

## **PRESS RELEASE**

January 8, 2014

Damon Mallatere is disappointed the District Attorney has decided to press criminal charges against him in light of the facts of this matter. Appalachian Hospitality Management, Inc. (hereinafter "AHM") employees did swap out a pool heater from The Sleep Inn to the Best Western in November of 2011. However, within 3 months AHM entered into a contract with Independence Oil and LP/Gas, Inc. (hereinafter "Independence Oil") to convert the pool heater, and other gas powered appliances from propane to natural gas. The contract was entered into between AHM and Independence Oil on February 15, 2012. The written contract required Independence Oil to pull all required town permits to convert the appliances, replace each appliance that could not be converted with new equipment that was equipped for natural gas and make sure all appliances and equipment were in proper working order prior to the conversion. The contract specifically provided Independence Oil would not proceed with the conversion until the equipment was in good working order. Independence Oil was recommended by Frontier Natural Gas, and Independence Oil converted the pool heater at the Best Western even though the manufacturer has a warning in the owner's manual saying it should not be converted. A permit was issued by the Town of Boone, and it was allegedly inspected by the Town of Boone to make sure the conversion was performed properly.

Based on expert evaluation of the pool heater following the tragic deaths, it appears the conversion was not properly performed, and this lead directly to extremely high levels of carbon monoxide being produced by the pool heater. The police have also been made aware that Independence Oil converted other appliances for AHM at other hotels in the area, and after AHM conducted a full investigation of all of the conversions at its hotels, it was determined several other appliances were improperly converted leading to unacceptable levels of carbon monoxide. All of these appliances were also inspected by the Town of Boone and passed inspection. AHM took immediate steps to repair or replace all appliances that were not properly converted by Independence Oil.

Mr. Mallatere is extremely disappointed the Boone Police have decided to ignore the actions of Independence Oil in their investigation and focus solely on a business owner who entered into a written agreement with a recommended company to perform the conversions. Of course this would also bring into questions the actions by the Town of Boone for their inspection of the conversions.

Mr. Mallatere is further concerned for the citizens of Boone because neither the police nor the town have issued any public service announcement about potential problems with conversions of gas fired appliances from propane to natural gas which may have been improperly performed by Independence Oil.

Mr. Mallatere's thoughts and prayers go out to the people affected by this tragic accident.