

VIRGIN ISLANDS GUNITE POOLS



1045 Aviation Dr. • Lake Havasu City, AZ 86404 • Phone: [REDACTED]
E-Mail: [REDACTED] Web: [REDACTED]

Date: January 6, 2012

Mr. Darrin
LSJ, LLC

Dear Darrin:

I agree with you in the fact that we have to make Mr. Epstein happy and proud of his pools. Our company always strives to completely satisfy our customers and we want nothing more than to have each and every customer proud of his or her pool. With that being said, please also keep in mind that we are running a business and we need protect ourselves, or "cover" ourselves as you stated during our last telephone conversation. Please consider increasing the total cost to \$60,000.00 and payable as follows:

- Virgin Island Gunite Pools will re-tile the main pool and start upon confirmation from LSJ that ALL materials are on the island.
- LSJ will release \$20,000.00 prior to us starting the re-tile on the main pool
- LSJ will release \$25,000.00 upon completion of grouting the main pool
- Virgin Island Gunite Pools will re-plaster the flagpole pool with the same Diamond Brite blue color that is being removed
- Upon completion of the flagpole pool, LSJ agrees to pay Virgin Island Gunite Pools the balance of \$15,000.00.

Virgin Island Gunite Pools will move the heat pumps now if needed, or we will wait until the main pool job starts. This allows for zero profit and will require approval to immediately start the flagpole pool re-plaster during completion of tiling the main pool. This will allow Rex to supervise the tile installation on the main pool and the Diamond Brite installation on the flagpole pool and avoid him from moving off the job.

Please note that we are working with one of the most difficult colors in pool plasters, Midnight Blue. We will go by Southern Grouts and Mortars specifications on color variations with the plaster of the flagpole pool. In time, there will be more color variations in the pool plaster as the pool cures and as chemicals are in use in the pool.

We estimate the tiling of the main pool to take three to four weeks, from start to finish (weather permitting). The re-plaster of the flagpole pool will take approximately 2 weeks to finish (again weather permitting). If needed, our crews will be allowed to start at 7am and can work until 6pm seven days a week per Jeffery. If Jeffery is not scheduled to be on the island and approves the above plans, both pools can be down and under construction at the same time. This will greatly help in completing the work outlined much faster.

In closing, we would like to have this re-written on LSJ forms as soon as possible. Thank you again for working with us and we look forward to completing this project to Mr. Epstein's satisfaction, which has been our goal from day one.

Sincerely,

Bart Wolterman