Law Offices

FULTON, HUBBARD & HUBBARD

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JOHN DOUGLAS HUBBARD JASON P. FLOYD Email jdh@bardstown.com ifloyd@bardstown.com

October 29, 2012

Sent via facsimile transmission and electronic email

WBRT 1320-AM Attn: Roth Stratton 106 South Third St. Bardstown, KY 40004 Phone: 502-348-3943

Phone: 502-348-394. Fax: 502-348-4043

Email: roth2728@yahoo.com

Dear Mr. Stratton,

This office represents David Floyd. It has come to my attention that your station is airing a defamatory advertisement paid for by the Kentucky Democratic Party. This advertisement contains patently false statements about State Representative David Floyd that are damaging to his reputation and business. Please cease and desists airing this defamatory advertisement immediately.

It is my understanding that the full transcript of this advertisement states as follows:

"With David Floyd, it never ends. First we find out that he didn't pay more than \$4,000 in local taxes, leaving local families to pick up the tab.

Now it turns out that David Floyd is using tricks to dodge Kentucky taxes. He registered his business in Wyoming, avoiding paying taxes here in Kentucky.

Wyoming? Avoiding taxes? And he wants us to trust him with our hard-earned money.

Let David Floyd know his behavior is not trustworthy."

Specifically, this advertisement falsely claims:

1. "With David Floyd it never ends. First, we find out that he didn't pay more than \$4,000 in local taxes, leaving local families to pick up the tab."

Representative David Floyd does not have any outstanding local, state or federal tax obligations.

2. "Now it turns out that David Floyd is using tricks to dodge Kentucky taxes. He registered his business in Wyoming, avoiding paying taxes here in Kentucky."

Representative David Floyd has ownership interest in multiple businesses – both inside and outside of Kentucky. Furthermore, David Floyd has filed all required Kentucky tax filings for the particular business referenced in this advertisement since its inception

The Kentucky Democratic Party's defamatory statements are wholly unsupported and were clearly manufactured with a malicious disregard for the truth, and we are pleased to present you with the documentation to prove it.

Attached, please find documentation from W. Gilbert Brown, III with Brown & Co. CPA's, which proves the content of this advertisement is false.

As I'm sure you're aware, Kentucky courts have recognized that entities that publish and/or repeat defamatory material are liable for resulting damages. Now that you have been presented with supporting proof that this advertisement contains defamatory material, you are obligated to cease airing this advertisement or your station may be held liable for the resulting damage to David Floyd's reputation and business. <u>Ball v. E.W. Scripps, et al, Ky.</u>, 801 S.W. 2d. 684 (1990).

I am sure you would agree that both of the candidates in this election should be allowed to stand on his *true* record without manipulation or interference. Now that you have been presented with the facts on this issue, I respectfully request that you do the right thing for your station and your community and remove this defamatory advertisement from the air immediately.

I would like to thank you in advance for you station's commitment to the communities it services. Please do not hesitate to contact me with any questions you may have.

Very Truly Yours,

FULTON, HUBBARD & HUBBARD

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Brown & Company

CERTIFIED PUBLIC ACCOUNTANTS FINANCIAL ADVISORS & BUSINESS CONSULTANTS

442 East Stephen Foster Avenue - Bardstown, Kentucky 40004 - Telephone (502) 349-3000 - Fax (502) 349-2059
William G. Brown, CPA - W. Gilbert Brown III, CPA

October 29, 2012

RE:

David W. & Cheryl W. Floyd 102 Maywood Avenue Bardstown, KY 40004

To whom it may concern.

I have served as the Certified Public Accountant for David & Cheryl Floyd for many years now. I can stipulate that the Floyds have no outstanding tax liabilities or obligations. I can also stipulate that the Floyds have timely filed all appropriate federal and state income tax returns, including returns for Davex, LLC, a Wyoming Company, as required by federal and state legislation. Any attempt to suggest otherwise is a direct misstatement of the facts I have stated above and a direct disparaging comment aimed at the CPA firm that prides itself on timely filing the necessary and appropriate returns.

If there is anything else that I can provide to assist in this endeavor, please feel free to contact me using the numbers listed above.

Sincerely.

- Mull Brown III