January 2, 2020

Sender's Email: RCipparone@CipparonePA.com

VIA FIRST CLASS U.S. MAIL and ELECTRONIC MAIL READ RECEIPT

**TO:** tqualls@yvlaw.net

Timothy R. Qualls, Esquire Young Qualls, PA 216 South Monroe Street Tallahassee, Florida 32301-1824

Re: Response to Demand Letter dated July 15, 2019/Demand for further repairs to Pool in Harmony Community Development District.

Dear Mr. Qualls:

My law firm represents Deep South Trading Co., a Florida corporation doing business as PoolWorks ("PoolWorks") in the above referenced matter, and, as such, please direct all future correspondence with PoolWorks to my attention. I am in receipt of your July 15, 2019 letter to my client demanding certain repairs be conducted in January of 2020. As you know, on December 21, 2017, PoolWorks and Harmony Development District ("Harmony") entered into an agreement whereby PoolWorks would provide pool resurfacing, tile installation and grout replacement services to Harmony for the price of Forty Thousand and 00/100 Dollars (\$40,000.00) (the "Agreement"). Per the terms of the Agreement, Harmony made an initial payment to PoolWorks in the amount of Twenty Thousand and 00/100 Dollars (\$20,000.00), with the remaining balance due upon completion of the work. PoolWorks performed the services required under the Agreement. Harmony, however, failed to pay PoolWorks the balance due under the Agreement in the amount of Twenty Thousand and 00/100 Dollars (\$20,000.00) (the "Balance").

After demanding payment of the Balance, PoolWorks received a notification from your office, that Harmony was dissatisfied with the work performed, and required certain additional work. This was the first time Harmony was advised of their dissatisfaction with any of their work. As a result, and in a show of good faith, on June 17, 2019, Pool Works performed the required repair work at the Harmony pool. Despite PoolWorks' performance of its duties under the Agreement, and its performance of additional work at Harmony's request, Harmony failed to pay PoolWorks the Balance due under the Agreement. Instead, Harmony took the position that the work performed as well as the subsequent repairs were inadequate, and obtained an estimate from another company, Bluescape Pools & Spas ("Bluescape"), to perform further work to the tune of Nineteen Thousand Two Hundred Twenty Four and 00/100 Dollars (\$19,224.00). It is apparent from Bluescape estimate that Harmony requested an estimate from Bluescape for work that was not contemplated by the Agreement. As such, Harmony's

Timothy R. Qualls, Esquire January 2, 2020 Page 2

claim that repairs to the work PoolWorks provided under the terms of the Agreement would cost nearly Twenty Thousand and 00/100 Dollars (\$20,000.00), is preposterous.

Please be advised that PoolWorks will not conduct any further work for Harmony. PoolWorks maintains that the work and additional work previously performed for Harmony was not only in compliance with the terms of the Agreement, but also adequate. Harmony's refusal to perform its part of the bargain by failing to pay the Balance due under the Agreement constitutes a material breach of the Agreement. PoolWorks is not, at this time, interested in pursuing the Balance through litigation. However, PoolWorks will vigorously defend any lawsuit brought against it by Harmony, and, should it become necessary, pursue all claims it may have against Harmony. Should you have any questions or concerns, please do not hesitate to contact me.

Regards,

Ryan Cipparone

cc: Client (via email)