

VIRGINIA
SPECIALTY
STORES
INC.

LA VOGUE ■ THE OTHER LA VOGUE ■ ADDED DIMENSIONS
2800 WASHINGTON AVE., NEWPORT NEWS, VA. 23607 (804) 247-1211

October 1, 1992

Mr. Barron S. Wall, ARM, Managing Associate
Insurance Consulting Associates
155 Polifly Road
Hackensack, New Jersey 07601

Re: **ICA's Risk Management Consulting Services**

Dear Barry:

It has been more than eight years since you started to provide risk management consulting services to Virginia Specialty Stores. And, it has been eight years of professional excellence, commitment and integrity that I have rarely seen in other professionals. As I prepare to hang up my gloves after being at Virginia Specialty Stores for the better part of my working life, the many relationships I have had in these years come to my mind - mostly good, but some not so good. However, one of my warmest relationships - one which stands out in my mind - has been my association with you.

When ICA first became involved in Virginia Specialty Stores' risk management program, I was skeptical - like, I imagine, many CFO's are - about what value a consultant could bring to the table, which I did not get from the alphabet house broker servicing our account. But then, your challenge that Virginia Specialty Stores could terminate your services at any time with no questions asked, if we were not satisfied with the value we were getting, made your proposal interesting. Of course, the very first meeting we had with the broker with you present, showed me what a vacuum we had been in, not only in terms of how over-priced our insurance program was, but also how lucky Virginia Specialty Stores had been till then not to have had one of the many uncovered losses which you pointed out could have happened for which we did not have coverage. It is then that I realized that having your insurance placed by a big brokerage firm did not mean much unless we had someone who solely looked after our interests - and that someone was ICA. And, even at that first meeting, I knew that ICA and Virginia Specialty Stores were destined for a long relationship.

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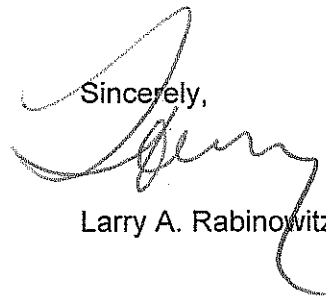
Over the years, I have admired the manner in which you have discharged your professional responsibilities. You have constantly updated yourself with the latest risk management and insurance products, and did not hesitate to share your knowledge of risk management and insurance with me. You have mentioned to me on more than one occasion that you and the client worked as a team, to reduce the incidence and severity of unforeseen losses for the client, and that this result could be achieved only if the client was knowledgeable in this critical area. I have always appreciated your forthright approach, and can frankly say that this is not something I get from most other professionals - accountants, attorneys or insurance brokers.

I have challenged you on many occasions - such as why you suggest choosing a certain proposal, how a particular level of deductible would reduce Virginia Specialty Stores costs, or even why you ask for a fee increase. Except on the last one where you have not given me a reply in the last three years (even though I would have been more than happy to have accepted your request for a fee increase), I must tell you that I have always been impressed by the rationality and objectivity of your recommendations.

Barry, I appreciate the work you have done for Virginia Specialty Stores all these years, and the dedication and integrity which you have demonstrated. On a personal level, you have been a friend, philosopher and guide to me, and I would always cherish our relationship. Just as a small token of my recognition of your services, I have recommended and secured an increase of your fee from \$2,000 per month to \$2,800 per month from November 1992

I wish you the best in all your endeavors.

Sincerely,



Larry A. Rabinowitz

lar/gj