

May 10, 1999

VIA FAX AND MAIL

Kazue Yokohama
Kaori Yokohama
Yokohama Greenhouse, Inc.
20460 Forest Road
San Francisco, CA 93908

Re: \$16,753.88 due Abc Company, Inc. ("Abc") for services and merchandise

Dear Mr. and Ms. Yokohama:

This letter is written notice that this law office has been engaged by Abc to commence a lawsuit forthwith on this undisputed account seeking the full unpaid principal, interest, attorney fees and costs. You and other representatives of your company have in the past breached their promises to timely pay these outstanding invoices per the provisions in the account agreement and terms of sale and personal guaranty. Leslie Bost and other representatives of Abc have made repeated telephone calls to attempt to obtain payment on this unpaid undisputed account. You and other representatives of your company have acknowledged that the debt is owed but claim your company cannot presently pay due to cash flow problems.

Note that both of you are personally responsible for this debt pursuant to the personal guaranty you signed on 1/9/97. \$16,753.88 lump sum must be received by **5:00 p.m. on 5/14/99** by Abc. Payment by a major credit card is acceptable. 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 is not negotiated and signed by the parties within this time frame, litigation will be commenced immediately. Govern yourself accordingly.

Sincerely,

Mark P. Krones

cc: Abc (via fax)