MOTICE OF DEMURRER AND DEMURRER OF FOUNDATION DEFENDANTS TO PLAINTIFFS' VERIFIED COMPLAINT

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Chambers, Beth Lyons, Bertram Lee, John Murdock, and Lynn Chadwick (hereinafter, the "Foundation Defendants") to the Verified Complaint of plaintiffs has been set for hearing on April 10, 2001, at 9:00 a.m., or as soon thereafter as the matter may be heard, in Department 31 of the above-entitled Court, located at 201-13th Street, 2nd Floor, Oakland, California.

The Foundation Defendants hereby demur, jointly and severally, to the Verified Complaint filed by plaintiffs on each of the following grounds:

- The First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and 1. Tenth Causes of Action fail to state causes of action, because Plaintiffs have no standing.
- The Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth 2. Causes of Action fail to state causes of action, because Plaintiffs have no standing or authority to assert such claims.
- The First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and 3. Tenth Causes of Action fail to state causes of action against Defendants Mary Frances Berry, June Makela, Frank Millspaugh, Andrea Cisco, Ken Ford, David Acosta, Micheal Palmer, Robert Farrell, Karolyn Van Putten, Wendell Johns, Valrie Chambers, Beth Lyons, Bertram Lee, John Murdock, and Lynn Chadwick because defendants' alleged conduct is protected by the business judgment rule.
- The First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth Causes of Action fail to state causes of action against Defendant Lynn Chadwick.
- The First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and 5. Tenth Causes of Action fail to state causes of action against Defendants Mary Frances Berry, June Makela, Frank Millspaugh, Andrea Cisco, Ken Ford, David Acosta, Micheal Palmer, Robert Farrell, Karolyn Van Putten, Wendell Johns, Valrie Chambers, Beth Lyons, Bertram Lee, John Murdock, and Lynn Chadwick because Plaintiffs failed to comply with Code of Civil Procedure Section 425.15.
- The Sixth Cause of Action for an accounting fails to state a cause of action because Plaintiffs have no standing under Corporations Code Section 6336.

7.	The Seventh and Eighth Causes of Action fail to state causes of action
because Plaintiffs are not "members" under Corporations Code Section 5036.	

8. The First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth Causes of Action fail to state causes of action because they are preempted by federal law.

The demurrer will be based on this notice and demurrer, the request for judicial notice, the memorandum of points and authorities filed and served herewith, on the Court's files and records in this action, and on such other and further oral and documentary evidence as may be presented at the hearing on this demurrer.

Dated: March 20, 2001

EPSTEIN BECKER & GREEN, P.C.

WENDEL, ROSEN, BLACK & DEAN, LLP

Attorneys for Defendants

PACIFICA FOUNDATION, MARY FRANCES BERRY, JUNE MAKELA, FRANK

MILLSPAUGH, ANDREA CISCO,

KEN FORD, DÁVID ACOSTA, MICHEAL PALMER, ROBERT FARRELL, KAROLYN VAN PUTTEN, WENDELL JOHNS, VALRIE

CHAMBERS, BETH LYONS, BERTRAM

LEE, JOHN MURDOCK, and

LYNN CHADWICK