



2221 SMITHTOWN AVENUE, LONG ISLAND MACARTHUR AIRPORT, RONKONKOMA, NEW YORK 11779  
[REDACTED] www.intljet.com

June 19, 2013

Mr. Richard Kahn  
**HBRK Associates Inc.**  
[REDACTED]

**Gulfstream IV,                      Serial No. 1085,                      Registration No. N423TT**

Dear Richard,

With regard to our conversation yesterday, I must be candid and let you know that I found it offensive.

I have already explained to you that I hold Jeffrey in a higher and more personal regard than other valued clients. I have worked for JE on multiple aircraft over the course of close to two decades. The professional relationship that we share is challenging and enjoyable as Jeffrey has a way that can bring out the best in ones' abilities.

Out of respect for both Jeffrey and myself, I have taken your advice to review our proposal(s).

On April 13<sup>th</sup> I sent our original proposal which clearly identified that this would not be the finalized proposal due to anticipated changes in the work scope by JE –

*" I believe that this proposal will require revision dependent upon Jeffrey's final decisions, but should provide a solid foundation for the desired work scope.*

*Ideally, I suggest a meeting on board the aircraft. If this is not possible, then I suggest a meeting with Jeffrey that I anticipate will last 1.5 hrs to review desired details and a further definition of the work scope so that we may finalize an agreement."*

Our first revision was sent to you on April 24<sup>th</sup>. The changes to this revision was the correction of the base price and the inclusion of a categorical costs as requested. In my e-mail to you I addressed the change in the base price:

*"Dear Richard,*

*Attached is our Revised proposal which includes broad category breakdowns as requested. Please note that in review, I identified a typographical error on the base refurbishment cost. I apologize for this office error."*

The aircraft arrived at our facility on May 3<sup>rd</sup> to commence the refurbishment.

You noted in our conversation something to the effect that JE did not understand the difference / was skeptical in the base proposal cost from the original (4/13) to the first revision (4/24).

Personally, I find presenting this "information / negotiation point" at this stage offensive and just a cheap shot. I was honest and very clear as to what happened and I sincerely apologized for that error.

More importantly, if this error was of any concern, it should have been addressed prior to the aircraft's arrival almost 2 weeks later.

Furthermore, this is the first time I have heard anything about this matter and it is almost 2 months after the fact and half way through the project.

I am not posturing or standing on ceremony, just presenting the plain facts of what transpired.

As stated to you over the last 2 days of conversation, we have provided discounted pricing to Jeffrey on the base proposal and all options.

If I thought that Jeffrey was interested in some form of back and forth negotiations, then I would have played the game of bumping up my numbers so that there would be wiggle room. This is not my style nor was I led to believe it would be Jeffrey's.

I am extremely comfortable with the numbers we have provided and I would never, ever take advantage of any client – especially Jeffrey.

There are without thousand's of dollars in small details that we are/will be absorbing and not charging Jeffrey in our effort to create a beautiful aircraft for him. Where there is potential for any additional charges I have pro-actively presented this information so that there would be "no financial surprises".

I have acted 100% honestly and in good faith and it really upsets me to have my integrity challenged.

If Jeffrey is looking for something back in addition to the discounted pricing and extras that we are "throwing in", then in an effort to avoid tainting our relationship, it would be my pleasure to absorb the cost of Option 11 (Leather Upholstered Credenza Cover) for the amount of \$3,480.

Please let me know how you would like to proceed and should you have any questions, please do not hesitate to call me

Sincerely,

A handwritten signature in black ink, appearing to be "Eric H. Roth", with a long horizontal line extending to the right.

Eric H. Roth  
President

EHR/ar