Superior Court of the State of Delaware

Jan R. Jurden

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December 19, 2006

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RE: Sonitrol Corporation v. Signature Flight Support Corporation C.A. No. 05C-07-302

Dear Counsel:

Oral argument on Sonitrol's Partial Motion to Dismiss Signature's Counterclaims was scheduled to be heard on December 19, 2006, at 9:30 a.m. As you know, Plaintiff, Sonitrol Corporation ("Sonitrol"), has petitioned the Court to dismiss Counts III, IV, VII, VIII, XI and XII of the Counterclaim of Defendant, Signature Flight Support Corporation ("Signature"). Sonitrol argues that it is only liable for contracts entered into by Sonitrol or an entity "doing business as" Sonitrol ("Sonitrol D/B/As") and that the contracts at issue involve independent dealers, and not Sonitrol D/B/As. Signature disagrees.

Signature has petitioned the Court to postpone oral argument on the instant motion until after the parties have engaged in some limited discovery. Signature is requesting that Sonitrol respond to its interrogatories and request for production that were served on April 4, 2006.¹ Additionally, Signature argues that it should be permitted to engage in 30(b)(6) depositions in order to establish the relationship between the alleged independent dealers and Sonitrol.

Sonitrol's responses to Signature's discovery requests were stayed while the parties engaged in settlement negotiations. Because those negotiations were unsuccessful, Signature now requests that Sonitrol respond to those interrogatories and request for production.

The Court agrees with Signature that it is entitled to some discovery at this juncture. Sonitrol has not provided any support for its claims that the entities at issue are not controlled by Sonitrol.² Absent an affidavit or other factual support for Sonitrol's position that the disputed entities are independent dealers, Sonitrol's Partial Motion to Dismiss Signature's Counterclaims is premature. Sonitrol's Motion is stayed pending Signature's receipt of Sonitrol's discovery responses and completion of 30(b)(6) depositions. Within thirty (30) days, the parties shall submit a stipulated scheduling order to this effect, including a provision for dispositive motions.

IT IS SO ORDERED.

Very truly yours,

Jan R. Jurden Judge

In fact, in response to Signature's Motion to Dismiss the Complaint (which the Court denied on March 24, 2006), Sonitrol submitted an Affidavit of Thomas C. Breslin, Senior Vice-President and Chief Financial Office of Sonitrol, in which he averred that "the Sonitrol Corp. D/B/As are the operations of Sonitrol Corporation and there is no corporate distinction between Sonitrol Corporation and the Sonitrol Corp. D/B/As." Breslin further stated that "[t]he claims in the above-captioned action involve only the claims of Sonitrol Corp. to recover outstanding payments owed by Signature on account of CCTV equipment installed and related services rendered by the Sonitrol Corp. D/B/As." Pl. Answ. to Def. Mot. to Dismiss, E-File 7220213, Ex. A, ¶¶ 5, 11 (emphasis added).