Wade II, Suite 400 5430 Wade Park Boulevard (27607) Post Office Box 33009 Raleigh, NC 27636-3009

P: 919.277.9152 F: 919.277.9177 DL@wardandsmith.com

June 3, 2016

VIA EMAIL & U.S. MAIL

Ms. April Palmer

RE: Cease and Desist Interference with Business Relationships and Interests, et al.

Our File 150219-00001

Dear Ms. Palmer:

Please be advised that this firm has been retained to represent Classical Conversations Incorporated, a North Carolina corporation that you have communicated with and about on numerous occasions. This letter serves as a response to your prior communications with Classical Conversations and a demand that you immediately cease from spreading misinformation to others, including without limitation churches and individuals that have partnered with Classical Conversations, regarding legal and tax matters upon which you are unqualified to provide advice.

Specifically, it has come to our attention that you have contacted several churches throughout the State of Texas regarding Classical Conversations' for-profit status and informed them that they may lose their non-profit status by partnering with Classical Conversations. There is no legal basis for your assertions, which are simply inaccurate, misleading, and false. Further, you do not have the professional qualifications that would enable you to render competent advice regarding these matters. This applies equally to the information posted on social media regarding nondisclosure and confidentiality agreements.

You have also made numerous defamatory statements concerning Classical Conversations and its business practices and leaders, directing these untruthful statements towards Classical Conversations' Licensed Directors, local members of your community, individuals on social media, and state government agencies. Collectively, these false statements have caused unnecessary and unfounded alarm among Classical Conversations' business affiliates and state auditors. Your conduct has harmed and continues to harm Classical Conversations' reputation and its ability to engage in lawful business activities.

Because Classical Conversations is a North Carolina corporation, your improper conduct and activities directed towards Classical Conversations may subject you to North Carolina law. Under North Carolina law, it is unlawful to engage in conduct, such as providing misinformation, that causes an individual or entity to breach a contract or prevents an individual or entity from entering a contract it otherwise would have entered. It is also unlawful to make false statements that harm an entity's professional reputation,

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especially when the individual making these statements lacks the professional qualifications to render such opinions. Consequently, your conduct may subject you to claims under North Carolina law for, *inter alia*, tortious interference with contract, tortious interference with economic advantage, defamation, and the unauthorized practice of law. These claims may entitle Classical Conversations to injunctive and monetary relief for the irreparable harm you have caused.

Accordingly, Classical Conversations demands that you immediately cease, <u>directly or indirectly through others</u>:

- Communicating to individuals and churches misinformation or unfounded speculation as to legal and tax matters on which you are unqualified to advise, including without limitation matters related to the for-profit or not-for-profit status of Classical Conversations and the churches it partners with or may partner with in the future;
- Interfering with, or directing or instructing anyone to interfere with, Classical Conversations' current and prospective business interests and relationships, including without limitation any and all relationships with its licensed directors; and
- Posting, writing, or communicating through any medium information concerning Classical Conversations that is unfounded, inaccurate, false, misleading, or defamatory.

In an effort to resolve this matter amicably, within five (5) days of receipt of this letter we request that you: (1) confirm that you will cease and desist from engaging in the activities set forth above; and (2) provide Classical Conversations with copies of any and all letters, e-mails, or other communications that you have sent to churches concerning Classical Conversations' status as a for-profit entity or related legal and tax matters. If we do not receive such confirmation and documentation, Classical Conversations may have no alternative but to pursue the legal remedies available to it as a necessary means to protect its business interests which your conduct has irreparably damaged.

We look forward to your prompt reply.

Yours very truly,

Deana A. Labriola

Mr. Gary J. Rickner

cc: