

LSJE, LLC
c/o HBRK Associates, Inc.
575 Lexington Avenue, 4th Floor
New York, New York 10022
Telephone: [REDACTED]
Email: [REDACTED]

June 25, 2018

VIA Email – [REDACTED]

Mr. Brian Walden
Director of Operations
ProSolar America, LLC

Dear Mr. Walden:

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. 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 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 now fails regularly, shutting down like clockwork every morning at approximately 5AM. This then requires GSJ's representative to travel to the island to turn off island-wide power drawing from the system, so that the system can recharge. Once the system recharges, it then must reboot completely before GSJ's representative can 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

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reports to ProSolar of increasingly regular low voltage system failures, only recently did ProSolar tech personnel open the battery modules to examine the circuit boards contained therein that supply the charging and discharging controls for each battery module to discover that several were corroded. This is what ProSolar has advised it now believes is the source of the problem.

ProSolar has proposed a solution to modify the solar power system it designed for, supplied to, and installed on Great St. James and has been servicing. It proposes to bypass the circuit boards contained in each of the 12 battery modules in the system and allow the control functions that were to be performed by those circuit boards now to be performed by the existing inverters of the system which were also supplied, installed and serviced by ProSolar. ProSolar proposes to reprogram those inverters to assume the functionality of the bypassed circuit boards. It believes that the transfer of the control functions from the circuit boards to the inverters will eliminate the low voltage system failures Great St. James Island has been experiencing and will allow the system to function as contractually required and warranted.

We appreciate your efforts to diagnose the catastrophic failures with the solar power system you designed, supplied, assembled and have been servicing. And we are more than willing to allow you at your sole cost and expense to attempt to fix the problem along the lines that you propose. However, please be advised that should your proposed solution fail, we insist that you honor your obligation to deliver to Great St. James Island a solar power system with the full functionality you contracted to deliver and warranted by replacing the system with one that actually performs as agreed, or 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 advise when you will begin the necessary work to implement your proposed solution, so that appropriate arrangements can be made on Great St. James Island.

This letter is without prejudice to the rights and claims of GSJ against ProSolar, all of which are hereby expressly reserved.

Very truly yours,
/s/ Richard Kahn
Richard Kahn