

# EXHIBIT N

**K. Michael Bradshaw**

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**From:** "Hedrick, Monte" <MONTE.HEDRICK@LibertyMutual.com>  
**Date:** Thursday, December 05, 2013 10:38 AM  
**To:** "K. Michael Bradshaw" <michael@kandmcollision.com>  
**Subject:** RE: 2012 Volkswagon, Mrs [REDACTED] Liberty Mutual

I will send appraiser out to reinspect with shop on Monday.

**From:** K. Michael Bradshaw [mailto:michael@kandmcollision.com]  
**Sent:** Wednesday, December 04, 2013 3:05 PM  
**To:** Hedrick, Monte  
**Cc:** tracy.martin@alexlee.com  
**Subject:** Re: 2012 Volkswagon, Mrs [REDACTED], Liberty Mutual

The appraisal you supplied does not include the operations required to properly restore Ms. Martin's 2012 VW Passat to its pre-loss condition. Currently your appraisal is deficient in the amount of \$5795.01

The following items are listed on our repair plan that you received via fax, but have not been added to your appraisal. Please either add the items listed below or provide an explanation as to why they have not been added.

**D & R ABS CONTROL UNIT** – Required for all welding operations per VW collision repair manual  
**R & I SPARE TIRE** – Required for rear body panel installation, not included in base labor time for rear body install per p-pages

**R & I ALL 4 WHEELS** – Required for VW suspension check; Required for Setup and Measure

**R & I ENGINE, LEFT & RIGHT UNDER COVERS** – Required for Setup and Measure, not included in setup and measure per p-pages

**R & I REAR EXHAUST & HEAT SHIELD** – Required to properly install and refinish rear body panel, not included in base labor time per p-pages

**R & I/D & R BATTERY** – Required to prevent damage to electrical systems during welding operations, non included operation per p-pages

**ADJUST/ALIGN RIGHT REAR DOOR** – Door gap is outside of factory tolerances, photo documentation attached

**REPAIR AND REFINISH R & L ROCKERS** – This vehicle has a heavy texture guard that is damaged during the bench mounting process. This requires repair to level out the dips created from the bench mounting arms before it can be refinished in order to match the factory appearance

**REPAIR R QUARTER OUTER PANEL** – The panel has been pushed forward, causing misalignment of the right tail lamp, right rear door and trunk lid. There is also damage where the right bumper bracket was pulled out of the mounting points during the accident. Supporting photo documentation is attached

**R & I LUGGAGE LID W/S** - Required for rear body panel install, non included operation per p-page

**REFINISH REAR FLOOR UNDERSIDE** – Damage must be repaired on both sides of panel

**REPLACE RIGHT REAR LAMP MOUNTING PANEL** – Required when replacing rear body panel, reference attached VW repair manual clearly outlining this operation

**REPAIR LEFT REAR LAMP MOUNTING PANEL** – Current amount allotted on appraisal is insufficient; Panel will require welding burn repair and refinish to inner and outer, panel is also bent around mounting points requiring replacement or welding repair of 1 stud. Supporting photo documentation attached

**REPLACE LOWER REAR BODY PLATE(LOCK CARRIER)** – Must be replaced during rear body panel replacement, reference attached VW repair manual clearly outlining this operation

**REPAIR SPARE WHEEL WELL (REAR FLOOR)** - Current amount allotted on appraisal is insufficient; Panel requires repair to both sides of the panel and will also require repair from welding burn damage during the rear body panel installation.

**REPLACE REAR BODY THREADED WELD PIN** – Bracket attachment studs do not come on new panel and must be welded on

**REPLACE RIGHT REAR LAMP MOUNTING THREADED WELD PIN** – Bracket attachment studs do not come on new panel and must be welded on

**REPLACE VW BONDING ADHESIVE** – Required for install of rear body panel and lamp mounting panel, reference attached VW repair manual clearly outlining this operation

**R & I REAR BODY FLOOR AND TRIM PANELS** - Required for rear body panel installation, not included in base labor time for rear body install per p-pages

**REPLACE REAR BODY TRIM CLIPS** – Non-reusable

**REPLACE REAR BUMPER IMPACT BAR** – Appraisal provided list a used impact bar, unable to use due to this being a structural part with an unknown history. VW does not approve the use of recycled parts in the repair of VW vehicles, VW position statement attached

**MISC. CLIPS AND FASTENERS** – Either damaged in collision or non-reusable

**PRE-WASH AND DEGREASE VEHICLE** – Required to properly asses damages to the vehicle. Also required to prevent repair contamination caused by silicon based waxes or tire shine products. Non-included operation per p-pages

**PRE-MEASURE UNIBODY** – Required to properly asses structural damage before repair commencement and parts ordering. Measurement report attached

**PRE-MEASURE SUSPENSION** – The vehicle suspension components must be checked after a collision event to ensure none of the components stretched or shrunk, due to the ductility of the component from the applied collision impact forces

**STRUCTURAL DAMAGE DIAGNOSTICS** – Assessment of structural damage that includes inspection of the vehicle and review of the measurement report to create a proper repair plan

**UNIBODY SETUP** – Current amount allotted is insufficient to properly set the vehicle up on a VW approved bench. Currently VW only approves Cellete, Car-O-Liner and Car-Bench for unibody repairs.

**EVO SETUP** – Supplemental anchoring required for left and right rail pulls. Anchoring is required to prevent collateral damage to the vehicle's structure due to higher tensile strength of rails compared to other parts of the vehicle.

**PRE-PULL REAR BODY AND PULL FLOOR** – Required to re-align attaching parts before rear body panel is removed

**PULL AND MONITOR RIGHT RAIL FOR SWAY** – Required to re-align rail to factory specifications. Measurement report attached showing damage

**PULL AND MONITOR LEFT RAIL FOR SWAY** – Required to re-align rail to factory specifications. Measurement report attached showing damage

**PULL AND MONITOR LEFT RAIL FOR SAG** – Required to re-align rail to factory specifications. Measurement report attached showing damage

**REPAIR and REFINISH EVO MOUNT LOCATIONS** – Required to repair marks created from supplemental anchoring

**VW SEATBELT CHECK** – Required after collision, reference attached VW repair manual clearly outlining this operation

**VW SUSPENSION/POST COLLISION INSPECTION** - Required after collision, reference attached VW repair manual clearly outlining this operation

**R & I WIRING** – Required for rear body installation, non included labor operation per p-pages

**PROTECT INTERIOR FROM WELDING DAMAGE** – Cover interior to prevent damage due to welding sparks, non-included operation per p-pages

**3M WELD WRAP** – Required to protect glass and exterior paint from damage due to welding sparks, non-included operation per p-pages

**SETUP AND TEST MAG WELDER** – Required to setup welder, cut out and perform test welds on same material and destructively test those welds. VW and ICAR outline this operations as being needed to ensure the welds are adequate, non-included operation per p-pages

**SETUP AND TEST STRS WELDER** – Required to setup welder, cut out and perform test welds on same material and destructively test those welds. VW and ICAR outline this operations as being needed to ensure the welds are adequate, non-included operation per p-pages

**REMOVE FACTORY CAVITY WAX** – Required to perform rear body and floor repair/replacement operations, non-included operation per p-pages

**REMOVE FACTORY SEAM SEALER** – The current amount of time allotted is insufficient to perform the operation properly. Required to perform rear body and floor repair/replacement operations, amount of factory seam sealer applied requires additional labor to remove. Photo documentation attached

**WELD THRU PRIMER** – Amount of time allotted for “Corrosion Protection” is insufficient. Prep process and application of weld thru primer is required to prevent corrosion to the panels. This process requires removing factory ecoat in all areas where weld thru primer will be applied, once panel is installed excess must be cleaned off a paint will not adhere to weld thru primer. Non-included operation per p-pages

**SHIELD CORROSION PROTECTION SYSTEM** – Cavity wax type material that is applied as another step of protection from corrosion, cavity wax is applied to this vehicle in the factory. Non-included labor operation per p-pages

**EPOXY PRIMER** – This is required operation applied to the vehicle in a separate process from paint and sealer that is the closest method to reproducing factory ecoat in the field. This is also part of the corrosion protection process that is clearly outlined as being non-included in the p-pages

**RE-ESTABLISH BASIC TCM SETTINGS** – Required after battery D/C out lined in the attached VW repair manual

**DIAGNOSE AND CLEAR STORED FAULT CODES** – Required to scan and remove any accident and/or repair related fault story in the vehicles on board memory

**TRANSPORT VEHICLE TO AND FROM ALIGNMENT** – Charge to transport vehicle to and from the alignment facility.

**ROAD TEST VEHICLE** – Required to ensure all vehicle functions perform as intended at operating speeds as outlined in the VW repair manual. Non-included labor operation per the p-pages

**PREP PLASTIC BUMPER** – Required operation to prep plastic bumper and remove mold release agents. Non-included operation per p-pages

**TINT EXTERIOR COLOR** – Required to properly match OEM color, p-pages only allow for 1 tint cycle. As this is a panel match it will require multiple cycles for an acceptable match  
**TINT INNER TRUNK COLOR** – Required to match, mix and tint trunk compartment color to match factory appearance. Non-included operation per p-pages  
**MASK TRUNK COMPARTMENT** – Required to prevent overspray damage during trunk compartment and rear body refinsh. Non-included operation per p-pages  
**COVER CAR FOR REPAIRS** – Required to prevent repair contamination to windows, exterior paint and interior of vehicle. Non-included operation per p-pages  
**WASH AND TACK AFTER REPAIR** – Required to clean repair areas that will be primed in order to prevent contamination of the primer process. Non-included operation per p-pages  
**COVER CAR FOR PRIMER** – Required to prevent overspray damage to windows, exterior paint and interior of vehicle. Non-included operation per p-pages  
**WASH AND TACK AFTER BLOCKING** – Required to clean repair areas that will be painted in order to prevent contamination of the painting process. Non-included operation per p-pages  
**GRAVEL/CHIP GUARD** – Must be applied to rockers after bench mounting damage is repaired, in order to duplicate factory appearance. Non-included operation per p-pages  
**DENIB AND FULL POLISH** – Required to correct surface imperfections in bumper refinsh, this operation is performed by VW at the factory level. Non-included operation per p-pages  
**CLEAN REPAIR DEBRIS FROM VEHICLE/FINAL WASH** – Required final clean up to remove any debris from the repair process. Non-included operation per p-pages  
**UNDERCOATING** – Required to restore factory application of undercoating located on bottom of truck floor pan

**VW CERTIFIED LABOR RATES:**

**BODY \$48**  
**REFINISH \$48**  
**MECH \$85**  
**STRUCTURAL \$65**  
**FRAME \$65**

Our rates listed above are charged on every VW vehicle as we are the only VW certified repair facility in the area. Keep in mind that VW actually has a list of only 4 welders that are approved for welding on VW vehicles and further state that if vehicles are welded using welders not approved by VW that the structural integrity of the vehicle will be compromised (VW statement attachment). Should Liberty Mutual refuse to recognize and reimburse Ms. Martin for our rates, can you please provide her with a local area shop that has a VW approved welder as outlined in the attached statement that will complete these repairs for the rates in the Liberty Mutual appraisal?

The other items that remain insufficient are the current allocation for paint and materials as well as the total labor amounts in the appraisal provided. If you have a calculator you should be able to figure out those deficiencies, should you need help with that please let me know. As you can see your "appraisal" does not include all the items needed to complete a proper and quality repair. This is obvious by the fact that you have never on you own referenced the VW repair manual. How is it you can claim to have completed a proper appraisal with out even referencing the repair guidelines of the manufacturer that engineered the vehicle in question?

I'm hopeful that will do the *responsible* the and reimburse Ms. [REDACTED] for the full amount to properly repair her vehicle as outlined in our attached repair plan. If there is any documentation needed that is not attached to this email, please provide written notification of what further documentation is needed.

Best Regards,

K. Michael Bradshaw  
VP of Operations  
K & M Collision  
P.828-569-1275  
F.866-752-8063

**From:** Hedrick, Monte  
**Sent:** Wednesday, December 04, 2013 8:46 AM  
**To:** michael@kandmcollision.com  
**Subject:** 2012 Volkswagon, Mrs Martin, Liberty Mutual

I checked and recon cvr n/a. I also, added 4 wheel alignment and repair refinish for taillamp pockets. The LKQ rebar is available, so that remains the same. The estimate is fair and accurate. Based on our estimating system all items needed to complete a quality and proper repair is in this estimate. Thank You!

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**K. Michael Bradshaw**

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**From:** "Ashworth, Steven" <STEVEN.ASHWORTH@LibertyMutual.com>  
**Date:** Tuesday, December 10, 2013 9:22 PM  
**To:** <michael@kandmcollision.com>  
**Cc:** "Ashworth, Steven" <STEVEN.ASHWORTH@LibertyMutual.com>; "Minifield, Kurt" <KURT.MINIFIELD@LibertyMutual.com>  
**Attach:** 318C83A1-DBCC-49AF-A90B-489DA0527DFA.pdf  
**Subject:** Supplement appraisal for Tracy [REDACTED]

Mr. Bradshaw,

I went over all items on your supplement request. I added the items that I felt were fair & reasonable and justified after my inspection of Ms. [REDACTED] VW Passat at your shop earlier today. I also reviewed all VW guidelines that you submitted and none of them of course mentioned any labor, therefore I wrote for allowances that again I felt were fair & reasonable for the actual repair processes needed. Most of those amounts were not what you were requesting.

If additional repairs are needed such as repairing pinch welds, r & l of items for setup or repair, price differences, etc, then we can address those items with photos and invoices. I know I did not allow the amount you had requested for seam sealer, corrosion protection, weld through primer, bonding adhesive, etc, however again, we can address those with paid invoices once you have them.

This is not approving any additional supplement or items, only advising you of the process to address anything additional should it be needed. Please note that any additional supplements must be approved by Liberty Mutual and we reserve the right to inspect this vehicle at any time to verify any additional repairs.

Thank you,

Steven Ashworth  
336-301-2835

Please call me if you have any questions.

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