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March 23, 2016

Wade A. Hinton
City Attorney
2nd Floor City Hall Annex
100 E. 11th Street, Suite 200
Chattanooga, Tennessee 37402

Dear Wade:

We are receipt of your letter dated February 29, 2016 regarding the Agreement for Energy Efficient Lighting. In it you state that the City is terminating the agreement effective March 31, 2016.

You stated in your letter three reasons for the justification of the termination:

- 1) GGL has failed to provide accurate metering data to the Electric Power Board,
- 2) the lights continue to go dark and fail to function properly,
- 3) GGL is obligated to pay a judgment to Sensus pursuant to an arbitration award against GGL.

This is the fifth attempt since Mayor Berke and his administration came into existence to discredit Global Green Lighting, and their products using inaccurate and false information. We are certain that the reason behind the posturing and decisions by the City of Chattanooga are that the EPB is determined to regain the Street Lighting business from the City of Chattanooga, and the Mayor is determined to give it to them. We consider their actions to be an interference with the Global Green Lighting contract and actionable.

We are fully aware that the City has nearly depleted the inventory that existed after the Mayor elected not to fund the remainder of the city wide lighting replacement agreement in May 2014. Recently, we received verification from outside parties that the City has chosen to not buy replenishment inventory that still exist today at GGL and can be shipped within a 24-hour notice, with the reason being that "Don Lepard is suing the EPB which is being interpreted as suing the City".

We have pointed out during several conversations with you the claims made in the Qui Tam law suit are directly connected to the false data the City continues to receive and use from the EPB. Just as we have done in the past with each attempt to discredit, we once again feel the need to respond to these false claims listed in your termination notification letter. We believe that the, Mayor and his staff refuse to or are unable to interpret the data we have provided on multiple occasions to be accurate and valid. We have detailed below the recent false and incomplete accusations made by the City, using false data provided by the EPB against GGL and GGL's response.

- 1) **"GGL has failed to provide accurate metering data to the Electric Power Board".**

That is a completely inaccurate statement. The EPB has chosen, without GGL's knowledge, and apparently without the City's knowledge, not to accept the approximately 2.3 million points of measured energy consumption data that has been supplied by GGL every month and continues to be submitted each month.

In our most recent response to the City, GGL was responsible for pointing out, in detail, to you and David Carmondy (COO) the EPB had replaced the monthly metered data with a calculated higher flat rate energy charge formula for every GGL metered light.

The decision not to accept the delivered data into the EPB billing system, has result in a \$94,000 energy over charge to the City in 2015, and is on track to overcharge the City approximately \$109,000 in 2016.

It should also be noted the City ordered 2,200 of the 250 watt LED lights for the purpose to replace the 400 Watt Mercury Vapor lights that existed only on the City's monthly street light billing. Only after the new 250 watt LEDs were being installed the billing discrepancies and EPB secret reclassification adjustments had been made to the billing invoices. GGL and the City had no choice but to use the wireless lighting control system to manage a better than 50% energy savings on a 250 Watt LED light that actually replaced a EPB owned 200 watt HPS.

The EPBs decision to not accept the managed and metered energy savings, can be equated to the EPB forcing the City to pay a higher price for energy, because the EPB was caught in the act of intentionally overcharging the City for unused energy for the past thirty years. These are exactly the same claims at the heart of the Qui Tam Law suit filed by Don Lepard.

We find it difficult to accept your claims that it is GGL's fault that the EPB has once again over charged the City for its street light energy charges without the City knowing about it. It was the metered data submitted by GGL that once again detected the EPB's continuing practice of intentionally over charging its customers.

The EPB's CEO and President has been quoted to say, "if you cannot measure it, you cannot manage it." Perhaps he should change his quote to say "If you cannot measure it you can charge whatever you want with no accountability." Which is exactly what the EPB has been doing for the past thirty years.

2) The GGL lights continue to go dark and fail to function properly,"

GGL is in complete compliance with the 8-year warranty policy as it is stated in the agreement that you wish to cancel. Considering the EPB has deployed all of the lights. GGL has made a valent effort to repair or replace every LED light that has failed to work properly and have never questioned the quality of the original EPB installation.

We monitor daily the street light function using the cloud based operating system and wireless network infrastructure. We can easily see the lights that have malfunctioned and we report all of these lights to the City with the full intention to honor the 8-year warranty policy in the agreement you now wish to cancel.

We have made ready a full replacement light for each light that as malfunctioned. According to the same agreement, the City is responsible for the initial installation of the GGL lights, and is responsible for the replacement of any light that is under warranty.

Until recently, GGL at its own expense has also been retrieving the failed GGL LED lights. However, considering the City's lack of appreciation for our expense and efforts, GGL has decided not to incur the added expense. In the recent months, and on multiple occasions, GGL has informed you of the procedures in place to make ready all of the warranty replacement lights and offered its support the EPB in its efforts to do the replacements in a timely manner.

GGL has plenty of unpurchased custom made for Chattanooga Green LED street light inventory and are willing and able to make sure the product GGL has designed, developed, produced and deployed in Chattanooga continues to work and preform to the maximum performance levels.

In our last update report we informed you that we had taken a survey of 2,000 EPB owned HPS street lights in the high crime areas and found 360 (18%) were dark and failed to function properly. We tagged each pole with a ribbon, and offered a detailed report with the locations and the pole ID's. The purpose for the survey was to point out the fact that the EPB's performance for maintaining the street lights in certain areas of Chattanooga, far exceeds the levels of GGL failures, yet you chose to use this as an excuse for canceling the purchasing contract that is in place until March 2017.

It is clear that your intentions are to terminate the GGL City wide street light replacement contract now, and return it to the EPB who's performance is far lacking in comparison, and has many unaddressed claims of overcharging the City for the last thirty years.

3) "GGL is obligated to pay a judgement to Sensus pursuant to an arbitration award against GGL".

The recent article reported in the Nooga.com, reported on a confessed judgment between GGL and Sensus GGL's exclusive vendor to the lighting controls. The judgment was agreed upon in an aberration hearing that took place in November 2014. It was filed in the federal courts three weeks ago, in order for the judgment to be registered. To this date, the vendor is waiting for GGL to sell the wireless street light controllers to the city of Chattanooga, and has not actively pursued payment.

Part of the judgment also includes the amount GGL owes for the wireless transmitter equipment lease and the secured cloud hosting for the operating system, the metered data, and monitoring of the street lights. This infrastructure is still located and operating in the City of Chattanooga. It is the core to the lighting control and metering and must be maintained for the lighting to work properly.

GGL presented to you, the City's COO and the CFO an invoice during a meeting in November 2014 for the infrastructure cost to host the already installed GGL lights and any future lights throughout the City for the entire 2015. To date the City has not paid that invoice, and there for it is included in the amount of the judgment between GGL and the Sensus Company. Should the City follow through with the canceling the contract, and not pay the past or future hosting charges, we will most likely ask Sensus to have the leased equipment removed and the cloud based operating system be turned off for nonpayment reasons.

This judgment was a direct result of Mayor Berke's decision not to fund the remainder of the street lighting replacement project. Mayor Berke's poor decisions based on the inaccurate information provided by the EPB, has resulted in GGL's loss of the ten years' exclusivity to market the smart lighting control technology that was co-developed with Sensus in Chattanooga.

Mayor Berke's poor decision not to finish the City wide deployment was considered a negative mark on performance of the GGL street lighting technology. Within two weeks after his publicized decision, over twenty-six other cities, totaling over \$100 million in sales revenue withdrew their interest. The actions of the Mayor have resulted in our vendors and creditors seeking to secure their investments and loans.

It is unfortunate that the City of Chattanooga created the enviable down fall and ultimate confessed judgements by preventing GGL the opportunity to fulfill its financial commitments. Is now wanting to use it as the latest excuse to terminate the purchasing contract.

The Mayor, his administration, and legal counsel should have learned by now, not to trust the data offered by the EPB with only a verbal assurance that it is accurate. It is a proven historical fact that the EPB has creditability problems when it comes to the accuracy of the publicly made statements, and statistical data reports made available to the Mayor, and his administration to be used for decision making and reasons to justify terminating the agreement.

The Mayor's continued instructions to his staff not to do business with the Global Green Lighting is proving to be an obvious and embarrassing attempted to cover up the historical inadequate performance, and millions of dollars in billing discrepancies by the EPB executives. We will not allow the Mayor and his administration to destroy our client's reputation and ability to do business with others, while he protects those who should be held accountable for their actions.

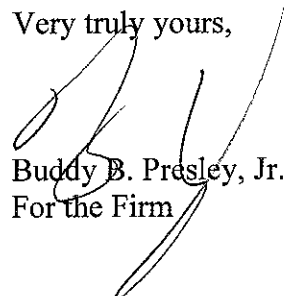
If the Mayor and his administration would care to take a walk in the city at night, they will find well-lighted streets, populated with tourist and local pedestrians who feel perfectly safe. This is a statement that could not have been made four years ago. In spite of all the negative publicity that can be generated against us by the Mayor, his Administration Staff and the EPB, a simple poll of the citizens who have benefited from the decision to have the GGL lights in the City is still greatly appreciated.

GGL has new advanced wireless technologies and LED Street light products at much lower prices to offer to the City going forward. State law also allows for other government entities to take advantage of the Chattanooga purchasing contract having to rebid. Before the contract is terminated on March 30, 2016, we would respectfully request a meeting with the Mayor and Members of the City Council together or separately to work out a solution that will be acceptable to everyone involved.

All my client has ever wanted to do since the beginning of this journey is to make the environment safer, create jobs in Chattanooga, and progress the Spirit of Innovation that has inspired so many in this city. We prefer to share the stories of success rather than to fight over the fault of failures.

We respectfully ask for your response to our request not to terminate the agreement, and to resolve to create solutions.

Very truly yours,



Buddy B. Presley, Jr.
For the Firm

BBP/sp

Enclosures

cc: Don Lepard, GGL, Daisy Madison,
David Carmody, Blyth Bailey