



**RUFFNER
SCHOENBAUM
MURPHY
BANASZAK**

Jenny Settle Jackson
Jenny@rsmbllaw.com
(512) 298-1098 direct
Partner, Business Litigation

April 20, 2023

Keana Taylor
Upshaw PLLC
914 E. 25th Street
Houston, TX 77009

via email to: keanataylor@upshawpllc.com

Re: CONFIDENTIAL SETTLEMENT COMMUNICATION UNDER TRE 408,
regarding dispute between Megumi Hada/Stas Venglevski and Innovative
Accordion Music Productions

Dear Ms. Taylor:

I received the redlined version of the Settlement Agreement you sent via email on April 13, 2023. My clients decline to accept your proposal.

It is clear that neither you nor your clients understand the nature of the funds at issue here. According to the spreadsheet you provided as Exhibit B (called "2023 HAOR Financial Balance.xls"), \$5,900 in donations were made to support the youth scholarship fund. Every penny of those funds was applied to youth scholarships for the Houston Accordion Orchestra Retreat that was held in January, 2023. In fact, IAMP had to contribute \$100 from its own funds to reach the \$6,000 needed to support the 12 youth participants that each received a \$500 scholarship to the event. These donated funds have already been spent on the restricted purpose for which the donations were made, namely providing scholarships to youth attendees of the Retreat held in January of this year. Your spreadsheet neglects to count these \$6,000 in scholarship funds as Expenses incurred as part of the event. This correction alone eliminates virtually all of the "Balance" reflected on that spreadsheet.

The remaining registration fees were just that -fees received for a service provided by IAMP. IAMP earned the fees through their organization and production of the event. The registration fees were not charitable donations and they were not restricted for any particular purpose. The registration fees were used to pay for and produce the Houston Accordion Orchestra Retreat.

Above all, neither of your clients donated the funds or paid the registration fees. Neither Ms. Hada nor Mr. Venglevski made the individual donations to the youth

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scholarship fund, and neither Ms. Hada nor Mr. Venglevski paid the individual registration fees. As a result, neither Ms. Hada nor Mr. Venglevski have any claim to those funds.

In your redlined settlement agreement, you demanded payment from my clients of \$12,986.94. As previously discussed, \$6,000 in donations restricted for the youth scholarship fund have already been spent on youth scholarships for the event held in January of this year. If you subtract that \$6,000 from your demanded amount, that leaves \$6,986.94.

While IAMP does not owe those funds to your clients under any legal theory, they are nonetheless willing to renew their previous offer to make a donation of \$7,000 to a non-profit entity formed by your clients on or before October 15, 2023. The remaining restrictions from the attached Settlement Agreement apply to any such donation. The attached Settlement Agreement accepted two of your proposed edits: IAMP agrees to make the Covenants in paragraph 3 mutual, and IAMP agrees to allow Hada to reserve her right to present counterclaims related to in response to any lawsuit brought against her by the IAMP. This offer is contingent on both Ms. Hada and Mr. Venglevski executing the Settlement Agreement and on your clients' compliance with all restrictions and conditions contained therein.

This is a generous offer that will not be extended again, and the terms are "take it or leave it." This offer expires on May 1, 2023.

I look forward to working with you to help our clients put this matter behind them.

Very truly yours,
/s/ Jenny Settle Jackson

Enclosures *as stated*