

March 19, 1999

VIA FAX AND MAIL

Kathy Smith
Hornet Enterprises
6702 Mission Gorge Road
San Diego, CA 92120

Re: \$370.67 due to ABC Company ("ABC Company") for sheet metal services and merchandise

Dear Ms. Smith:

This letter is written notice that this law office has been engaged by ABC Company to commence a lawsuit on this undisputed account forthwith seeking the full unpaid principal, interest, attorney fees and costs. Your company has in the past continually breached its promises to pay all outstanding invoices 30 days net. ABC Company previously has made repeated calls and faxes to prod your company to make payments on this unpaid undisputed account. You and various other representatives of your company have repeatedly acknowledged this debt is owed to representatives of ABC Company. Joe Houseman of ABC Company has telephoned you and others at your company to discuss and obtain payment from your company. On 3/11/99 he received a promise from you that your company would pay these open invoices by 3/15/99 but your company failed to honor that promise. I understand on 3/18/99 your employee, Katy, called my client and spoke with Mr. Montes promising that a check would be mailed forthwith. Will that promise be honored?

A cashier's check for \$370.67 must be received by my client by noon on March 24, 1999. You are advised that this letter is the only demand you will receive from this office. This letter is not the first of a series of payment requests. If this payment is not received or a written settlement arrangement satisfactory to ABC Company is not negotiated and signed by the parties by March 24, 1999, a lawsuit will be filed **immediately**. Govern yourself accordingly.

Sincerely,

Mark P. Kroner