

November 11, 2008

**To the ERA Board of Directors and
Merger Committee:**

Gentlemen,

I have been asked to advise you of the results of the APRA Board meeting held in Las Vegas on October 31, 2008. At that meeting we discussed the contents of the e-mail message received on October 16, 2008 from the ERA Merger Committee via Committee Chairman Mike Schroeder. Frankly we were very surprised at the contents of your message as it differed substantively from the original proposal that was drafted with the input of members of your own Board of Directors over a more than two year period. We consider the contents of your message to be unworkable and have decided that to expend further time and energy on this issue to be futile until such time as your entire governing board has formed a consensus as to what they would like to see happen.

On October 23, 2008, I sent to your entire Merger Committee via e-mail, a proposal drafted by Dan Smith and myself, which contained an outline of a plan we were willing to present to the APRA Board of Directors. Dan and I took this step on our own hoping that we would be able to appease both groups. As we never received a reply to that message, we are further convinced that not all of your group is in favor of moving forward.

It saddens me to accept that this effort has failed as I continue to believe that it would have been in the best interest of the members of both organizations.

Sincerely,

Dennis Jacinto

Treasurer, APRA Executive Committee

ERA/APRA Merger Dies

November 13, 2008

To the Governing Board of the APRA:

We would like to present our side of what has transpired over the past few months.

What started out four years ago as seeking a better working relationship between the two associations somehow turned into

a merger proposal, put together by one ERA board member, one past ERA board member and three APRA board members. It was presented to the ERA's executive board in September. To be honest, members of our Board of Directors were caught by surprise. Only one member of that 11-person board was involved with the

ERA Proposal for Possible Merger Between ERA and APRA

October 16, 2008

1. The ERA would function as the Electrical Division of the APRA.
2. The ERA would retain its own bylaws, structure, administration and finances.
3. The ERA board would determine the future relationship with the ERE.
4. The ERA office would be retained until some point in the future when the ERA board determines it to be advantageous to pay the APRA for administrative support.
5. The ERA board would amend the bylaws to allow it to elect the APRA Electrical Chairman from within its ranks.
6. The ERA board would amend the bylaws to accept international members.
7. All suppliers would join the APRA and the APRA would pay the ERA (\$?) for each electrical supplier's ERA membership.
8. All rebuilders would join the ERA and the ERA would pay the APRA (\$?) for each rebuilder's APRA membership.
9. All members of the Electrical Division would receive full benefits of both the APRA and the ERA.
10. Income from all current APRA benefit programs will be retained by the APRA. Income from all current ERA benefit programs will be retained by the ERA.
11. Income from the sale of materials currently produced by the APRA will be retained by the APRA. Income from the sale of materials currently produced by the ERA will be retained by the ERA.

proposal and none of the others were ever consulted. Under that proposal, the ERA would have been acquired by the APRA. And the ERA would have been forced to abandon the very person and small business that founded the organization in 2001. There was no way that could have ever been acceptable to the ERA Board or, more importantly, the ERA membership.

A merger committee was formed in October to draft a counter-proposal that was approved by unanimous vote of the Board of Directors. That counter-proposal offered a way for the two associations to work together yet each remain independent and progress towards a possible merger down the road. The reply to that offer was just a more detailed reiteration of the original proposal. At that point, with less than a week before the APRA's annual meeting, there was simply not enough time to respond again. We regret the misunderstandings on both sides of this issue, but realize the differences between the two associations are too great to make a merger possible. We also regret the loss of a valued member of our executive board over this affair. His past contributions are greatly appreciated and he will be missed.

To be clear, the Electrical Rebuilder's Association is still willing to cooperate with the APRA or any other group for the betterment of the electrical rebuilding industry in North America. That has always been the case and will not change. It is our hope the APRA feels the same way. Animosity and ill feelings will only harm both organizations and the industry.

The merger committee has officially been dissolved.

**ERA Executive Board of Directors and
ERA Merger Committee**