INDUSTRIAL DEVELOPMENT GROUP

Randolph Goodman
Vice President
The Greenspan Company
400 Oyster Point Boulevard
South San Francisco, CA 94080

Dear Mr. Goodman: March 1, 1986

As you know we have now come to the point in pursuit of our claim against Fireman's Fund in regard to the loss by fire of our inventory of 100% wool rugs from Morocco on January 21, 1985, that we have decided to retain a law firm to assist us in taking the case to its conclusion. As we enter this new phase in the matter, I want to take this opportunity to thank and compliment you and your colleagues for the support and exceptionally professional services you have provided to us since we began this claim a few days after the fire and through the various phases of the formal arbitration which we comenced in April, 1985.

We are disappointed by the trials and tribulations we have encountered in trying to convince the insurance company to be reasonable with us and I know that before we were forced to utilize the appraisal provisions of our policy, we and you had hoped to be able to settle this claim quickly and fairly. Without your able representation and particularly your careful explanation of the features of our policy and our rights, it is possible that we would have been influenced to give in and settle on the highly unfavorable terms that were offered the first month after the fire. I can now state without any reservation or qualification that any insured should and must avail himself of the services of a public adjusting firm, such as The Greenspan Company, or he has no chance and no hope of actually getting the insurance that was paid and contracted for. I have come to this conclusion reluctantly because I had always assumed that insurance was a clear-cut, straightforward proposition; but we now know from this on-going experience that it is not, and skilled help is required in any effort to simply enforce the contractual rights we paid for with our premium dollars.

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We have been particularly pleased with the fact that you and your associates were always willing and able to work very closely with us even when that required doing some quite extraordinary things such as the tremendous time and effort invovled with the physical inventory of the damaged rugs as well as the preparation assistance for our first formal arbitration hearing. Your own personal input during the course of the many hours of testimony and examination of witnesses was invaluable and I am convinced that whatever success we have achieved todate is largely and manifestly because of your own skill and experience in handling claims, to be sure, but particularly the result of your mastery of the art of realistic dealing with the insurance company and its lawyers.

The most important thing that an insured must know about the process of handling his own claim is that even in the very beginning the relationship between himself and his insurance company is adversarial. It did not seem so to us at first, but I now know that it was, and that fact ought to lead anyone in those circumstances to the conclusion that they must have professional assistance. Frankly, getting the proper help is ordinarily next to impossible to secure in practice by most people because they would, the day after the event, be very reluctant to pay an attorney to help them. This is certainly the case for a person who has his first-ever large claim because he would not be able to anticipate what is going to happen to him based on the friendly and considerate relations he has enjoyed in the past with his insurance agent. Fortunately, your help is available from the very first day while your fees are not paid until after the claim is finally settled, and then you charge a very small fraction of the claim, let alone in our case, what your services were actually worth (on an hourly basis, your compensation in our claim probably would have been illegal, slave wages 120 years ago in Lincoln's days).

Now that we have hired outside counsel, we look foward to your continued efforts with us and with our new attorney. I am convinced that with your help, justice will finally prevail in this claim although I would not want to predict when it will be realized. On that note, and in addition to our appreciation for your conduct of our claim, thank you for your patience and your continuing moral support.

Sincerely,

William G. Simmons

William G. Simmons
Marketing Director