

August 9, 2005

Dear Mabel,

I do understand your reluctance in providing a written list with supporting explanations. Based on our July 26th phone conversation, I now understand that the numerous items you have requested are ones that you perceive I personally owe to you. If I remember your statement correctly, your explanation was all of the things that you had done for Kay and I. Being such a general explanation, it was difficult to identify more specifically the indebtedness in which you are referring. It is not a matter of me withholding any items from you. I have found nothing that supports your claims. The many items you desire must be substantiated to my satisfaction. None that you have mentioned are items bequeathed to you.

One complication is your attempt to divert the Penn Treaty refund to yourself. You stated that Loren had empowered you to do so. The manner in which you did this may be a criminal act. You knowingly attempted to take this from Kay's estate and myself although you clearly understood that it did not belong to you. Loren may have advised that either you or I could submit the documents requested by Penn Treaty. Prior to you directing Penn Treaty to send the check payable to you and mailed to your address, I explained the two situations in which I would agree to offer the refund to you. If Kay had named you as a beneficiary, you would naturally be the recipient. Personally, I offered the refund to you if you had directly paid the premium on Kay's behalf. With neither being the case, your actions were attempted theft. As you know, Penn Treaty intercepted. If Loren did advise you to do this, I need to receive a written statement confirming the rationale. Being that I am Kay's husband and executor, it does seem doubtful that Loren would risk this level of liability advising your involvement.

You declared your intention to come to my home to review personal financial documents and to take from my home anything you so desired. Your intent is both unlawful and unethical. I will not extend an invitation to you under these conditions. My hope has been to provide to you those items in which I know Kay would have wanted for you to have. This is completely at my discretion because none of the items that you have requested were bequeathed to you. I recall other remarks where you explained some type of process where you were going to set values for other items within my home and collect an equivalent monetary amount. Other than the one table, there is nothing else within my home confirmed to belong to you. I recommend that you return to your attorney to seek advisement as to your entitlement. Any further requests by you for items in which you are not entitled to receive will be deemed harassment. In advance, an invitation to my home will be extended to you after final letter resolves your requests.

The remainder of this letter provides responses to what I anticipate to be your general explanation/reason. You were not specific so it was difficult for me to fully address all in which you may have been inferring. Keep in mind; these are issues that you have raised. I do not believe that Kay would have wanted for you to embark on this journey. I also recognize that you are emotionally devastated by Kay's loss just as I am.

Your inquiry about the value of Kay's wedding ring was disrespectful and indicative of your attitude towards our marriage. To answer your question, I purchased the diamond from Mr. Carter. Kay and I both contributed scrap gold in exchange for the bands. My confusion is how you would remotely imagine the possibility of receiving this.

Your aggressive behavior was evident even before Kay and I married. I still have the document that you presented to me through Kay attempting to acquire 50% of my future assets and earnings. You forced Kay to be a buffer between you and I. Maintaining a respectful relationship with you was not only because Kay had asked, I was respectful of her relationship with you. Kay shared with me even your most harsh remarks yet I simply accepted them as your misconceived opinion. By conveying your remarks, she felt that I would be more sympathetic towards you knowing your motivations. She also feared the possibility of extreme conflict developing between you and I. Kay many times said that she felt a need to protect me from you. She wanted for me to be prepared should you have approached me directly.

What I anticipate most are inaccurate perceptions of indebtedness that you may have regarding the condo and the portrait studio. Neither situation was as you portrayed to family members. All family members and friends will receive a copy of this letter as well as other letters and documents. On July 26th, you said that all family members were angry with me. Having my perspective, each can decide without prejudice. I am simply holding you accountable for your statements and actions.

While living at the condo, one cousin commented on the presumption that you were supporting Kay and I. You may recall that I paid directly to you each month the amount stated to be the mortgage. The additional arrangement was for Kay and I to pay for ongoing repairs. One month we replaced the air conditioner and our expenses exceeded \$3,000. Because it was an older townhouse in poor condition, the expenses often exceeded comparable rent. When I first explained to Kay that we could not afford to live there, you approached me saying that we had "business" to discuss. Both you and Lee each offered me a \$10,000 loan. I consolidated debt from college, credit cards and expenses at the condo. I paid you both on time at 8% interest. This still did not solve the problem of unpredictable expenses. It merely extended our stay and delayed our ability to build savings for the purchase of a home. You profited multiple ways including the purchases and repairs made on your behalf, the interest and the property appreciation when the condo was sold. I did not expect nor did I receive anything in return.

Kay and I would have acquired little remaining under those conditions. Moving caused the most serious conflict that Kay and I ever experienced. Kay said that you promised to buy her a home if she returned from Baltimore. By moving, she felt that she was walking away from your promise. I worked for International Paper at that time. Together, Kay and I went to 10 psychiatric sessions offered as a benefit. Our doctor recorded the details of each visit. Whether you made this promise or not, Kay firmly believed it. There were also privacy issues. On a few occasions, you instructed us to rearrange our furniture because it was your condo and you preferred it arranged differently. It was difficult for Kay because the underlying decision was to choose

between you and I. This was agonizing for Kay. The doctor explained to Kay that for our marriage to work, she had to have faith in me. You had no involvement in the townhouse that we rented or the purchase of our home. If there is anything more that you claim to be due to you in regards to the condo, it must be fully documented. My records indicate that I owe you nothing.

All was similar for the portrait studio. Kay was grateful to you and Lee for making her dream possible. Rather than loaning the money to Kay and offering your emotional support, you controlled most every aspect. Even recently, you referred to the studio as being yours. This reduced Kay to being your employee. Kay deeply felt this because you reminded her often. Most parents prepare their children to be self-sufficient and independent. At Kay's visitation, you spoke to people that she worked with at Fun Cuts. One called me a few days later explaining how you further minimized Kay's involvement in the studio as well as our marriage. Although most I had only met in passing, they collectively wanted to convey their sadness for your attitudes. I defended you explaining how difficult it was for you also.

Reflecting back, I better understand your involvement with the studio. We would all go to dinner Friday evenings. Early on when I offered to pay for dinner, I was told that the studio covered it. Many times, Kay expressed worries about being audited. My initial thought was concerns about paperwork being incorrect. Later, I learned that cash was taken without being reported. Kay said that trips were also funded that way. This was another burden on Kay because she agonized with worry over the consequences. My understanding is that you greatly profited on this venture also. If anything were personally owed, it would be your payment to the IRS for cash sales not reported. As I understand it, only enough cash sales were reported to avoid suspicion. Similar to theft, this would be an act of fraud. I appreciate your comment about not wishing to take my company. This would not be an option for you even if you did have the desire.

I have never asked you for anything, including the loan. In every situation that I am aware of, you profited beyond legal and ethical means. When we moved from your condo and the studio was closed, your influence on our lives was greatly limited. Our doctor recommended breaking those types of ties with you. Leveraging inheritance as an instrument of control over Kay was all that remained. Even the annuity was conditional. Kay did appreciate the \$533.19 annuity because her wages working one day a week at Fun Cuts was \$56. Kay told me that you had asked her to conceal it. At Christmas, you mentioned having created a trust as a matter of convenience. I remember you saying that it was to prevent us from having to devote time to resolving your estate. Kay and I had several discussions about it prior to your announcement. She also conveyed your remarks and motivations. Regardless of your attitudes towards me, there was no reason for you to further minimize Kay with your remarks to her. You could have simply done whatever you wanted without tormenting her. Your goal was accomplished if you wanted for her to feel unworthy of your love and respect. Just remember the many times that Kay defined for you the meaning of "unconditional love". When I heard her say this on the phone, I knew that she was talking to you. We usually had lengthy conversations

afterwards because of what you had done, said or threatened to do. Kay would collapse in tears at your persistence.

Discussions did often occur at family gatherings. Although somewhat limited, Kay's cousins do have awareness. Kay provided much more detail to friends. She did not want to diminish the family's respect for you. In talking with family, Kay described the anguish of your controlling behaviors. I was sad not to find the evening gown that I wanted for her to wear. It was one that she loved and that she wore to several formal events. She sold it because you had insulted her. When I described it, you repeated the insult as you confirmed it being one that she sold. Kay talked of times when you would comment on the beauty of woman that you saw when together in public. You would continue, "I wish that I had a beautiful daughter". All that I can say is that you were so blind, both in not recognizing Kay's beauty and also not realizing how profoundly your recurring comments impacted her. You minimized her as a person and also degraded our marriage. Regardless of all, Kay loved you with all of her heart and soul. Rarely a day passed that she did not say that she forgave you for not realizing what you were doing. So many times, she tried to tell you. Remember the many times that Kay stated her age and said that she was a grown woman. There was no reason for you to exert such tremendous control over her. What Kay wanted most was for you to acknowledge her as being a capable person and for you to unconditionally love her as your daughter.

If there is anything that you wish to receive from me, remitting your documented list is the first step. I will meet with you to discuss the items on your list only after I have responded to you in writing. Lee offered to referee a meeting. Should we meet to discuss your requests, additional family members and friends will also attend. You may also wish for your attorney to be present. Based on the list of items that you formally provide, I also reserve this option.

Respectfully,

[Signature on original]

Wayne P. Vaughn