

# HALE LANE

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April 16, 2004

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### *Via Email and Certified Mail*

Carl Shoolman  
Consumer Xchange LLC  
80 St. Paul Street 531  
Rochester, New York 14604

**Re: Christopher and Amy Gnau**

Dear Mr. Shoolman:

This law firm serves as national counsel for Metron North America, Ltd. and Installation Pro, LLC ("Metron"). Metron has asked me to respond to your recent correspondence regarding claims made by Christopher and Amy Gnau.

It is our understanding that during the installation of a satellite system in the Gnau home on March 6, 2004, a minor electrical fire was accidentally started, which was quickly put out. The Gnaus now apparently claim that their home was "burned," they are "glad to be alive," and that they were somehow rendered "homeless" as a result of the incident. Please allow this letter to rectify many of the inaccurate, exaggerated and misleading statements reported to you by the Gnaus.

First, Metron did not install the satellite system in the Gnau family home. Rather, an independent contractor, K.I.D.S. Network Connection LLC ("the Installer") performed the installation. Accordingly, Metron is not liable for the damage that occurred to the Gnau family home. Under Maryland law, a company that employs an independent contractor is not liable for the negligence of the independent contractor. *See e.g., Hoerr v. Hanline*, 149 A.2d 378 (Md. App. 1959); *Sanders v. Rowan*, 484 A.2d 1023 (Md. App. 1984). Therefore, any liability for the incident must be borne by the Installer.

Second, we believe the damage to the Gnau home has been repaired and they have been fully compensated for the inconvenience. Significantly, promptly after the installation, the Installer's insurance carrier, National Grange, accepted liability. We are informed that National Grange has either completed the repairs or is in the process of completing the necessary repairs to the Gnau home. According to the adjuster's

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report, prepared following the March 15<sup>th</sup> Property Inspection, the total cost to repair the damage to the Gnaus home (the living room and a bedroom) was only \$1,551.01. Thus, the Gnaus' assertion that the home sustained "major damage" is unfounded and exaggerated.

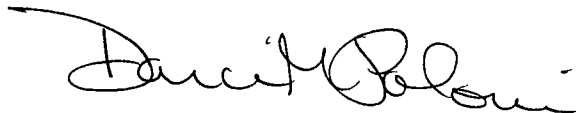
Third, we are advised that the Installer's insurance carrier fully reimbursed or has promised to fully reimburse the Gnaus for carpet cleaning, food spoilage for two refrigerators, and hotel charges for the time they were displaced from their home. According to the same report, the total amount of the Gnaus' property damage claim, including these expenditures, is only \$2,701.01. In light of the fact that they have been fully reimbursed for their actual damage and out of pocket expenses, they have no "complaint" to resolve.

Finally, the Gnaus insinuate that their homeowner's insurance premiums have increased because of the incident and they seek to attribute the increase to Metron. Nothing could be farther from the truth. We have been informed that, although the Installer's carrier promptly accepted liability, the Gnaus voluntarily decided to file a claim through their homeowner's insurance policy rather than allowing the Installer's carrier to resolve the claim. Accordingly, any corresponding increase in the Gnaus' homeowner's premiums, if there even was such an increase, is directly and solely the result of their voluntary election, and not any action by Metron.

Metron believes the allegations, as reported in your April 1, 2004 letter, are factually incorrect, defamatory and/or slanderous, and, if further publicized, will cause damage to Metron's business, good will and reputation. Any further dissemination or communication of these allegations by you, in whatever form or medium, in light of the above clarification, will be viewed as intentional, tortious behavior, which may expose you to civil liability. Metron will not hesitate to use whatever legal process is necessary to prevent its name from being defamed, slandered and/or libeled.

We hope that the above clarification has helped you understand the complete absence of any merit to the claims made by the Gnaus.

Sincerely,



Darci M. Poloni

DMP/mw

cc: James R. Crabtree