

Kelly R. Coleman

516 Belle Isle Ave Belleair Beach Florida 33786

Phone 727-403-8690 Fax 727-595-1566 email Kelly@teammoneytrees.com

January 2, 2008

Mr. Pete Walsh
Territory Sales Manager
3733 Pyrite Drive
Orlando Florida 32826

Dear Pete,

Happy New Year Pete!

This letter is intended to make you aware of **suspected sealant failure** on my home and remind you of the commitment made in the historical past plus other pertinent facts.

This letter has become necessary since you have not returned recent and numerous telephone calls also emails that I have left regarding suspected BASF Sealant failures on my home, sealant which was installed prior to Mid March 2006, beginning in 2003.

At the completion of the waterproofing work in Mid March, 2006 you assured me and me that the BASF products installed on my home **would not fail, in the future**, however if any additional sealant did fail, in the future, You indicated that your company was aware of the 3 failures of the BASF products, during the application period, between 2003 and 2006 and under the circumstances that any future failed sealant product **would be replaced at no cost to me as long as the failure occurred within the 20 year expected life**, stated in the Company Brochure, which was the data reviewed and approved for use, based on the data stated. The referenced Brochure was form SN-360.

When I questioned you about the language in the stated warranty of Form SN-360 stating " we will replace or at out election, refund the purchase price of any product" you said that under the circumstances of prior sealant failure which test showed was due to bad product, that you had approval to replace the products required and pay for any necessary labor , in the future. You told me that you had made arrangements with Steve Fullerton and Kim Werlein, to come back, if they were available, to replace any future failed waterproofing sealants and you would pay them for their labor and supply required materials. You also stated that if Steve and Kim

were not able to return and do the work you would locate other qualified water proofers, qualified to use this particular sealant, Sonolastic 150 tint base, to do the work.

You committed to, continue to keep an eye on the project, periodically, as you had done during the installation process between 2003 & 2006 **which you have not done,** like you did during the installation process when you were making various sealant and waterproofing product recommendations, installation requirements and visiting the home approximately once a month to view the progress and installation techniques & methods being used during 2003, 2004, 2005 and ending Mid March 2006.

I will remind you that on each instance of prior failure, prior to completion in Mid March 2006, you had test samples taken and stated to me the product failure **was due to bad batches of product** and under the circumstances that BASF had given you authorization to replace, at no expense to me, any future failures. There are 4 sealant applicators that were aware of the 3 failures that were replaced during the work phase at no cost to me, whereas Steve and Kim were aware of the commitment to replace any future failures at no cost to me because of the arrangement you made with them in late 2005 or early 2006.

In closing, I remind you that I trusted you and your commitment to me, made in view of others and I would appreciate your following through with the commitment made. I will also remind you that , at the time you told me about the test **results revealed bad product, I requested of you to replace all of the sealant at that time** however, your salesmanship and personality convinced me that with the commitment to replace any additional failed sealant or BASF products, which was company backed and the fact that you would keep an eye on it, that it would not be necessary to replace all the product at the time I asked for it to be replaced in late 2005 and/or early 2006.

Please follow through with your commitment, timely.

Yours Truly,

Kelly R. Coleman