to requests from CQC auditors for copies of the minutes, PSCH counsel had revised his draft minutes for certain of the meetings and signed all but one of the revised minutes, after consultation with PSCH's chief financial officer but without consulting with the Audit Committee. PSCH also produced this revised set of draft minutes in the OAG's investigation, representing that they were final minutes, without explaining that the Audit Committee members had never reviewed or approved the minutes.

16. Based on the evidence in the investigation, the OAG concludes that although PSCH's Board attempted to meet its fiduciary obligations in approving Farkas' salary, it failed to develop reasonable procedures for evaluating his total compensation. In its review of Farkas' compensation, the Board considered Farkas' annual requests for increases in salary and payment of additional benefits, but did not consider Farkas' requests in the context of Farkas' total compensation, including benefits. It never requested updates or summaries of his expected retirement and other post-employment benefits from PSCH. Although it made attempts to determine whether Farkas' salary was comparable to salaries paid to CEOs at other organizations, it never sought to determine whether Farkas' total compensation (including benefits) was reasonable or comparable to total compensation paid to CEOs at similar organizations. The Board's failure to review the entire package when it reviewed Farkas' annual requests for increases in his compensation, and to act accordingly, was a violation of its fiduciary duties.

17. The Board and Audit Committee received information from time to time from PSCH's internal auditor concerning salaries paid to CEOs at other not-for-profit organizations, but there was no systematic effort by the Board to determine whether the organizations identified were comparable to PSCH or whether the sample of identified organizations was complete or even representative of organizations comparable to PSCH. Prior to 2005, the Board made no effort to inform itself as to the applicable standards for reviewing Farkas' compensation.

18. In 2005, Farkas requested a salary increase that would raise his salary to over \$500,000; his total compensation had exceeded \$500,000 by mid-2003, although the Board was not aware that it had. The Board decided to obtain a survey of compensation paid to CEOs of not-for-profit organizations comparable to PSCH, and it asked PSCH to hire a compensation consultant. The initial findings of the consultant concluded that Farkas' salary and retirement

benefits were higher than those provided to CEOs at organizations the consultant selected as directly comparable. However, at the request of PSCH counsel, the consultant revised his report, changing his selection of comparable organizations and eliminating his discussion of Farkas' retirement benefits. PSCH counsel presented the consultant's revised report to the Board in September 2005. He did not inform the Board that the consultant had revised his report at PSCH counsel's request.

Farkas' Total Compensation

19. In 2003, Farkas received a salary from PSCH of \$350,000. From 2003 to 2006, he received annual salary increases of 9% to 16%. In 2006, his annual salary reached \$560,040. In 2003, Farkas' salary was comparable to chief executive salaries paid by organizations that were comparable to PSCH in size and mission. By 2004, however, Farkas' salary was substantially higher than the salaries paid to executives at such comparable organizations, and this trend continued in 2005. Farkas' total compensation in mid-2003 was about \$475,000; by mid-2006, it was over \$715,000. He also received an additional \$55,000 annually from FSD in these years.

20. In addition to his salary, Farkas received certain benefits available to all PSCH employees, including participation in an ERISA-qualified defined-contribution pension plan, a tax-deferred annuity plan, and term life insurance.

21. PSCH also paid the premiums on a disability insurance policy, two whole life insurance policies owned by Farkas, and a whole life split-dollar insurance policy owned by PSCH. These policies were specifically for Farkas and not available to all employees. The life insurance policies provided a death benefit as well as a paid-in value that could be cashed out upon retirement. The total premiums for the four policies were about \$10,000 annually.



22. Beginning in 1993, Farkas amassed a series of supplemental benefits to augment his expected retirement income from PSCH's pension plan. Some of these additional benefits were approved by the Board, while others were not.

Deferred Compensation

23. In 1993, Farkas requested and the Board approved the creation of a deferred compensation plan, although a formal agreement setting forth the terms of the plan was not adopted. From 1993 to 2006, the Board approved annual deferred compensation contributions in varying amounts, totaling \$197,708. In 1998 and 1999, Farkas also directed PSCH to make additional deferred compensation contributions totaling \$32,000 without the Board's approval.

24. In 2003, the Board approved what it thought was a deferred compensation contribution of \$47,000. Farkas claimed that the Board had approved the creation of a supplemental retirement plan to which annual contributions would be made. In 2004 to 2006, he directed the chief financial officer to make annual payments for that purported plan, in addition to the annual deferred compensation payments. However, the Board did not approve the creation of another retirement plan for Farkas and was unaware of these additional payments. These unauthorized payments totaled \$184,000.

Purchase of additional insurance

25. PSCH counsel's draft minutes of the Audit Committee state that in June 2002, the Audit Committee approved an increase in coverage of Farkas' term life insurance, long term disability insurance and key man life insurance in an unspecified amount, to be commensurate to his increased salary amount of \$350,000. The evidence as to whether the Board ever approved the purchase of additional insurance for Farkas is equivocal; board members who testified in the investigation did not recall approving the purchase of additional insurance for Farkas; both Farkas

and PSCH counsel testified that the Board approved the purchase of additional insurance. It is undisputed that neither the Audit Committee nor the Board was ever told the details of the insurance to be purchased or its annual cost to PSCH.

26. Based on advice he obtained from an executive benefits consultant, Farkas decided to secure a supplemental executive retirement plan, or "SERP", for himself, in addition to the various deferred compensation contributions that PSCH was already making towards his retirement. As proposed by the consultant, the SERP would be created through a complex arrangement using a life insurance policy to provide benefits for Farkas and PSCH, including additional retirement income for Farkas, additional life insurance for Farkas, and key person insurance for PSCH. The complicated insurance-based plan proposed by the consultant was beyond the scope of the simple increase in insurance coverage that the Board purportedly approved in June 2002.

27. In November 2002, without informing the Board, Farkas arranged for PSCH to purchase the insurance policy recommended by the consultant at an annual premium of \$60,695, with a death benefit of over \$2 million. Farkas mistakenly believed that purchasing the policy was sufficient to create the SERP. In fact, additional agreements between PSCH and Farkas were necessary in order to convert the new insurance policy into the complex, multi-purpose retirement vehicle that the consultant had recommended, but those agreements were never drafted. As a result, the new policy was a straightforward, but excessive, key man life insurance policy of which PSCH was the sole beneficiary.

28. Upon realizing that PSCH was the sole beneficiary of the policy and that he would not derive any personal benefit, Farkas directed PSCH to stop paying the premiums on the policy. By then, PSCH had paid a total of \$243,860 in premiums for the policy from 2002 to 2005. At the

end of 2007, the net cost of the policy to PSCH (i.e., deducting premiums PSCH paid from the cash value of the policy) was over \$50,000.

Accrued Vacation Time

29. Prior to 1996, PSCH had a vacation buy-back policy under which Farkas and other PSCH employees could elect to be paid annually for accrued, but unused vacation time. In 1996, following a joint audit by OMH and OMR, PSCH agreed to end this practice with respect to Farkas. However, without considering the economic cost to PSCH, the Board approved a policy that allowed Farkas to be paid for his accrued, unused vacation when he retired. PSCH's employee manual established a 260-day limit on the number of vacation days that could be accrued.

30. Farkas did not use all of his vacation days annually. By 1999, he had reached the maximum accrual of 260 days, and PSCH's CFO informed Farkas that he could not accrue additional unused vacation days. Farkas falsely told the CFO that the Board had approved increasing the number of days he could accrue by 105 days to 365, when in fact the Board had not done so. The CFO continued to record a liability on PSCH's financial records for Farkas' accrued, but unused vacation, and by June 30, 2006, that liability reached 351 days of unused vacation. The value of the 91 extra days to which Farkas falsely claimed to be entitled was over \$226,000 as of the end of 2007.

31. After 1996, the Board never considered the issue of Farkas' accrued vacation or inquired how much unused vacation he had accrued. Had the Board inquired, it would have learned that Farkas had falsely represented that he was entitled to more than 260 days of vacation.

The \$25,000 Bonus

32. In October 2003, the Board agreed to give Farkas a bonus of \$25,000, intended, in part, to reimburse Farkas for contributions that he made for the benefit of candidates for public office.

33. IRC § 501(c)(3) and IRS regulations prohibit tax-exempt organizations from participating in political campaigns, including supporting candidates for public office. Although an officer or director of a tax-exempt organization is permitted to make personal contributions to political campaigns, he/she cannot do so with funds from the tax-exempt organization, or act in a manner that creates the impression that the organization is supporting a political campaign or candidate for public office.

34. When Farkas met elected officials at political fundraising events and on other occasions, he would promote the work of PSCH in order to encourage financial support for the organization.

35. The Board not only failed to constrain Farkas' efforts to associate PSCH with his political contributions, but also supported those efforts by improperly reimbursing him for those expenses. The actions by Farkas and the Board in associating PSCH with political campaigns, jeopardizing its tax-exempt status or risking other sanctions by the Internal Revenue Service constituted violations of their fiduciary duties to PSCH.

PSCH Financial Administration: Farkas' Use of PSCH's Corporate Credit Card

36. The Board failed to ensure that PSCH had proper fiscal controls, and as a result, did not meet its responsibility to oversee PSCH's charitable assets. One significant example is the lack of oversight over the use of PSCH corporate credit cards. The Board took no steps to ensure that PSCH had policies and procedures defining, e.g., the business purposes for which a corporate

credit card could be used; the substantiation (such as receipts) required for reimbursement; or the information to be kept in PSCH financial records (such as the business purposes and participants). As a result, PSCH lacked a system to deter and detect abuses of its corporate credit card.

37. Farkas had the use of a PSCH corporate credit card, which he repeatedly used for non-PSCH matters without reimbursing PSCH. Moreover, he routinely caused the purpose of his credit card charges to be misrepresented on PSCH's books.

38. Although PSCH did not have a policy permitting reimbursement of "overtime meals," Farkas frequently charged personal meals outside the office to PSCH, and then characterized them as "overtime meals" in order to get reimbursed. Farkas caused the "overtime meals" to be categorized on PSCH's books as business meetings. Farkas used the PSCH credit card to charge over \$700 for meals with his fiancée, and again Farkas caused these meals to be categorized on PSCH's books as business meetings. Farkas used the PSCH credit card for personal grocery store charges, falsely claiming that the food was for PSCH board meetings. Farkas charged over \$6,000 for alcohol that he claimed was for Board meetings. In fact, only a portion of the alcohol purchases was related to gifts of wine to Board members or offered to Board members after meetings. Moreover, to circumvent State regulations prohibiting the use of State funds to purchase alcohol, Farkas directed that PSCH report alcohol purchases as "programmatic expenses" in its books and in financial reports submitted to OMR and OMH.

#### Inaccurate Books & Records

39. On several occasions in this investigation, Farkas and PSCH produced documents to the OAG – including Audit Committee minutes and a purported deferred compensation agreement – representing that these documents had been drafted, signed and filed contemporaneously with past events. PSCH's conduct with respect to the Audit Committee

minutes is described above. In 2006, Farkas and PSCH counsel created a backdated deferred compensation agreement that was produced to the OAG in this investigation as an agreement that had been drafted and signed in June 1993.

40. At some point in late 2006, Farkas and PSCH counsel determined for tax reasons, that formal documentation was needed for the deferred compensation plan. No such formal documentation of the plan existed. Farkas and PSCH counsel thereafter drafted a letter agreement stating the terms for a deferred compensation plan, backdated the letter to June 23, 1993, and identified the individual who had been chairman of PSCH's Board in 1993 as the signatory on behalf of PSCH. Farkas then sent the draft letter to the former chairman, who signed it. Farkas did not seek or obtain authorization from PSCH's current Board to execute the agreement.

41. PSCH produced this document in response to an OAG subpoena in its investigation. When questioned under oath about the document, Farkas testified falsely that the letter agreement was signed in 1993 based on a Board resolution approving the creation of a deferred compensation plan. He did not change his testimony even after he was told that the document included a reference to a provision of the Internal Revenue Code that was not enacted by Congress until 2004. Only after consultation with his counsel in this investigation did Farkas explain how the document was created.

42. Farkas thus schemed to create a false and misleading business record.

The Creation of FSD; PSCH's Contribution

43. In 1995 and 1996, OMH and OMR conducted a joint audit of PSCH that was concluded after PSCH agreed, among other things, to make substantial improvements to its facilities, change its board membership, and institute a number of governance reforms. PSCH spent over a million dollars on improving its facilities as a result of the joint audit. PSCH also

agreed to freeze Farkas' salary for a year as well as to make changes to his vacation benefits. Following the audit, Farkas decided to establish a new organization in order to move some of PSCH's money outside of the jurisdiction of OMH and OMR and to create a source of additional income for himself. In April 1998, he formed FSD, as a public charity. Its stated mission was to support programs serving disabled individuals.

44. Thereafter, at Farkas' request, PSCH's Board approved a grant of nearly \$1.4 million to FSD. The PSCH Board requested that it receive regular reports showing how FSD used PSCH's grant. However, no such report was ever made, and the Board never made a follow-up request to receive one. As discussed in more detail below, after PSCH's Board approved the substantial transfer of PSCH funds to FSD, the Board failed to follow up to ensure that the funds were being used for the purpose they were intended. The Board's conduct in connection with FSD is another example of the PSCH Board's failure to safeguard PSCH's charitable assets.

## II. FSD

### FSD's Operations and Lack of Grantmaking

45. FSD's principal activity was fundraising and its fundraising displaced the fundraising activities (an annual golf event and holiday party) that were previously conducted by PSCH. Farkas also directed that PSCH employees be encouraged to donate to FSD, in lieu of PSCH, through payroll deductions. Farkas further directed that PSCH's vendors be asked to donate to FSD and told members of PSCH's finance staff that vendors that did not donate to FSD should be eliminated as suppliers to PSCH. From 1998 to 2006, FSD raised nearly \$3.0 million, roughly \$1.55 million (before fundraising expenses) in addition to the grant from PSCH. Of the \$3 million, over \$100,000 came from PSCH employees.

46. Although FSD's fundraising materials represented that it supported programs to help disabled individuals, FSD did not make any grants for the first five years of its existence from 1998 until 2003. From 2003 until mid-2006, FSD made only three grants in an aggregate amount of \$30,000 in furtherance of its charitable mission. After PSCH directors began receiving anonymous complaints about FSD's lack of grant making in the spring of 2006, FSD made three additional grants of \$10,000 each.

FSD's Governance

47. FSD was run entirely by Farkas, who appointed its board members, administered its finances, and selected its grant recipients. Farkas appointed FSD board members who had ties to himself and to PSCH. After 2002, for example, FSD's board was comprised of Farkas, PSCH's broker at Smith Barney, who received commissions from his management of PSCH's and Farkas' personal investment accounts, and the spouse of an employee of PSCH's largest food vendor.

48. FSD's Board, although in existence on paper, provided no meaningful oversight of FSD's governance or finances. It met infrequently as a board after an initial organizational meeting in 1998. Of the two directors (other than Farkas) on FSD's Board after 2002, one disclaimed any awareness that he was a member of the FSD Board; the other director stopped attending FSD Board meetings in 2002 due to a family illness, but nonetheless remained on the Board.

Farkas' Salary from FSD

49. Notwithstanding that FSD did not engage in activities in furtherance of its mission and notwithstanding that Farkas' FSD duties involved little work that he had not performed as part of his duties at PSCH, Farkas caused FSD to pay him a salary of \$50,000 in 1999, and \$55,000 annually from 2000 to 2005. With the possible exception of 2000, the FSD Board did not approve



FSD's compensation of Farkas. In March 2006, Farkas decided unilaterally to increase his annual salary to \$75,000.

50. Farkas' salary from FSD was not reasonable, commensurate with services rendered or approved by FSD's Board. Prior to FSD's formation, Farkas had engaged in fundraising for PSCH, and there was no reasonable basis for him to receive an additional salary of \$50,000 or more annually for the same activities under a new name.

51. In May 2006, after PSCH's Board members began receiving anonymous letters complaining about Farkas' salary from FSD and the lack of FSD grants, Farkas rescinded his salary increase. After a number of PSCH Board members complained to Farkas directly in August 2006, he agreed to stop taking a salary from FSD.

Farkas' Misuse of Signature Stamp

52. Sometime in 2002, Farkas caused a stamp to be created replicating the signature of one of FSD's directors. Farkas used the stamp as the second signature required on the New York State Form CIIAR 500 that Farkas caused FSD to file with the OAG's Charities Bureau for FSD's 2003, 2004 and 2005 fiscal years. The Form CHAR 500 must be signed under oath by the registrant's president and chief financial officer. The director did not authorize Farkas to use the stamp to sign documents, such as the CHAR 500, representing that they had been signed under oath by the director. Moreover, the OAG does not permit the use of a signature stamp in place of an original signature on the CHAR 500. Farkas' use of the stamp is an example of his disregard for his fiduciary obligations as a director of FSD and for the legal requirements for filing documents with the OAG's Charities Bureau.

53. Farkas breached his fiduciary duties to FSD, including by failing to arrange for FSD's board to distribute funds in accordance with its mission and the representations made to its

donors, by paying himself an excessive salary that was not approved by FSD's board, by disregarding the requirements of corporate governance of New York not-for-profit corporations and by using a signature stamp on documents filed with the OAG's Charities Bureau. The other two directors of FSD failed to take steps to understand their fiduciary obligations to FSD and to meet them.

#### AGREEMENT

WHEREAS, PSCH and FSD neither admit nor deny the OAG's findings; and

WHEREAS, the OAG is willing to accept the terms of this Assurance, pursuant to Executive Law § 63(15), and to discontinue its investigation; and

WHEREAS, PSCH, FSD and the OAG (collectively, the "Parties") each believe that the obligations imposed by this Assurance are prudent and appropriate;

IT IS HEREBY UNDERSTOOD AND AGREED by and between the Parties that:

Ralph D. Farkas

54. Farkas resigned from his positions as president and chief executive officer of PSCH effective as of January 15, 2008. PSCH (including any subsidiary or other organization that is managed by officers or directors of PSCH), will not employ Farkas in any capacity, with or without compensation, including as an officer, director, consultant, or in any other role. The terms of Farkas' separation from PSCH are set forth in a Separation Agreement between PSCH and Farkas PSCH dated September 11, 2008, which is attached hereto as Exhibit A. The Separation Agreement states the entire amount of money or benefits that PSCH will provide to Farkas. Farkas shall not receive any other money or benefits from PSCH other than those set forth in the Separation Agreement.

55. In connection with Farkas' resignation, PSCH will pay Farkas the following amounts, less all applicable state and federal withholding taxes:

a. \$560,000, reflecting payment for 260 days of accrued vacation, \$375,000, reflecting 175 of accrued sick leave, and \$300,000, reflecting severance, all paid in accordance with the vacation leave, sick leave and severance policies applicable to PSCH employees as set forth in PSCH's employee manual; and

b. \$60,000, representing the cash value of the life insurance policies purchased by PSCH for Farkas, minus all premiums paid by PSCH for those policies.

56. PSCH will not pay Farkas the following amounts, and Farkas has agreed to forfeit and release any and all claims to them:

a. \$657,100, reflecting the value as of December 31, 2007, of the accounts held by PSCH at Smith Barney "for RDF" (the deferred compensation accounts), including amounts deposited with and without PSCH Board approval, and including any sums characterized as "deferred compensation contributions" and "SERP" payments; and

b. \$226,154, reflecting the value as of December 31, 2007, of the accrued vacation time that Farkas claimed in excess of the 260-day limit set forth in PSCH's employee manual.

57. Prior to the execution of this Assurance, PSCH received payment from Farkas in the following amounts:

a. \$15,000, representing reimbursement by Farkas for personal charges he caused PSCH to pay via a PSCH corporate credit card;

b. \$25,000, reflecting repayment of the October 2003 Bonus; and

c. \$50,000, representing the net cost to PSCH of the "SERP" insurance policy (i.e., deducting the premiums paid by PSCH from the cash value of the policy).

58. Farkas resigned from his positions as president and Board member of FSD on May 8, 2008. FSD will not employ Farkas in any capacity, with or without compensation, including as an officer, director, consultant, or in any other role.

59. Prior to the execution of this Assurance, FSD received \$220,000 from Farkas, representing more than half of the salary Farkas received from FSD from 1998 to 2007. The terms of this payment are set forth in an Agreement between FSD and Farkas, dated August 21, 2008, which is attached hereto as Exhibit B.

60. Upon execution of this Assurance, PSCH and FSD shall provide to the OAG evidence of the payments made pursuant to paragraphs 57 and 59, above.

PSCH Board of Directors

61. Within 60 days of the execution of this Assurance, PSCH will amend its by-laws to provide that directors shall be divided into three classes of at most five members each for purposes of staggering their terms of office which shall be three years. The terms of office of the directors initially classified shall follow the provisions of N-PCL § 704(b). By December 31, 2008, a majority of the members of the Board of Directors shall be individuals who were not members of the Board prior to January 1, 2007. Within four years of the execution of this Assurance, the Board of Directors will have at least 15 elected members.

62. Within twelve months of the execution of this Assurance, PSCH shall ensure that its Board receives additional training on the governance and management of not-for-profit corporations. This training shall be provided by an independent person(s) with experience in providing training that is designed for, and available to, board members of tax-exempt

corporations generally, and of corporations that provide services to mentally ill and developmentally disabled individuals, in particular. Such training shall include a review of board responsibilities and obligations pertaining to oversight of financial matters. Before retaining the person or entity to provide such training, PSCH shall submit to the OAG a written description of the program and the person(s) or organizations administering it, for approval by the OAG. PSCH shall furnish the OAG with proof of the training sessions required hereunder and attendance thereat within 30 days of the training. PSCH shall provide such training to all new board members and shall continue to provide training periodically to its entire board on governance and management of not-for-profit corporations.

63. Within 60 days of the execution of this Assurance, the Board will adopt a Code of Ethics, Conflict of Interest Policy and Whistleblower Policy. PSCH will provide a copy of the Code of Ethics, Conflict of Interest Policy and Whistleblower Policy to the OAG for its review. For a period of three years from the execution of this Assurance, PSCH will give notice to the OAG of any changes to such policies. PSCH agrees to make reasonable changes, additions or deletions to such policies and procedures as may be requested by the OAG.

64. PSCH's conflict of interest policy shall state that transactions involving officers, directors, certain designated employees and related organizations are disfavored and shall set forth procedures for the disclosure, review and approval of any such transactions by the Board.

65. The Board of Directors of PSCH and each committee thereof shall prepare minutes of each meeting, including recording all resolutions and/or corporate action adopted at such meetings. The Board and each committee thereof shall elect a secretary who shall be responsible for overseeing the preparation of minutes for each of its meetings; the minutes shall be distributed to each Board or committee member prior to the subsequent meeting; the minutes

shall be presented at the subsequent meeting, and there shall be a vote to approve them. Signed minutes of all meetings of the Board and its committees shall be maintained in a binder at the corporate headquarters of PSCH. Copies of the minutes will be provided to the OAG within ten days of their adoption for a period of three years from the execution of this Assurance.

66. PSCH will ensure that at least three business days before meetings of the Board or any committee thereof, all members of the Board or committee shall receive substantially all the materials to be presented at such meetings to members.

67. The Board will not use proxies of Board members as a substitute for attending and voting at meetings of the Board or any committee thereof.

68. If PSCH determines to engage in fundraising, it shall establish a code of conduct for its fundraising activities. Such code shall prohibit demands that PSCH's vendors make charitable contributions to PSCH as a condition of doing business with PSCH.

#### Committees

69. Within 60 days of the execution of this Assurance, the Board shall amend its by-laws to provide for the designation of members of the Board to serve on a Finance Committee, an Audit and a Compliance Committee. Such Committees shall be designated as committees of the Board and shall have only the powers specifically delegated to them by the Board. PSCH will provide to the OAG a copy of the amended by-laws within ten days of their approval by the Board. Until such time as the Board may otherwise determine, the Board will not elect members to a Compensation Committee and shall determine compensation of officers as set forth in paragraph 75 and 76, below. If the Board hereafter determines to establish a Compensation Committee, it shall so notify the OAG.

70. The Compliance Committee of the Board established on November 2, 2007, will be responsible for (a) initiating measures to strengthen PSCH's corporate governance and compliance with governmental directives and regulations, including the development and updating of a compliance plan for PSCH; (b) ensuring that the Agency Corporate Compliance Committee addresses issues of fiscal management, staff training on compliance issues, quality assurance, employment policies and procedures, record retention policies, and monitoring of the compliance plan; (c) ensuring that Board members participate in the training identified in paragraph 62 above; (d) developing the policies described in paragraph 63 above and monitoring compliance with such policies; and (e) ensuring that PSCH complies with the provisions of this Assurance. The members of the Corporate Compliance Committee shall include the Chair person of the Board and at least two other members. The Committee shall meet at least two times per year.

71. The Finance Committee of the Board will have no less than three members, all of whom are available to attend committee meetings on a regular basis. At least one member of the Finance Committee shall have familiarity with financial documents or have experience in financial or accounting matters. The Finance Committee shall be chaired by a treasurer elected by the Board. The Finance Committee shall be responsible for reviewing PSCH's financial statements, budgets and financial projections prepared by PSCH's chief financial officer for presentation and approval by the Board. The Finance Committee shall meet at least quarterly with PSCH's chief financial officer to review PSCH's quarterly financial statements, including reviewing a report on variances between actual revenue and expenses and budget projections.

72. The Board of Directors will establish an Audit Committee which shall have at least three members, including the Chair person of the Board and one member who is not also a

member of the Audit Committee. At least one member of the Finance Committee shall have familiarity with financial documents or have experience in financial or accounting matters. The Audit Committee shall have responsibility for assisting the Board in the selection, retention, and/or termination of PSCH's independent external auditors, reviewing PSCH's financial statements and reports with its external auditors, reviewing the integrity and PSCH's financial reporting processes and internal controls, reviewing and evaluating any management letter received from the external auditors and developing recommendations for addressing any problems identified in the management letter, ensuring that required governmental filings are completed in a timely and accurate manner, and reviewing PSCH's internal controls for financial administration.

73. The Board of Directors shall appoint PSCH's independent external auditors and shall meet with them at least once a year. The Board shall adopt PSCH's annual budget and shall review its financial statements at least quarterly.

74. PSCH shall make a determination annually whether to retain the services of an internal auditor to assist the finance department in meeting its financial reporting and auditing responsibilities. If PSCH retains an internal auditor, it shall enter into a contract describing the work to be performed, the compensation for the work and the time in which it will be performed. The internal auditor shall report to PSCH's chief financial officer, who shall be responsible for overseeing the work of the internal auditor and for ensuring that PSCH maintains appropriate financial records pertaining to that work.

Executive Compensation

75. The Board of Directors shall be responsible for determining compensation paid to PSCH's senior corporate officers, including the chief executive officer, the chief financial officer



and the chief operating officer responsible for PSCH's programmatic activities. The compensation of such corporate officers shall be approved by an affirmative vote of the entire Board, and the minutes of the Board meeting shall record the amount of the compensation approved by the Board for each corporate officer. For purposes of this Assurance, "senior corporate officer" shall include any Executive Director, regardless of whether such individual is an elected officer of the corporation. The Board may delegate the determination of the compensation of other officers of PSCH, in accordance with procedures set forth in its by-laws.

76. The Board shall implement and employ procedures to ensure that executive compensation is "reasonable" and "commensurate with services performed" in accordance with N-PCL §§ 202(a)(12) and 515(b) and Section 4958 of the Internal Revenue Code and the regulations promulgated thereunder. The Board shall review the entire compensation paid and to be paid to senior corporate officers, including salary, benefits, and all post-employment payments and including annual benefits that were approved in prior years. PSCH shall consult with knowledgeable legal counsel regarding its compensation practices, as well as a compensation consultant, from time to time as may be appropriate. The Board of Directors shall retain an independent compensation consultant by no later than January 2010 to prepare a survey of compensation, including salary and other benefits, paid to, or for the future benefit of, executive officers of organizations that are comparable to PSCH. In determining comparability, the Board shall request the consultant to consider, among the organizations considered, organizations that administer programs similar to the programs administered by PSCH under contracts with the New York State Office of Mental Health and the Office of Mental Retardation and Developmental Difficulties. The Board shall also request the consultant to consider, among

other factors, the size of such organizations, including annual revenues and number of employees.

Employment Policies and Procedures

77. The Corporate Compliance Committee shall request the Agency Corporate Compliance Committee to conduct a review of PSCH's employment policies and to make such changes as are necessary and appropriate to the employee manual, including, without limitation, the changes described in paragraphs 78 through 82, below. Within six months of the execution of this Assurance, the Compliance Committee shall review and approve a revised manual which shall thereafter be approved by the entire Board of Directors.

78. PSCH shall reduce the number of days of vacation that employees may accrue if unused to 90 days, effective April 1, 2008.

79. Within 60 days of the execution of this Assurance, PSCH shall revise the policies and procedures set out in its employment policy manual regarding severance to be paid upon termination of employment of non-union employees of PSCH to include a provision that severance may not be paid under circumstances where the employee resigns voluntarily or where employment is terminated for cause.

80. Within 60 days of the execution of this Assurance, PSCH shall adopt policies and procedures concerning the use of vehicles purchased by PSCH provided for the benefit of any of its employees. Such policies and procedures shall comply with regulations issued by the Internal Revenue Service concerning use of employer-supplied vehicles.

81. Within 60 days of the execution of this Assurance, PSCH shall adopt policies and procedures concerning the use of PSCH's corporate credit card and reimbursement of employees for expenses, including travel and entertainment expenses. Such policies and procedures shall, at

a minimum, require receipts, a statement of the business purpose of the expense and identification of the persons involved; PSCH shall not permit employees to use the corporate credit card, or reimburse employees, for travel and entertainment expenses in the absence of such items.

82. PSCH shall maintain accurate records of the expenses and properly categorize the expenses for financial reporting purposes. PSCH shall not include purchases of alcoholic beverages as expenses allocable for reimbursement on the Consolidated Financial Report filed with OMH, OMR and other New York State agencies.

83. PSCH shall provide the OAG with a copy of the policies and procedures identified in paragraphs 78 through 82 above, for its review. PSCH agrees to make reasonable changes, additions or deletions to such policies and procedures as may be requested by the OAG.

Counsel

84. PSCH has retained Holland & Knight as counsel to the Board.

Lobbying and other Contacts with Government Representatives

85. PSCH shall confer with counsel to the Board to develop policies and procedures, concerning PSCH's contacts with elected officials that meet all applicable requirements of New York State, New York City and federal laws. Such procedures shall include identifying the PSCH employee(s) making the contact, the government office contacted, the purpose of the contact, and any expenses associated with the contact. In particular, PSCH shall review with counsel the political and lobbying activities of Clean Corp., a for-profit subsidiary of PSCH. PSCH shall provide the OAG with a copy of such policies and procedures for its review within 90 days of the execution of this Assurance. PSCH agrees to make reasonable changes, additions or deletions to such policies and procedures as may be requested by the OAG.

86. PSCH shall not provide money to any PSCH employee or any other individual or entity for the purpose of making a contribution to a "friends of" organization, or to the political campaign, of any elected government official or any candidate for public office.

FSD

87. FSD represents that it has received a letter of resignation from Farkas to the Board of Directors of FSD, effective as of May 8, 2008.

88. FSD represents that it has obtained all records concerning FSD that Farkas may have maintained at 1 Tracklot Road, Nissequogue, New York, and that it has transferred such records to PSCH for retention according to PSCH's standard record retention procedures applicable to financial records.

89. Upon the execution of this Assurance, FSD shall pay PSCH \$2,206,814, representing the amount that PSCH paid to FSD in June 1998, plus appreciation. FSD shall provide proof of payment to the OAG within 10 days of the payment date.

90. Following the payment to PSCH and receipt of funds from Farkas, FSD shall have in excess of \$720,000 for distribution and payment of reasonable expenses. Within 90 days after the execution of this Assurance, FSD shall (a) identify to the OAG organizations with tax-exempt status pursuant to IRC 501(c)(3) to which FSD proposes to make grants, and (b) provide a description of each proposed grant and the program(s) that it will support. Grants made by FSD shall be in furtherance of its stated mission "to promote public policy, plans and practices that prevent and reduce the impact of disabilities and that empower and assist individuals with disabilities and their families to exercise their rights and achieve interdependence, independence and inclusion in full society." Only after the OAG has reviewed and approved FSD's grant proposals, shall FSD distribute funds to the grantees.

91. Within 120 days after the execution of this Assurance, FSD shall submit to the OAG an application to dissolve the corporation without assets (the "Application"). FSD shall then proceed to complete a dissolution without assets pursuant to the laws of the State of New York.

92. FSD shall make no distributions or expenditures from its assets except as provided in paragraphs 89 and 90, above, and to pay reasonable legal and accounting expenses.

93. If FSD determines to seek approval for any distribution or expenditure other than as described above, FSD shall provide the Attorney General with a detailed written description stating the amount proposed to be distributed or spent, the purpose for which it is to be so distributed or spent, and the name of the person or entity proposed to receive the distribution or expenditure, no less than fifteen (15) business days prior to the date on which said distribution or expenditure is proposed to occur. As of the date hereof, FSD knows of no reason to make such a distribution or expenditure.

94. FSD agrees that it will file its IRS Form 990 and New York Form CHAR500 for the fiscal years ending March 31, 2006, March 31, 2007, March 31, 2008, and a final Form 990 and CHAR500 for a portion of the fiscal year ending March 31, 2009 with the Charities Bureau of the Attorney General of the State of New York on or before December 31, 2008.

Monitoring by the OAG

95. For a period of three years from the date of the Assurance, PSCH shall subject itself to monitoring by the OAG. This monitoring shall consist of (a) providing copies of minutes of meetings of the PSCH's Board, and each committee thereof, and of any resolutions and or corporate actions taken by the Board to the OAG, in each case within 30 days of the date of those actions/events; (b) providing copies of the PSCH's audited financial statements and Form 990 to

the Attorney General within 30 days of each of those documents being finalized; and (c) providing such other information as the Attorney General may request from time to time.

Miscellaneous

96. Nothing contained herein shall be construed as relieving PSCH and FSD of the obligation to comply with all state and federal laws, regulations or rules, nor shall any of the provisions of this Assurance be deemed permission to engage in any act or practice prohibited by such law, regulation or rule.

97. The acceptance of this Assurance by the OAG shall not be deemed approval by the OAG of any of PSCH's practices or procedures and PSCH shall make no representations to the contrary.

98. This Assurance is contingent on and relies on the truthfulness and accuracy of representations made by PSCH and FSD herein and during this investigation, including the negotiation of this Assurance.

99. This Assurance shall be binding upon and extend to PSCH, FSD, their employees, officers, directors, and any other person or entity whose acts, practices or policies are controlled by PSCH or FSD.

100. All notices, reports, requests and other communications to any party pursuant to this Assurance shall be in writing and shall be deemed to have been duly given when delivered in person, by overnight courier, by certified mail return receipt requested or by facsimile to:

If to the PSCH, to:

Daniel Kurtz, Esq.  
Holland + Knight  
195 Broadway  
New York, NY 10007  
Tel.: (212) 512-3480  
Fax: (212) 385-9010

If to FSD, to:

R. Scott Greathead, Esq.  
Wiggin and Dana  
450 Lexington Avenue  
New York, NY 10017-3913  
Tel: (212) 551-2615  
Fax: (212) 490-0536

If to the OAG, to:

New York State Attorney General  
Charities Bureau  
Third Floor  
120 Broadway  
New York, NY 10271  
Attn: Carolyn T. Ellis, Esq.  
Tel.: (212) 416-8389  
Fax.: (212) 416-8393

Or to such other address or facsimile number as such party may hereafter specify for the purpose by written notice to the other parties to this Assurance. Each such notice, request or other communication shall be effective (i) if delivered in person, when such delivery is made; (ii) if delivered by overnight courier, the next business day after such delivery is sent; (iii) if delivered by certified mail return receipt requested, as of the date noted as the date of delivery on the return receipt or (iv) if delivered by facsimile, when such facsimile is transmitted and the appropriate confirmation is received. All notices, requests, or other communication pursuant to this Assurance shall reference AOD No. 08-109.

101. This Assurance may not be amended, except by an instrument in writing signed on behalf of all the parties to this Assurance.

102. This Assurance shall be binding on and inure to the benefit of the parties to this Assurance and their respective heirs, successors and assigns, provided that no party, other than the OAG, may assign, delegate or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the OAG.

103. PSCH and FSD individually represent and warrant, through the signatures below, that the Board of Directors of each corporation has duly approved the terms and conditions, and execution, of this Assurance. Each corporation agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in this Assurance or creating the impression that this Assurance is without factual basis. Nothing in this paragraph affects PSCH's or FSD's (including any employee of such corporations): (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the OAG is not a party.

104. This Assurance constitutes the entire agreement, and supersedes all prior Assurances, agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Assurance.

105. The use of titles in this Assurance is for purposes of clarity only.

106. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held to be invalid, illegal or unenforceable in any respect, no party shall assert that such invalidity, illegality or unenforceability affects any other provision of this Assurance.



107. The OAG retains the right under Executive Law § 63(15) to compel compliance with this Assurance. Evidence of violation of the Assurance shall constitute prima facie proof of violation of the applicable law in any civil action or proceeding thereafter commenced by the OAG. Should it be determined that a breach or other violation of this Assurance has occurred, said breaching party shall pay to the OAG the cost, if any, of such determination and of enforcing this Assurance, including, without limitation, legal fees, expenses and court costs. The OAG, in addition, in its sole discretion have the right to resume the investigation discontinued pursuant to this Assurance and to seek whatever remedies may be available to him thereafter.

IN WITNESS WHEREOF, this Assurance is executed by the parties hereto as of the 22<sup>nd</sup> day of ~~August~~ <sup>September</sup>, 2008.

ANDREW M. CUOMO, ATTORNEY GENERAL  
OF THE STATE OF NEW YORK

By: Carolyn T. Ellis  
Carolyn T. Ellis  
Assistant Attorney General  
Section Chief  
Charities Bureau

PSCH, INC.

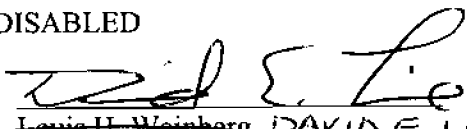
By: Kristina Romanzi ANAN M. WEINSTEIN  
Kristina Romanzi ~~Chair person of the Board of Directors~~  
~~President, PSCH~~

HOLLAND + KNIGHT  
Counsel to PSCH

By: Daniel Kurtz, Esq.  
Daniel Kurtz, Esq.  
Partner

FOUNDATION FOR SUPPORTERS OF  
THE DISABLED

By:

  
~~Louis H. Weinberg~~ DAVID E. LURIE  
Board Member

WIGGIN & DANA  
Counsel to FSD

By:

\_\_\_\_\_  
R. Scott Greathead, Esq.  
Partner

FOUNDATION FOR SUPPORTERS OF  
THE DISABLED

By: /s/ David Lurie  
~~Louis H. Weinberg~~  
Board Member


WIGGIN & DANA  
Counsel to FSD

By: [Signature]  
R. Scott Greathead, Esq.  
Partner

**EXHIBIT A**

COPY

**SEPARATION AGREEMENT AND GENERAL RELEASE**

 This Separation Agreement and General Release (the "Agreement") is made and entered into as of this 11th day of August, 2008 by and between PSCH Inc., a New York not-for-profit corporation with an office located at 22-44 119<sup>th</sup> Street, College Point, New York 11356, its subsidiaries, successors, assigns, agents, affiliates, directors, and officers (collectively "PSCH or the Organization"), and Ralph D. Farkas residing at One Tracklot Road, Nissequogue, New York 11780, ("Farkas").

**WHEREAS**, Farkas and PSCH ("the Parties") have consulted their respective legal counsel and received independent legal advice from their attorneys with respect to their legal rights in connection with the execution of this Agreement; and

**WHEREAS**, the Parties wish to settle and resolve all matters and potential disputes arising out of Farkas' employment with PSCH and Farkas' separation from PSCH in a manner that will obviate the need for any litigation whatsoever between the Parties; and

**WHEREAS**, the Parties agree that they are entering into this Agreement freely and voluntarily.

**NOW, THEREFORE**, in consideration of the mutual covenants contained in this Agreement and for good and valuable consideration, the receipt and sufficiency of which are acknowledged, it is agreed, by and between the Parties, as follows:

1. Recitals. The Recitals set forth above are incorporated by reference and are made an integral part of this Agreement.
2. PSCH has employed Farkas for approximately 28 years as President and CEO. The Parties mutually concluded their employment relationship effective as of the close of business, January 15, 2008.
3. Consideration. PSCH hereby agrees to provide good and valuable consideration described in sub-paragraphs (a) through (f) below to Farkas in exchange for Farkas' execution of this Agreement and for Farkas' release and waiver of any and all claims, whether or not known or asserted, related to his employment with and separation from PSCH as described in Paragraphs 4, 5, 8, and 9.

(a) upon the execution of this Agreement, PSCH shall deliver to Holland & Knight LLP, in escrow, the sum of one million, and one hundred and five thousand dollars, (\$1,105,000) (which represents severance pay, accrued and unused vacation and sick days less certain past premiums on life insurance paid by PSCH) less all applicable state and federal withholding taxes (the "Payment"). In addition, Farkas shall retain Mass Mutual life insurance policy Nos. 8666422 and 8811593, which he currently owns and may surrender without any further repayment to PSCH for the premiums paid relating to such policies.

(b) Upon the expiration of the time periods set forth in Paragraph 16 below, Holland & Knight LLP shall deliver the Payment as follows:

(i) the sum of two hundred and twenty thousand dollars (\$220,000) to R. Scott Greathead, Esq., counsel for the Foundation for the Supporters of the Disabled, Inc. ("FSD"), pursuant to the terms of the Settlement Agreement and General Release between Farkas and FSD dated August 21, 2008; and

(ii) the balance of the Payment to Farkas;

(c) on May 15, 2008, Farkas or his designated payee (such as an I.R.A. rollover account) received all monies and ERISA benefits to which he is legally entitled to and due him under PSCH's Profit Sharing Plan and PSCH's Retirement Plan (the "Plans"), including all amounts accrued in Farkas' accounts maintained in the Plans, together with all earnings and changes in value through the date of certification as provided by the Organization's independent actuary. Farkas waives and releases the fiduciaries of the Plans from any and all claims arising out of their duties with respect to the Plans;

(d) PSCH shall seek in good faith to obtain from its current insurer, and any relevant future insurer, an exception to cover Farkas under PSCH's group health insurance policy until such time as Farkas obtains other employment or becomes eligible for Medicare whichever is earlier. Farkas shall pay the full premium charged by the insurance carrier for such health insurance coverage without any contribution by PSCH. Health insurance benefits and premiums for PSCH employees and Farkas are subject to change. If PSCH changes health insurance carriers, PSCH will use reasonable efforts to continue the exception for Farkas;

(e) PSCH will not oppose or in any manner contest Farkas' application for or rights to New York State unemployment insurance benefits. Within three days of entering into this agreement, an appropriate corporate officer shall deliver to Holland & Knight, in escrow, an affidavit reflecting the circumstances of Farkas' forced resignation from PSCH, which Holland & Knight shall deliver to Farkas, upon request, if his application or right to New York State unemployment insurance benefits is questioned; and

(f) PSCH its subsidiaries, successors, assigns, agents, affiliates, directors, and officers shall not take any actions or make any statements, written or oral, which disparage or defame Farkas.

4. Non-Disparagement. In exchange for the good and valuable consideration being given to Farkas as detailed in Paragraph (3)(a) through (f) above, Farkas shall not take any actions or make any statements, written or oral, which disparage or defame the goodwill or reputation of

PSCH, its directors, officers, agents, executives and employees or which could adversely affect the reputation or good standing of PSCH or any of its directors, officers, or employees. Without admitting or denying the findings of the Office of the Attorney General of the State of New York's ("OAG") in its Assurance of Discontinuance, Farkas agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, the OAG's findings in the Assurance or creating the impression that the Assurance is without factual basis.

5. Farkas' Release. In exchange for the good and valuable consideration being given to Farkas detailed in Paragraph (3)(a) through (f) above, Farkas hereby releases PSCH its subsidiaries, successors, assigns, agents, affiliates, directors, and officers from any and all claims, whether or not known or asserted, related to his employment relationship with PSCH or his separation therefrom, to the date Farkas executes this Agreement whether denominated claims, demands, causes of action, obligations, damages or any other liabilities, including, but not limited to claims arising under the following city, county, state, federal or local laws, rules, administrative codes or regulations;

(a) Anti-discrimination statutes, such as the Age Discrimination in Employment Act ("ADEA"); and Executive Order 11141, which prohibits age discrimination in employment; Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1866 (42 U.S.C. § 1981), and Executive Order 11246, The Uniformed Services Employment and Reemployment Rights Act, ("USERRA"), 38 U.S.C. 4301-4334; the Equal Pay Act; the Americans with Disabilities Act ("ADA") and Sections 503 and 504 of the Rehabilitation Act of 1973, which prohibits discrimination against the disabled; the New York State Constitution and Amendments thereto; the New York State Human Rights Law, New York Executive Law, Art. 15 § 290 et seq; the New York Equal Pay Law; N.Y. Labor Law §§ 194-198 et seq; the New York Minimum Wage Law, as amended; N.Y. Labor Law, Art. 19, § 651 et seq; the New York Occupational Safety and Health Laws; the New York Non-Discrimination for Legal Activities Law, N.Y. Labor Law § 201-d; the New York Whistleblower Law, N.Y. Labor Law § 740 et seq; New York State Labor Law § 193; The New York City Human Rights Law, N.Y. City Admin. Code § 8-107 et seq; New York Workers' Compensation Law § 1 et seq and any city, county, state, federal or local laws prohibiting employment discrimination of any kind.

(b) Federal and State employment statutes, such as the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. 1001 et seq; the Family and Medical Leave Act of 1993 ("FMLA"), 29 U.S.C. §§ 2601 et seq; the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq, as amended; Older Workers Benefit Protection Act of 1990; the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681 et seq; and any other city, county, state, federal or local laws relating to employment, labor, employment discrimination, disability, wages and hours, overtime, minimum wage and leave.

(c) Statutory Indemnity, such as the New York Not-For-Profit Corporation law ("NPCL") which provides, *inter alia*, for the indemnification of directors and officers.

(d) Other laws, rules, administrative codes or regulations, such as city, county, state, federal or local laws providing workers' compensation benefits, disability benefits, laws

restricting an employer's right to terminate employees, or otherwise regulating employment; any federal, state, or local law enforcing express or implied employment contracts or requiring an employer to deal with employees fairly or in good faith; any other federal, state, or local laws providing recourse for alleged wrongful discharge, physical or personal injury, emotional distress, fraud, negligent misrepresentation, defamation, and similar or related claims. The laws referred to hereinabove include statutes, regulations, and/or other administrative guidelines, and common law doctrines.

6. PSCH's Release. In consideration of Farkas' release of PSCH as set forth above in Paragraph 5 and Farkas' execution of this Agreement and as a material inducement for the execution of this Agreement, PSCH its subsidiaries, successors, assigns, agents, affiliates, directors, and officers hereby release Farkas from any and all claims, whether or not known or asserted, related to his employment relationship with PSCH or the separation therefrom, to the date PSCH executes this Agreement whether denominated claims, demands, causes of action, obligations, damages or any other liabilities, including, without limitation, reimbursement for his legal fees and expenses in connection the investigation of PSCH by the Office of the Attorney General of the State of New York.

7. Neutral Reference. It is understood that any and all references and communications by PSCH regarding Farkas and his employment at PSCH will be neutral. The parties agree that references and communications regarding Farkas' employment with PSCH will be limited to name, job title, dates of employment, salary and benefits history.

8. Future Employment. Farkas covenants and agrees that he shall not, at any time or in any place, in the future seek, apply for, or accept employment of any kind, including as an independent contractor, with PSCH or its subsidiaries, successors, assigns and affiliates. PSCH covenants and agrees that it shall not, at any time or in any place, in the future offer Farkas employment of any kind, including as an independent contractor, with PSCH or its subsidiaries, successors, assigns and affiliates.

9. Equal Employment Opportunity Commission. Nothing in this Agreement shall be construed to prohibit Farkas from filing a charge with or participating in any investigation or proceedings conducted by the Equal Employment Opportunity Commission or a comparable city, state, federal or local agency. Notwithstanding the foregoing, Farkas hereby waives his right to recover monetary damages in any charge, complaint, or lawsuit filed by him or by anyone else on his behalf against PSCH or its affiliates in connection therewith.

10. No Admission of Liability. PSCH and Farkas agree and understand that this Agreement is a release of Farkas' claims against PSCH and PSCH's claims against Farkas with respect to all claims arising out of Farkas' employment with and separation from PSCH and that this Agreement does not constitute an admission of liability on the part of either party or an admission of any violation of any applicable city, county, state, federal or local laws.

11. Authority. The Organization has full corporate power and authority to execute and deliver this Agreement and the ancillary agreements to which it is a party, and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and the



ancillary agreements to which the Organization is a party, the performance of the Organization's obligations hereunder and thereunder have been duly authorized by all requisite action of the Organization. This Agreement constitutes, and each such ancillary agreement when so executed and delivered by the Organization will constitute, the legal, valid and binding obligation of the Organization enforceable against it in accordance with its respective terms.

12. Entire Agreement. PSCH and Farkas acknowledge that this Agreement constitutes a full, final, and complete settlement of their differences and supersedes and replaces any and all other written or oral exchanges, other agreements, understandings, arrangements, or negotiations between or among them relating to the subject matter of this Agreement and affirmatively state that there are no other prior or contemporaneous Agreements, exchanges, representations, arrangements.

13. Applicable Law and Mutual Submission to New York Jurisdiction. This Agreement is made and entered into in the State of New York and shall in all respects be interpreted, enforced and governed under New York law. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning and not strictly for or against any of the Parties. Further, the Parties hereby submit to the jurisdiction of the state and federal courts in the state of New York, as appropriate.

14. Severability. Should any provision of this Agreement be declared or determined by any Court of competent jurisdiction to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions shall not be affected.

15. Counterparts Acceptable. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

16. Older Workers Benefit Protection Act. Farkas understands that, pursuant to the Older Workers Benefit Protection Act of 1990, if applicable, Farkas has been advised to consult with an attorney before signing this Agreement, Farkas had twenty-one (21) days to consider the Agreement before signing it, and may revoke the Agreement within seven (7) calendar days after signing it. Farkas further understands that the Agreement will not become effective or enforceable until the seven (7) day revocation period has expired and he has received all consideration set forth in paragraphs 3(a) and (b) above.

17. Breach. In the event of a breach of any of the non-disparagement provisions of this Agreement, the non-breaching party may seek injunctive relief, money damages resulting from the breach, costs and reasonable attorneys' fees. In the event that a lawsuit is brought asserting any claim covered in Paragraph 5, PSCII may plead this agreement in bar to any such claim. With respect to any claim pursuant to Paragraph 3(b) or Paragraph 4, PSCH or Farkas, as the case may be, may plead this agreement in bar to any such claim.

18. Headings. The paragraph headings included herein are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

19. Notices. All notices and other communications to any party pursuant to this Agreement shall be in writing and shall be directed as follows:

If to Farkas to:

Ralph Farkas  
One Tracklot Road  
Nissequogue, NY 11780

With a copy to:

Richard Schneyer, Esq.  
Tannenbaum Helpern Syracuse  
& Hirschtritt LLP  
900 Third Avenue  
New York, NY 10022

If to PSCH to:

Alan Weinstock  
President  
PSCH, Inc.  
22-44 119<sup>th</sup> Street  
College Point, NY 11356  
With a copy to:

Daniel L. Kurtz, Esq.  
Holland & Knight LLP  
195 Broadway  
New York, NY 10007

20. Understanding. This Agreement and Release, consisting of five (6) pages containing twenty (20) paragraphs constitute the entire Agreement between Farkas and PSCH with respect to Farkas' employment and separation from PSCH and shall not be amended, modified, or amplified without specific written provision to that effect signed by all parties. No oral statement of any person shall, in any manner or degree, modify or otherwise affect the terms of this Agreement.

In witness thereof, the Parties have signed this Agreement on the dates set forth in the notarization of their respective signatures.

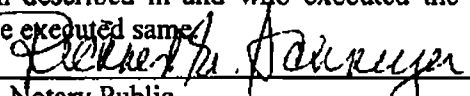


RALPH FARKAS

Dated: 9/11/08


On this 11<sup>th</sup> day of September, 2008, before me personally came Ralph Farkas, known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed same.

RICHARD E. SCHNEYER  
Notary Public, State of New York  
No. 02500135145

  
Notary Public

Qualified in Westchester County  
Commission Expires December 31, 2010

PSCH INC.



NAME Alan Weinstock

TITLE President

Dated: September 15, 2008

On this 15<sup>th</sup> day of SEPTEMBER, 2008, before me personally came NAME, TITLE of PSCH, Inc., known to me to be the person described in and who executed the foregoing instrument, and acknowledged that he executed same in his capacity as TITLE of PSCH, Inc.

  
Notary Public

# 5553447\_v2

SHARON DANENBERG  
Notary Public, State of New York  
No. 41 4638791 - Nassau County  
Term Expires June 30, 2010

**EXHIBIT B**

**SEPARATION AGREEMENT AND GENERAL RELEASE**

This Separation Agreement and General Release (the "Agreement") is made and entered into as of this 21<sup>st</sup> day of August, 2008 by and between Foundation for the Supporters of the Disabled, Inc. ("FSD"), a New York not-for-profit corporation with an office located at 22-44 119<sup>th</sup> Street, College Point, New York 11356, its subsidiaries, successors, assigns, agents, affiliates, directors, and officers (collectively "FSD or the Organization"), and Ralph D. Farkas residing at One Tracklot Road, Nissequogue, New York 11780, ("Farkas").

**WHEREAS**, Farkas and FSD ("the Parties") have consulted their respective legal counsel and received independent legal advice from their attorneys with respect to their legal rights in connection with the execution of this Agreement; and

**WHEREAS**, the Parties wish to settle and resolve all matters and potential disputes arising out of Farkas' employment and as a director with FSD, and Farkas' separation from FSD in a manner that will obviate the need for any litigation whatsoever between the Parties; and

**WHEREAS**, the Parties agree that they are entering into this Agreement freely and voluntarily.

**NOW, THEREFORE**, in consideration of the mutual covenants contained in this Agreement and for good and valuable consideration, the receipt and sufficiency of which are acknowledged, it is agreed, by and between the Parties, as follows:

1. Recitals. The Recitals set forth above are incorporated by reference and are made an integral part of this Agreement.
2. FSD has employed Farkas as President, CEO and as a Director. The Parties mutually concluded their employment relationship effective as of the close of business, on May 8, 2008. Farkas hereby certifies that he has no FSD property in his possession or under his control, and that to the best of his knowledge, all FSD property is located at the corporate offices.
3. Consideration. FSD hereby agrees to provide good and valuable consideration described in sub-paragraphs (a) through (c) below to Farkas in exchange for Farkas' execution of this Agreement and for Farkas' release and waiver of any and all claims, whether or not known or asserted, related to his employment with and separation from FSD as described in Paragraphs 4, 5, 7, and 8.

(a) Upon the expiration of the time periods set forth in Paragraph 15 below, R. Scott Greathead, Esq., Authorized Representative of FSD, shall receive the sum of

Two Hundred Twenty Thousand (\$220,000) from Farkas by certified check delivered by Holland & Knight;

(b) FSD's Release. In consideration of Farkas' release of FSD as set forth below in Paragraph 5, and Farkas' execution of this Agreement, and as a material inducement for the execution of this Agreement, FSD its subsidiaries, successors, assigns, agents, affiliates, directors, and officers hereby release Farkas from any and all claims, whether or not known or asserted, related to his employment relationship with FSD or the separation therefrom, to the date FSD executes this Agreement whether denominated claims, demands, causes of action, obligations, damages or any other liabilities.

(c) FSD its subsidiaries, successors, assigns, agents, affiliates, directors, and officers shall not take any actions or make any statements, written or oral, which disparage or defame Farkas.

4. Non-Disparagement. In exchange for the good and valuable consideration being given to Farkas as detailed in Paragraph (3)(a) through (c) above, Farkas shall not take any actions or make any statements, written or oral, which disparage or defame the goodwill or reputation of FSD, its directors, officers, agents, executives and employees or which could adversely affect the reputation or good standing of FSD or any of its directors, officers, or employees. Without admitting or denying the findings of the Office of the Attorney General of the State of New York's ("OAG") in its Assurance of Discontinuance, Farkas agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, the OAG's findings in the Assurance or creating the impression that the Assurance is without factual basis.

5. Farkas' Release. In exchange for the good and valuable consideration being given to Farkas detailed in Paragraph 3(a) through (c), Farkas hereby releases FSD its subsidiaries, successors, assigns, agents, affiliates, directors, and officers from any and all claims, whether or not known or asserted, related to his employment relationship with FSD or his separation therefrom, to the date Farkas executes this Agreement whether denominated claims, demands, causes of action, obligations, damages or any other liabilities, including, but not limited to claims arising under the following city, county, state, federal or local laws, rules, administrative codes or regulations;

(a) Anti-discrimination statutes, such as the Age Discrimination in Employment Act ("ADEA"); and Executive Order 11141, which prohibits age discrimination in employment; Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1866 (42 U.S.C. § 1981), and Executive Order 11246, The Uniformed Services Admitting or Employment and Reemployment Rights Act, ("USERRA"), 38 U.S.C. 4301-4334; the Equal Pay Act; the Americans with Disabilities Act ("ADA") and Sections 503 and 504 of the Rehabilitation Act of 1973, which prohibits discrimination against the disabled; the New York State Constitution and Amendments thereto; the New York State

Human Rights Law, New York Executive Law, Art. 15 § 290 et seq; the New York Equal Pay Law; N.Y. Labor Law §§ 194-198 et seq; the New York Minimum Wage Law, as amended; N.Y. Labor Law, Art. 19, § 651 et seq; the New York Occupational Safety and Health Laws; the New York Non-Discrimination for Legal Activities Law, N.Y. Labor Law § 201-d; the New York Whistleblower Law, N.Y. Labor Law § 740 et seq; New York State Labor Law § 193; The New York City Human Rights Law, N.Y. City Admin. Code § 8-107 et seq; New York Workers' Compensation Law § 1 et seq and any city, county, state, federal or local laws prohibiting employment discrimination of any kind.

(b) Federal and State employment statutes, such as the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. 1001 et seq; the Family and Medical Leave Act of 1993 ("FMLA"), 29 U.S.C. §§ 2601 et seq; the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq, as amended; Older Workers Benefit Protection Act of 1990; the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681 et seq; and any other city, county, state, federal or local laws relating to employment, labor, employment discrimination, disability, wages and hours, overtime, minimum wage and leave.

(c) Statutory Indemnity, such as the New York Not-For-Profit Corporation law ("NPCL") which provides, *inter alia*, for the indemnification of directors and officers.

(d) Other laws, rules, administrative codes or regulations, such as city, county, state, federal or local laws providing workers' compensation benefits, disability benefits, laws restricting an employer's right to terminate employees, or otherwise regulating employment; any federal, state, or local law enforcing express or implied employment contracts or requiring an employer to deal with employees fairly or in good faith; any other federal, state, or local laws providing recourse for alleged wrongful discharge, physical or personal injury, emotional distress, fraud, negligent misrepresentation, defamation, and similar or related claims. The laws referred to hereinabove include statutes, regulations, and/or other administrative guidelines, and common law doctrines.

6. Neutral Reference. It is understood that any and all references and communications by FSD regarding Farkas and his employment at FSD will be neutral. The parties agree that references and communications regarding Farkas' employment with FSD will be limited to name, job title, dates of employment, salary and benefits history.

7. Future Employment. Farkas covenants and agrees that he shall not, at any time or in any place, in the future seek, apply for, or accept employment of any kind, including as an independent contractor, with FSD or its subsidiaries, successors, assigns and affiliates. FSD covenants and agrees that it shall not, at any time or in any place, in the future offer Farkas employment of any kind, including as an independent contractor, with FSD or its subsidiaries, successors, assigns and affiliates.

8. Equal Employment Opportunity Commission. Nothing in this Agreement shall be construed to prohibit Farkas from filing a charge with or participating in any investigation or proceedings conducted by the Equal Employment Opportunity Commission or a comparable city, state, federal or local agency. Notwithstanding the foregoing, Farkas hereby waives his right to recover monetary damages in any charge, complaint, or lawsuit filed by him or by anyone else on his behalf against FSD or its affiliates in connection therewith.

9. No Admission of Liability. FSD and Farkas agree and understand that this Agreement is a release of Farkas' claims against FSD and FSD's claims against Farkas with respect to all claims arising out of Farkas' employment with and separation from FSD and that this Agreement does not constitute an admission of liability on the part of either party or an admission of any violation of any applicable city, county, state, federal or local laws.

10. Authority. The Organization has full corporate power and authority to execute and deliver this Agreement and the ancillary agreements to which it is a party, and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and the ancillary agreements to which the Organization is a party, the performance of the Organization's obligations hereunder and thereunder have been duly authorized by all requisite action of the Organization. This Agreement constitutes, and each such ancillary agreement when so executed and delivered by the Organization will constitute, the legal, valid and binding obligation of the Organization enforceable against it in accordance with its respective terms.

11. Entire Agreement. FSD and Farkas acknowledge that this Agreement constitutes a full, final, and complete settlement of their differences and supersedes and replaces any and all other written or oral exchanges, other agreements, understandings, arrangements, or negotiations between or among them relating to the subject matter of this Agreement and affirmatively state that there are no other prior or contemporaneous Agreements, exchanges, representations, arrangements.

12. Applicable Law and Mutual Submission to New York Jurisdiction. This Agreement is made and entered into in the State of New York and shall in all respects be interpreted, enforced and governed under New York law. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning and not strictly for or against any of the Parties. Further, the Parties hereby submit to the jurisdiction of the state and federal courts in the state of New York, as appropriate.

13. Severability. Should any provision of this Agreement be declared or determined by any Court of competent jurisdiction to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions shall not be affected.



14. Counterparts Acceptable. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

15. Older Workers Benefit Protection Act. Farkas understands that, pursuant to the Older Workers Benefit Protection Act of 1990, if applicable, Farkas has been advised to consult with an attorney before signing this Agreement, Farkas had twenty-one (21) days to consider the Agreement before signing it, and may revoke the Agreement within seven (7) calendar days after signing it. Farkas further understands that the Agreement will not become effective or enforceable until the seven (7) day revocation period has expired and he has received all consideration set forth in Paragraphs 3(a) through (c) above.

16. Breach. In the event of a breach of any of the non-disparagement provisions of this Agreement, the non-breaching party may seek injunctive relief, money damages resulting from the breach, costs and reasonable attorneys' fees. In the event that a lawsuit is brought asserting any claim covered in the Paragraphs 3(b) or 5, Farkas, or FSD, as the case may be, may plead this agreement in bar to any such claim.

17. Headings. The paragraph headings included herein are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

18. Notices. All notices and other communications to any party pursuant to this Agreement shall be in writing and shall be directed as follows:

If to Farkas to:  
Ralph Farkas  
One Tracklot Road  
Nissequogue, NY 11780

With a copy to:  
Richard Schneyer, Esq.  
Tannenbaum Helpert Syracuse  
& Hirschtritt LLP  
900 Third Avenue  
New York, NY 10022

If to FSD to:  
R. Scott Greathead, Esq.  
Authorized Representative  
Foundation for the Supporters of the Disabled, Inc.  
c/o Wiggins & Dana  
450 Lexington Avenue  
New York, New York 10017

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Page 1

c/o Wiggins &amp; Dana

450 Lexington Avenue

New York, New York 10017

19. Understanding. This Agreement and Release, consisting of six (6) pages containing nineteen (19) paragraphs constitute the entire Agreement between Farkas and FSD with respect to Farkas' employment and separation from FSD, and shall not be amended or modified unless in writing signed by all parties.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the dates set forth in the notarization of their respective signatures.

  
RALPH D. FARKAS

FOUNDATION FOR THE

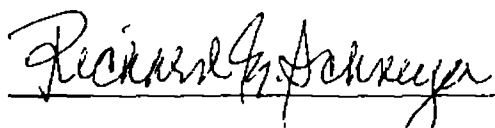
SUPPORTERS OF THE DISABLED, INC.

By: \_\_\_\_\_

r. scott greathead, Esq.

authorized REPRESENTATIVE

On this 11<sup>th</sup> day of September, 2008, before me personally came Ralph Farkas, known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed same.



RICHARD E. SCHNEYER  
Notary Public, State of New York  
No. 02SC8835145  
Qualified in Westchester County  
Commission Expires December 31, 2010

<http://mail.google.com/mail/?ui=1&attid=0.1&disp=vah&view=att&th=11bfc08e92f7bf5b> 8/25/2008

19. Understanding. This Agreement and Release, consisting of six (6) pages containing nineteen (19) paragraphs constitute the entire Agreement between Farkas and FSD with respect to Farkas' employment and separation from FSD, and shall not be amended or modified unless in writing signed by all parties.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the dates set forth in the notarization of their respective signatures.

\_\_\_\_\_  
RALPH D. FARKAS

FOUNDATION FOR THE  
SUPPORTERS OF THE DISABLED, INC.

By:   
R. SCOTT GREATHEAD, ESQ.  
AUTHORIZED REPRESENTATIVE

On this \_\_\_\_ day of August, 2008, before me personally came Ralph Farkas, known to me to be the person described in and who executed the foregoing instrument and acknowledged that he executed same.

\_\_\_\_\_  
NOTARY PUBLIC

On this 21 day of August, 2008, before me personally came of R. Scott Greathead, Authorized Representative of the Foundation for the Supporters of the Disabled, Inc., known to me to be the person described in and who executed the foregoing instrument, and acknowledged that he executed same in his capacity as Authorized Representative of the Foundation for the Supporters of The Disabled, Inc.

\_\_\_\_\_  
*Jahaida Dari*  
Notary Public

JAHADA DARI  
Notary Public, State of New York  
No. 01DA6065352  
Qualified in New York County  
Commission Expires Oct. 15, 2009