



Dear Van Koevering Owner

As many of you know, running a business these days, large or small seems to get harder all the time. Costs are rising, cash flow issues, technology changes, taxes, yada yada yada... I have always said I will continue to do this as long as I can with the resources I have. The fact is, my resources require a continuous stream of revenue from this endeavor and the past 6 months that stream has diminished to a trickle. I have been wrestling with this for the past three months and finally after all the discussions and the permutations I've come to the decision that I have 3 basic options.

1. Liquidate and cease operations over the first 90 days of 2009. My wife and I have another opportunity right now and if it turns out we should take it, we will have to make that decision shortly after the first of the year.
2. Make the changes necessary to improve the cash flow situation and carry on for at least another year
3. Try to sell the business or at least find others to carry the technical torch.

Well, I would not enjoy option 1 and will leave that as a last resort. Because I love my work associated with this incredible musical instrument.

Option 2 is certainly my preference, assuming, of course, that enough of you are willing to go with the proposal I've outlined below. In the alternative, some of you may see an alternative that I am missing that is a better way to create a reliable revenue stream. Please share it with me if you do.

Option 3 seems to be good solution, if I can find the techs looking to take on the task, and if I can't raise sufficient interest in my proposal below, I will hang in here with you for as long as I possibly can in 2009 in an attempt to put a sale or sub-contracting agreement together, and even to make sure that my successors are properly briefed and in place.

Right now, because it would be as hard for me to just shut the door and move on as it would be on you, Option 2 is, initially my best choice and maybe the ultimate transition, if there is sufficient need among you for an on-going Van Koevering tech support resource to validate my plan.

To make Option 2 viable, this is the Support Policy I will adopt for service and support for Van Koevering products, effective 1/1/09. It will be based on the choice for VK owners of either a subscription or fee-for-service agreement, as follows

- Subscription clients will pay an annual fee of \$50.00 on or before January 31, of each year. This will give me an idea of how many people actually find the service worthwhile and what level of support I must plan to provide.
 - Subscribers will pay a flat fee of \$50.00 for each project or incident requiring DBMP's assistance (an "incident fee). That fee will cover the first hour, or fraction thereof, of technical service/support.
 - Thereafter, the fee for technical services will be \$37.50 per hour, broken into 30 minute segments.
 - Subscribers will receive (if needed) one free half hour of follow-up telephone support per incident and thereafter will pay \$25 per hour, broken into 15 minute segments

or

- Fee-for-service (FFS) clients will pay no up-front subscription fee, but:
 - The incident fee for FFS clients will be \$100 which will also cover the first hour of technical support.
 - Thereafter, technical services fees will be \$50.00 per hour.
 - Follow-up telephone support for FFS clients will be \$33.00 broken into 30 minute segments.

Two copies of a Subscription Agreement are available for those who choose that level of service. Please fill in the necessary information, then sign and return one copy along with a check covering the annual subscription fee, on or before 1/31/09.

_The Following are other terms and conditions of service between Van Koevering owners and DBMP.

_Service and support is provided on a "Best Effort" basis. Customers will be informed if there are possible part end of life issues. DBMP will make every reasonable effort to obtain hard to find parts. Although no guarantees can be made that I will have every part every time.

_ Incident fees do not include parts, manuals, software etc.; just my time. The fee is in addition to what you would pay an onsite tech if one is needed or desired.

_Should DBMP Technical Service make an onsite service call Time and Material charges will apply. The time fee is \$100 per hour and materials will be billed accordingly as needed. Travel charges may be applied in situations which require travel greater than 50 miles. Travel charges will be agreed upon prior to my arrival.

_Should it be deemed necessary that parts are to be shipped to DBMP for repair, a bench charge of \$100 per hour will be billed. The customer will be responsible for shipping charges including insurance. The customer will also ensure that the parts are packed with adequate protective packing materials i.e. bubble wrap, air packs or ghost poop.

_ All payments for services, support, parts, manuals, software etc. will be due at time of order or request. All fees are payable by credit card, Pay Pal, check or money order. Checks that do not clear a client's bank for NSF or other insufficiency reasons will be assessed a \$50.00 processing fee, and may be placed on shutoff until the assessments are cleared.

_DBMP Technical Service reserves the right, with 30 days notice to clients, to amend or cancel this program. Service support will also be denied to any client providing misleading information or violating the rules governing Intellectual Property (in summary -- any documentation provided by DBMP Technical Service that is not in the public domain is the Intellectual Property (IP) of Mark Ziino and DBMP Technical Service. DBMP also reserves any rights and remedies provided by law for the violation of any usage and/or confidentiality requirements of Company's IP policies.