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July 20, 2018

VIA Email – [REDACTED]

Mr. Brian Walden
Director of Operations
ProSolar America, LLC

Dear Mr. Walden:

I am general counsel to Great St. Jim, LLC and LSJE, LLC ("GSJ"), which own and operate Great St. James Island in the U.S. Virgin Islands.

I understand that GSJ purchased a 310.8 kWh solar power system from ProSolar Systems, LLC ("ProSolar") in November 2016 for a purchase price of \$192,211. Included as part of that purchase were 12 self-contained Acquion Maintenance Free Salt Water Battery Modules for an aggregate price of \$154,338, each being sold with a 3-year warranty from ProSolar, which will not expire before November 2019. I also understand that GSJ has also been paying ProSolar in the amount of \$350 per month for monthly maintenance/service calls which have been taking place since April 2017 and that after Hurricanes Irma and Maria hit the U.S. Virgin Islands in September 2017, GSJ paid in excess of \$111,000 to troubleshoot and bring the solar power system into full operation.

Despite the purchase of a specially designed solar power system that was to provide Great St. James Island with continuous power to meet its energy demands (which GSJ fully disclosed in advance to ProSolar) without interruption on a full-time basis, and was warranted for three years, the power system has been failing regularly, shutting down like clockwork every morning at approximately 5AM. This then required GSJ's representative to travel to the island to turn off island-wide power drawing from the system, so that the system could recharge. Once the system recharged, it then had to reboot completely before GSJ's representative was able to reconnect power to Great St. James. Obviously, this was not what was proposed by ProSolar, not what was agreed to and certainly not what GSJ paid almost \$200,000 for ProSolar to deliver. Moreover, after more than year of paid monthly service calls and an additional \$111,000 of replacement and repair work to bring the solar power system into full operation over the past several months, and despite ProSolar's knowledge of the existing conditions on Great St. James Island and continued reports to ProSolar of increasingly regular low voltage system failures, only recently

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did ProSolar tech personnel open the battery modules to examine the circuit boards contained therein. ProSolar advised that only after it examined these circuit boards which supply the charging and discharging controls for each battery module did it discover that several were corroded. It now believes that this is the source of the problems with the system.

Two weeks ago, ProSolar attempted to implement what it maintains is a solution to the recurring problems experienced on Great St. James. The solution was to effectively bypass the circuit boards, and in the process, eliminate whatever functionality they should have provided had they been functioning properly. Although a full assessment needs to be completed concerning the extent to which the work recently performed by Pro Solar's technicians has improved the system's wholesale performance failures, improvement will not resolve the issue or satisfy ProSolar's contractual obligations to GSJ. A system that does not fail quite as often as it used to is no substitute for a fully operational, properly programmed and integrated solar battery system that functions as specified and has no defects in its design, circuit boards, programming, control systems, or otherwise. GSJ paid ProSolar in full for, and ProSolar is obligated to provide to GSJ nothing less than, a solar power system with the full functionality you contracted to deliver and warranted for three years. Moreover, the three-year warranty that GSJ paid for has no value at all if replacement parts for the system cease to be available during the warranty period, which is what now appears to be the case.

Nor is it reasonable to blame your contractual breaches on damaged circuit boards in the solar batteries that you claim are the result of environmental conditions on Great St. James created by Hurricanes Irma and Maria. ProSolar has made regular service calls to Great St. James after the Hurricanes hit the Island, for which it was paid in each instance by GSJ. It was well aware of those conditions on Great St. James, but never once during any of the numerous service visits it made to Great St. James after September 2017 did ProSolar examine the circuit boards. Thus, if indeed the damaged circuit boards played a role in the system failures, ProSolar's own gross negligence in servicing the solar battery system eliminated any possibility of early detection or damage prevention. It was only after GSJ complained of the continuous, regular system failures and only after numerous on site visits that ProSolar then finally examined the circuit boards. But by then, the damage was done, and now no replacement boards are available.

Moreover, it is our understanding that the system was never properly programmed and integrated and there have always been incompatibility issues with respect to the circuit boards which ProSolar blames for the system failures. This defect in ProSolar's design of the integrated system it contracted to deliver was a problem from the very beginning that was never resolved. Once again, this is not what GSJ paid for and not what ProSolar contracted to deliver and warranted to GSJ.

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ProSolar must take full responsibility for its defective and non-conforming system and provide GSJ with the system that actually functions and performs as agreed, including as necessary, by replacing the battery system in its entirety. Otherwise, ProSolar must provide GSJ with a full refund of all amounts paid to ProSolar in connection with the system, including, without limitation, the \$192,211 paid for the system, the \$111,000 paid to bring the system into operation and the \$350 per month of ProSolar's service calls that never properly diagnosed or fixed the system's problems.

Please coordinate with Mr. Richard Kahn to advise how you will fully and properly resolve ProSolar's contractual breaches.

This letter is without prejudice to the rights and claims of GSJ against ProSolar, including, without limitation, the right to bring legal action against ProSolar to recover all amounts incurred by GSJ in connection with the defective and non-conforming solar power system delivered by ProSolar, consequential damages and attorneys fees and costs, all of which rights and claims are hereby expressly reserved.

Very truly yours,
/s/ Darren K. Indyke
Darren K. Indyke