

**Holley by the Sea
Board of Directors Meeting
October 6, 2006
9:00 AM**

Summary

This meeting was held at the Law Offices of David W. Heirs, P.A., and 1513 West Garden Street, Pensacola, Florida 32501

Ms. Reilly, Ms. Gallup, Mr. Harrington, Ms Gardner and Mr. Rogers present. A quorum was established for the meeting.

The purpose of this meeting was to conduct a mediation of the lawsuit being brought against the Board by a former employee.

The suit was settled by agreement between the parties. The mediation settlement agreement is attached.

The attached agreement was approved by the Board by a vote of 5 – 0.

Neal A. Rogers, Jr.,

Neal A. Rogers, Jr.
Board Secretary