

FITCHEVEN TABIN & FLANNERY
INTELLECTUAL PROPERTY LAW | EST. IN 1859

WRITER'S DIAL:
202.419.7008

WRITER'S E-MAIL:
EGRAY@FITCHEVEN.COM

August 11, 2009

VIA ELECTRONIC MAIL

Aaron Handleman, Esq.
Eccleston and Wolf, P.C.
2001 S St. NW, Suite 310
Washington, DC 20009

RE: Daley et al. v. Alpha Kappa Alpha Sorority, Inc. et al.
Case No. 09 CA 04456 B

Dear Mr. Handleman:

We are writing to inform you of a troubling new development. On Monday, we anonymously received the enclosed information (check stubs) showing very recent payments made by your client, Alpha Kappa Alpha Sorority, Inc. ("AKA") to Barbara McKinzie. These payments totaling Four Hundred Ninety Nine Thousand, Six Hundred Ninety Nine Dollars (\$499,699) were drawn from AKA's general fund and appear to have all been made after AKA became aware of possible litigation. In fact, a substantial portion of the payments were made after the instant lawsuit was served. Although these checks appear genuine, we, of course, cannot personally vouch for their authenticity. However, we trust that you, as counsel for the Sorority and the insurer, will verify whether these payments were made as indicated.

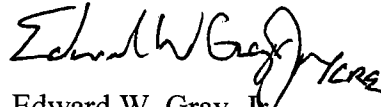
We further hope that you and the insurer will take immediate action to stop any further payments to Ms. McKinzie until the legitimacy of such payments is resolved by the court. To our knowledge, these payments were never approved by anyone and irreparably injure the Sorority. Indeed, the legality of the "retirement" payments that were made to McKinzie in previous years is at issue in the pending lawsuit. It is reckless for the Sorority and the insurer to allow the continuance of such payments subsequent to the initiation of this litigation.

We are very concerned that appropriate steps were not taken to safeguard AKA's assets during the litigation. We insist that AKA and its insurer take immediate and effective steps to institute internal controls to assure that such large payments to Barbara McKinzie are stopped during the litigation. We further expect that you and the insurer will work to recover any improper payments. We also trust you, as their counsel, have instructed AKA to retain all documents to prevent spoliation.

Mr. Aaron Handleman
Page Two

We appreciate your prompt attention and response to this matter. We look forward to hearing from you within the next two days.

Sincerely,
Fitch, Even, Tabin & Flannery


Edward W. Gray, Jr.

EWG:
cc: Julli Haller, Esq.

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

25963

REFERENCE NO.	INVOICE DATE	INVOICE DESCRIPTION	GROSS AMOUNT	DISCOUNT TAKEN	NET AMOUNT PAID
06220985	6/22/2009	Retirement	175,000.00	0.00	175,000.00
TOTAL >			175,000.00	0.00	175,000.00

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

25963

INTERNATIONAL HEADQUARTERS
5656 SOUTH STONY ISLAND AVENUE
CHICAGO, ILLINOIS 60637-1997
(773) 684-1282
GENERAL FUND

DATE: 6/19/2009
AMOUNT: ***175,000.00

BANK OF AMERICA
COMMERCIAL DISBURSEMENT ACCOUNT
CHICAGO, ILLINOIS 60601

PAY One Hundred Seventy-Five Thousand and 00/100*****


TO THE ORDER OF: Barbara McKinzie
301 Wysteria Drive
Olympia Fields, IL 60461-1229

*** COPY ***

VOID AFTER 180 DAYS

2120-10	retirements			\$175,000
	Per Eric			
				\$ 175,000

REMARKS:
REQUESTED BY:

APPROVED 

INVOICE PAYMENT CLEARANCE BY: _____

DO NOT WRITE BELOW THIS BOX

ACCOUNTING USE ONLY:

REVIEWED BY: _____

ENTERED BY

DATE ENTERED: _____

BATCH #:

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

25964

VENDOR NO: 130001	NAME: Barbara McKinzie	CHECK DATE: 6/19/2009
REFERENCE: 260208BM	INV. DATE: 6/22/2009	INV. DESCRIPTION: Retirement
		GROSS AMOUNT: 96,000.00
		DISCOUNT TAKEN: 0.00
		NET AMOUNT PAID: 96,000.00
TOTAL >		
		96,000.00
		0.00
		96,000.00

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

25964

INTERNATIONAL HEADQUARTERS
5856 SOUTH STONY ISLAND AVENUE
CHICAGO, ILLINOIS 60637-1997
(773) 684-1282
GENERAL FUND

DATE: 6/19/2009
AMOUNT: ***96,000.00

BANK OF AMERICA
COMMERCIAL DISBURSEMENT ACCOUNT
CHICAGO, ILLINOIS
3-27718

PAY Ninety-Six Thousand and 00/100*****

TO THE ORDER OF Barbara McKinzie
301 Wysteria Drive
Olympia Fields, IL 60461-1229

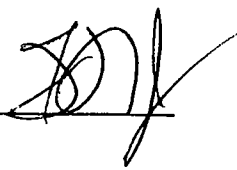
*** COPY ***

VOID AFTER 180 DAYS

2120-10	Retirement			\$ 96,000
	Per Eric			
				\$ 96,000

REMARKS:
REQUESTED BY:

APPROVED



INVOICE PAYMENT CLEARANCE BY: _____

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REVIEWED BY: _____

ENTERED BY

DATE ENTERED: _____

BATCH #:

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

26216

VENDOR NO: 130001

NAME: Barbara McKinzie

CHECK DATE: 7/28/2009

REFERENCE	INV DATE	INV DESCRIPTION	GROSS AMOUNT	DISCOUNT TAKEN	NET AMOUNT PAID
072809B	7/28/2009		95,000.00	0.00	95,000.00
TOTAL >			95,000.00	0.00	95,000.00

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

26216

INTERNATIONAL HEADQUARTERS
5856 SOUTH STONY ISLAND AVENUE
CHICAGO, ILLINOIS 60637-1997
(773) 684-1282
GENERAL FUND

DATE: 7/28/2009
AMOUNT: ***95,000.00

PAY Ninety-Five Thousand and 00/100*****

TO THE ORDER OF
Barbara McKinzie
301 Wysteria Drive
Olympia Fields, IL 60461-1220

*** COPY ***

VOID AFTER 180 DAYS

2120-10	Retirement				\$95,000.00
					\$95,000.00

REMARKS:
REQUESTED BY: _____ APPROVED _____

INVOICE PAYMENT CLEARANCE BY: _____

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DATE ENTERED: _____	BATCH #: _____

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

26217

REFERENCE	INV. DATE	NAME	INV. DESCRIPTION	GROSS AMOUNT	CHECK DATE	DISCOUNT TAKEN	NET AMOUNT PAID
072809BM1	7/28/2009	Barbara McKinzie		89,900.00	7/28/2009	0.00	89,900.00
TOTAL >				89,900.00		0.00	89,900.00

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

26217

INTERNATIONAL HEADQUARTERS
 5656 SOUTH STONY ISLAND AVENUE
 CHICAGO, ILLINOIS 60637-1987
 (773) 684-1282
 GENERAL FUND

DATE	7/28/2009
AMOUNT	***89,900.00

BANK OF AMERICA
 COMMERCIAL & INVESTMENT SERVICES
 CHICAGO, ILLINOIS

PAY Eighty-Nine Thousand Nine Hundred and 00/100*****

TO THE ORDER OF
 Barbara McKinzie
 301 Wysteria Drive
 Olympia Fields, IL 60461-1228

***** COPY *****

VOID AFTER 180 DAYS

2620-10	Retirement			\$ 89,900.00
				\$ 89,900.00

REMARKS:
 REQUESTED BY: _____ APPROVED _____

INVOICE PAYMENT CLEARANCE BY: _____

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REVIEWED BY	_____	ENTERED BY	_____
DATE ENTERED	_____	BATCH #	_____

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

26219

VENDOR NO: 130001

NAME: Barbara McKinzie

CHECK DATE: 7/28/2009

REFERENCE 072809BM	INV DATE 7/28/2009	INV DESCRIPTION Retirement	GROSS AMOUNT 43,769.00	DISCOUNT TAKEN 0.00	NET AMOUNT PAID 43,769.00
TOTAL >			43,769.00	0.00	43,769.00

ALPHA KAPPA ALPHA SORORITY, INCORPORATED

26219

INTERNATIONAL HEADQUARTERS
5656 SOUTH STONY ISLAND AVENUE
CHICAGO, ILLINOIS 60637-1997
(773) 684-1282
GENERAL FUND

DATE	7/28/2009
AMOUNT	***43,769.00

PAY Forty-Three Thousand Seven Hundred Sixty-Nine and 00/100*****

TO THE ORDER OF
Barbara McKinzie
301 Wysteria Drive
Olympia Fields, IL 60461-1229

***** COPY *****

VOID AFTER 180 DAYS

2170-10	Retirement			43,769.00
				\$ 43,769.00

43,769

REMARKS:
REQUESTED BY: _____ APPROVED _____

INVOICE PAYMENT CLEARANCE BY: _____

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REVIEWED BY _____	ENTERED BY _____	DATE ENTERED _____	BATCH # _____

Judy Penny

From: Christian Eriksen
Sent: Tuesday, August 11, 2009 7:20 PM
To: handleman@ewdc.com; Juli Haller
Cc: Edward W. Gray; Judy Penny
Subject: Daley v. AKA
Attachments: HandlemanLtr.pdf

Mr. Handleman:

Please find the attached letter from Ed Gray.

Regards,
Christian