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May 19, 1980

George Donald Beck, Jr.
P.O. Box 1012
Ukiah, CA. 95482

Re: Peoples Temple of the Disciples of Christ
v. The Attorney General of the State of
California. Claim #602

Dear Mr. Beck:

THE RECEIVER HAS MADE AN OFFER TO COMPROMISE YOUR CLAIM

On May 5, 1980 the Receiver of the Peoples Temple of the Disciples of Christ ("Peoples Temple") filed his report with the Superior Court in which he made recommendations for the disposition of claims filed against the Temple, including your claim(s) for wrongful death.

Seven hundred sixtyfive individuals have made claims against the Peoples Temple. The face amount of these claims totals over 1.8 billion dollars. At the present time, the total assets that have been recovered by the Receiver for the Temple amount to 6.2 million dollars. In his report, the Receiver suggests a plan by which the 1.8 billion dollars in claims shall be compromised to distribute the available assets of the Temple among the various claimants.

First of all, the Receiver has divided the claims made against the Temple into several categories, including claims for wrongful death, breach of life care contracts, property and service donation claims; personal injury claims, burial expense claims, and others. With the exception of certain of the claims for burial expenses, the Receiver has denied legal liability for all claims, including all claims for wrongful death. However, in order to avoid the expense of litigating each of the 765 claims, the Receiver is recommending to the Court that the

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Court authorize him to make offers of compromise for the various claims. Each compromise offer would be for a "Receiver's certificate" in a specified dollar amount. The certificate, if issued to the claimant, would allow the claimant to participate in a distribution of the available assets of the Temple on a pro rata basis. That is, the claimant would be entitled to share in the available assets of the Temple in the same proportion as the amount of the claimant's Receiver's certificate bears to the total amount of Receiver's certificates issued by the Receiver.

Under the laws of the State of California, any legal heir (as defined under California Code of Civil Procedure §337(b)) is entitled to bring a wrongful death claim for the death of the decedent. Therefore, the Receiver has made offers of compromise to each wrongful death claimant who is a legal heir of a particular decedent.

The offers to compromise made by the Receiver have been computed on a strict formula. The only factors utilized in determining the amount of the compromise offer are the life expectancy of the decedent at the time of his or her death, the age of the claimant, and the degree of kinship of a claimant heir. All wrongful death claimants legally entitled to make such claims have been given offers to compromise based on the same formula. The treatment of all legal wrongful death claimants, is, therefore, uniform. (Because burial expenses are an allowed item of damages in a claim for wrongful death, those wrongful death claimants who have already received reimbursement for burial expenses would be given compromise offers reduced by that previous reimbursement.

With respect to your claim for the wrongful death of Daniel James Beck, the Receiver is recommending to the Court that the Court authorize a compromise of your claim for the issuance of a Receiver's certificate in the amount of \$14,918.00.

REASONS FOR CONSENTING TO THE RECEIVER'S RECOMMENDATION

The Receiver's report is extremely generous to the wrongful death claimants relative to other types of claims against the Temple. The Receiver's report asks for authorization to issue \$8.1 million in Receiver's certificates to all claimants whose claims are to be compromised. Of that \$8.1 million, \$7.9 million in certificates will go to wrongful death claimants. In other words, the Receiver is recommending that 97% of the available assets of the Temple be distributed uniformly among legal heirs of the victims of the Jonestown tragedy. It is therefore in the interest of all wrongful death claimants to see that the plan is approved and implemented as quickly as possible.

If the plan is not approved and individual claimants seek to litigate their claims, the total share of Temple assets allotted to wrongful death claimants almost certainly will decrease. Moreover, the costs of administration of the Temple estate, including the Receiver's fees and attorneys' fees for the Receiver, is presently running over \$40,000. per month. If no claimants insist on adjudicating their claims, the assets of the Temple would be distributed as soon as the Federal government's litigation is concluded (see "Future of the Litigation"), possibly as early as winter-spring 1981. If individual claimants insist on adjudicating their claims, the Receivership proceedings might not conclude until 1984 or 1985 and the Receiver's costs will increase substantially, eating away at the assets available for ultimate distribution to all claimants.

Support of the Receiver's plan by all wrongful death claimants will facilitate the Court's approving the Receiver's report as it stands with its generous allowance to wrongful death claimants. Although the Receiver's plan does not take into account all factors which may legally be considered in setting damages for individual cases of wrongful death, by treating everyone uniformly the plan promises to avoid protracted litigation by each claimant which would only diminish the amount of funds available for distribution. For these reasons, we are asking you to give us your consent, first to the specific amount of the "Receiver's certificate" proposed for your offer of compromise, (plus or minus 5% of its value) and secondly, to authorize us, as your attorneys, to recommend approval and/or object to the Receiver's plan and the compromise offers to other claimants as we see fit in order to expedite the ultimate approval of the plan in its present form or in a form as close as possible to the one presently proposed and to obtain such approval at the earliest date available.

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ENCLOSED WITH THIS LETTER IS AN AUTHORIZATION FORM. PLEASE SIGN THE FORM AND RETURN IT TO US IN THE ENCLOSED, SELF-ADDRESSED, STAMPED ENVELOPE AS QUICKLY AS POSSIBLE. WE MUST HAVE YOUR RESPONSE BY JUNE 1, IF WE ARE TO HAVE ADEQUATE TIME TO MAKE A PROPER RESPONSE TO THE COURT BY JUNE 4. IF YOU HAVE NOT RECEIVED THIS LETTER IN TIME TO RETURN YOUR AUTHORIZATION BY JUNE 1, 1980, WE ASK THAT YOU PHONE US OR SEND A TELEGRAM OR MAILGRAM STATING YOUR INTENTION TO SIGN THE AUTHORIZATION.

FUTURE PROSPECTS FOR THE LITIGATION

Your Receiver's certificate will authorize you to participate on a pro rata basis in the distribution of the available assets of the Temple. At present there are \$6.2 million in assets, and if the Receiver's report is accepted and confirmed and all parties accept the compromise offers, there will be \$8.1 million in Receiver's certificates outstanding to share in those assets. Assuming no other debts, claims or expenses are paid, that would mean that your Receiver's certificate would be worth approximately 75 cents on the dollar in payment.

The actual value of your Receiver's certificate cannot be predicted at this time. Three major factors may substantially reduce the assets available for distribution to holders of Receiver's certificates:

(1) The United States Government has made a claim for over 4 million dollars in expenses incurred in transporting the bodies of the deceased from Guyana to the United States. The U.S. Government has sued the Temple in U.S. District Court in San Francisco seeking reimbursement.

(2) The Internal Revenue Service is investigating the possibility that the Peoples Temple, while in operation, had violated the terms of its charitable tax exemption and has therefore incurred a liability to the IRS for unpaid taxes. The amount of such a claim, if established, is unknown. The government insists that both these claims are entitled to priority over the claims for wrongful death (i.e., they are entitled to payment in full before any other claims are honored). Therefore, these claims could wipe out all the available assets of the Temple.

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(3) Certain types of claimants have been denied any offer of compromise, and these people may decide to litigate their claims because they have nothing to lose. Other claimants who have received offers to compromise may believe that their offers are too low and also seek to litigate in order to obtain a "bigger piece of the pie".

In the event other claimants litigate as described in number (3), the amount of assets available to other claimants would be reduced, both by the possibility of increased awards on litigation, and also because of the additional expenses that will be incurred by the Temple in defending this litigation. Such litigation will also significantly delay the distribution of available assets to claimants. For these reasons, it is especially important that all the wrongful death claimants accept their compromise awards. By doing so, the prospect of others litigating their claims will be reduced, expenses in defending such litigation will be eliminated, and the available assets of the Temple may be distributed to you at the earliest possible date.

Certain claimants against the Temple may insist on litigating their claims unless the receiver changes or adjusts his recommendations for compromise. In order to avoid having such persons litigate their claims and delay the proceedings indefinitely, we are seeking from you authorization for us, as your attorneys, to propose or consent to adjustments in specific offers to compromise made to other claimants. Such adjustments, if made, would have the effect of decreasing slightly the share of the assets to which you would be entitled by reason of your Receiver's certificate. We would not propose or consent to adjustments that, in the aggregate, would diminish the true value of your certificate by more than 5%, nor would we propose or consent to such an adjustment except where, in our professional opinion, the claimant would be able to obtain an award through litigation substantially higher than the face amount of his or her offer to compromise.

If you have further questions regarding this letter or what you should do with your authorization, please call and speak with me or Beth Moen.

Very truly yours,



DAVID H. SCHWARTZ

DHS
encl.