

Jeffrey H. Michel
Sommerhuder Straße 23
22769 Hamburg
Germany
Tel. 01149 – (0) 40 – 51906826
Mobile 01149 – (0) 176 – 28061314
International 1 – 770 – 821 – 8792
jeffrey.michel@gmx.net

USCL Corporation
Tom Tamarkin
5545 El Camino Ave.
Carmichael, CA 95608
U.S.A.

July 27, 2017

Per email with receipt certification and registered air mail

Dear Tom,

Your Shareholder Status Report of June 26, 2017, does not justify the relinquishment of my claims.

1. The following invoiced amounts are now overdue per May 31, 2017.
 - Invoice Number 04/2017 for 5,716.85 US dollars for USCL claim enforcement
 - Invoice Number 05/2017 for 228,900.45 US dollars for outstanding USCL claims
 - Invoice Number 06/2017 for 117,220.54 US dollars on your proportionate personal liability.
2. Repayment of the bridge loan for 30,000 US dollars of September 27, 2007, plus accumulated interest, is also overdue.

In the status report, you have described the early interest of USCL "in funding a meter development project and entering the smart meter business to the extent possible." In your presentations of October 5 and of November 15 – 17, 2006, it was commensurately affirmed: "Three phase meters are in development. The unique EnergyCite meter base has been designed to support 2S and poly phase configurations. The use of robust blades and busses insures superior ANSI conformance on bus power dissipation." USCL mechanical engineer David Wuester was pictured conducting a design review.

To promote this objective in the interest of all USCL stakeholders, I provided \$60,000 in February 2007 for the exclusive purpose of manufacturing the tooling designed by Mr. Wuester. That intention was understood and confirmed by you in the MOU of February 2, 2007.

The subsequent **UCC FINANCING STATEMENT** of April 1, 2007, included the personally signed assertion of your liability under **Item 1** as the **DEBTOR** with **Collateral**. The financing statement specified **only one debtor name** that was your **EXACT FULL LEGAL NAME** as President and CEO. The USCL Corporation was listed as the loan recipient under your personal liability as the underwriting **DEBTOR**. The **EXACT FULL LEGAL NAME, Mr. Tom David Tamarkin**, is the **only one debtor name** with address given under **Item 1** of the **UCC FINANCING STATEMENT**.

You had thereby personally underwritten the debt of \$60,000 incurred by the USCL Corporation. As the sole underwriter, you remain entirely responsible for fulfilling all liability obligations incurred under the UCC financing statement that have not been discharged by other means. Your responsibilities as CEO do not exclude, but instead reinforce this unrestricted liability in the interest of the Corporation. As self-committed underwriter, you are bound to that obligation.

No alternative arrangement has ever been agreed upon or understood between us for either managing the loan I had provided or for diverting the funds to any other purpose. On October 4, 2007, I was instead instructed by the email communication from Tom Tamarkin to issue wiring instructions on October 24, 2007, for loan repayment of \$60,000 per MOU of February 2, 2007, plus additional amounts. Payment arrangements made at that time were never culminated despite your repeated assurances to that effect.

Rather than upholding your obligations since February 2007 as CEO and as underwriter to satisfy all the terms of the MOU, the UCC Financing Statement, and all subsequent legal agreements, your repeated indifference to their fulfilment has been confirmed by expenditures made with money due me over the past decade, such as your business trips undertaken in disregard of my previous valid claims.

The following assertions in your recent communication of June 26, 2017, are commensurately incorrect: "Contrary to Mr. Michel's repeated claims, there was no personal guarantee as part of the finance agreement Mr. Michel sued USCL and Tom Tamarkin is not personally liable to him. Mr. Michel has been so advised numerous times. His judgment is against USCL." The necessary rectification of that position rests unequivocally on your personal guarantee of April 1, 2007, as the underwriting **DEBTOR** per **Item 1** of the **UCC FINANCING STATEMENT**.

The funds I had provided were to be repaid promptly, or I was alternatively to receive the tooling that I could have employed or resold. The subsequent Settlement Agreement of November 23, 2009, commensurately specifies: "USCL hereby affirms that Michel holds all title, rights and interest in the drawings, CAD files, tooling, enclosures, and intellectual property relating to the EnergyCite meter component ("Product") per Agreement of April 1, 2007. Within 10 days of both parties executing this Agreement,

USCL shall assign to Michel all drawings, CAD files, tooling, enclosures, and intellectual property relating to the EnergyCite meter component ("Product") per Agreement of April 1, 2007. In the event USCL defaults on any term of this Agreement, Michel shall immediately take possession of the Product. Michel shall relinquish all title, rights and interest in the Product to USCL only upon full and timely satisfaction of the settlement payment specified in Paragraph 1 above."

However, neither these physical assets nor any USCL title documents have ever been transferred to me. I was obliged to enter costly and time-consuming litigation against the company. Even after the case had been decided in my favor, you did not confer the assets and sums owed me. Your trip to Israel in 2012 instead entailed expenditures in disregard of these legal obligations.

The funds were diverted to purposes that violated the loan agreement. A long list of "previous creditors" to which you have since referred had not been specified on the UCC-1 statement of April 2007, thereby precluding any relevance to the settlement. These various actions do not comply with the highest business standards that were prerequisite to my providing funds to USCL.

Fundamental intentions expressed in your letter of January 22, 2009, have also been frustrated. At that time it had been affirmed: "I think Ray Presgrave summed it up nicely yesterday when he said we are very grateful to Jeffrey for his help in Europe and the U.S. to date and we want him on our team." A great deal of uncertainty already prevailed at that time for USCL as well as for me personally. My former village in eastern Germany was excavated by a mining corporation directed by former Stasi agents.

More recently, however, Germany has persevered in replacing lignite usage wherever possible with renewable energies. In result, the loss of the community of Heuersdorf has been rendered superfluous by the reduction of lignite mining output. EU electricity market liberalization has also diminished the savings that consumer-base metering could have earlier provided. Alternative suppliers can now be contracted monthly to achieve comparable cost advantages without additional capital outlays.

Only consumers with an annual demand above 6,000 kWh/a are obliged to install electronic meters. Below 10,000 kWh/a, utility companies are permitted to collect data from the meters only once per year. With the average German household consuming 3,500 kWh/a, residential smart metering cannot prevail against increasingly available smart home technologies. Standard wireless routers are equipped with interfaces for remote monitoring and switching. Widespread concerns on human health have also impeded the deployment of digital power metering devices, which are mounted within homes and apartments in close proximity to the inhabitants. Intrusive data exchanges with utility companies are generally mistrusted.

USCL metering concepts could now be alternatively employed, however, in insular power generation and storage and for applications in industry, mining, and agriculture using static or drone-based telemetry. City environments sensitive to temperature extremes and motor vehicle emissions have evoked the need for drive-by data collection. A research and development project subsidized by the social fund of the

European Commission is now under consideration. Just today, extensive public funding has been confirmed for an advanced broadband network in the county of Helmstedt, where I have been consulting for the past year on economic substitution of the 392 MW Buschhaus lignite power plant. Due to this development, my aspiration from the 1990's on replacing superfluous energy consumption by interactive control and content could now be realized within a suitable communications infrastructure. This research effort may be coordinated with the Massachusetts Institute of Technology under an existing agreement.

As soon as all outstanding financial obligations to me had been alleviated, USCL stakeholders would be able participate in these endeavors. No additional capital outlays currently appear necessary within the compass of existing functionality. Consultations on expanded implementation would be held in Hamburg.

Kindly include a corresponding announcement on this development in your next Shareholder Status Report so that stockholders may contact me directly on contributing to its realization.

Yours sincerely,


Jeffrey H. Michel