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Via Email electronic receipt return requested

October 31, 2016

Mr. Jeffrey H. Michel
Sommerhuder Strabe 23
22769 Hamburg, Germany

Dear Jeffrey:

Once again I state that I have no personal obligation to you. To continue to make demands against me personally is unlawful and could subject you to attorney's fees. The UCC-1 does not establish an obligation but only provides notice of record of an existing underlying obligation. The agreement you sued USCL over was not personally guaranteed by me. The lawsuit was filed solely against the company and the judgment is against the company. I fail to understand why you keep claiming otherwise. Also a UCC-1 expires after 5 years. It can be refiled once if done timely. A check of records indicates that the UCC-1 you refer to was never refiled. It is up to the lender to file.

At this point you are a judgment holder and your remedies are limited to those provided to judgment holders.

There is a strong chance that we will have a viable source of funds. As the recent shareholder letters and reports indicate, any investment in EnergyCite/USCL is a complex transaction made ever more so by your lawsuit. If I get this done it will require that all the old USCL liabilities be settled; yours included.

I respectfully suggest that you allow us to pursue these opportunities as it is your only opportunity to obtain any funds. If we are unsuccessful in obtaining transfer of funds by mid-April 2017, the company forfeits a \$2.8 million dollar federal loss carry forward and its cannot be revived. In that event we would place the entity in Federal US Bankruptcy and by necessity Emily and I would also be required to file for personal bankruptcy because Clara Miller does, in fact, have a personal judgment against me in excess of \$145,000. To be clear, in the event of such a bankruptcy everyone loses. There would be a 100% discharge and there are no material assets to be distributed by the company, or by the Tamarkin family for that matter given household exemptions under federal bankruptcy laws.

There is no other source of funds you can obtain money from. As explained before USCL shareholders have no liability for company obligations.

There is no one else but me working on USCL funding. Many of the old shareholders have written off their USCL investment against their personal taxes. It is up to me to make this work.

I will keep you informed of our progress along with all shareholders. But again the company has no funds today.

I am unwilling and unable to provide any additional information to you because of the unfortunate adversarial legal nature of our relationship. Again, Jeffrey, I can only treat this matter as a creditor who holds a judgment and whose remedies are restricted to that of a judgment holder. The rest of your lengthy claims and threats in your numerous lengthy letters over the years have no practical meaning because USCL has been without funds.

As a matter of 100% full disclosure, USCL financial statements as prepared by Thomas J. Powers, CPA (retired status,) and USCL tax returns are posted on the USCL Due Diligence Resource site at: <http://tamarkin.us/sh/invind.php> A depreciation schedule of assets is included.

If I am successful with the current potential opportunities you will be notified accordingly along with the other creditors. Then you will be paid.

On the personal side I am sad to say that Bob Block suffered a serious stroke a few months back. After an extended hospital stay and time in a rehabilitation facility, he is now at home but his speech and cognitive abilities pale in comparison to that when you knew Bob.

Sincerely,
USCL Corporation (inactive status,)



Tomer (Tom) Tamarkin
President &

Tom D. Tamarkin, an individual