

JONES DAY

600 BRICKELL AVENUE • BRICKELL WORLD PLAZA • SUITE 3300 • MIAMI, FLORIDA 33131
TELEPHONE: +1.305.714.9700 • FACSIMILE: +1.305.714.9799

February 22, 2016

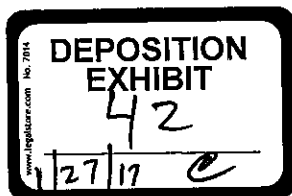
Via E-Mail & U.S. Mail
Henry W. Johnson, Esq.
J.M. Products, Inc.
7861 46th Street
Doral, Florida 33166
hjohnson@hwjlaw.net

Mr. Johnson:

Please be advised that J.M. Products ("JMP") has defaulted under the Term Sheet dated August 13, 2014 ("Term Sheet") by denying J.T. Vaughn, an Industrial Heat, LLC ("IH") employee, access to the 1 MW Plant during the morning of February 16, 2016. The Term Sheet clearly states that "IH will be allowed to visit the 1 MW Plant *at any time*, with customers or with IH personnel" (emphasis added).

We would also like to address with JMP or its counsel the subject of IH providing additional security for the 1 MW Plant. IH personnel were advised on February 16 while at the location where the 1 MW Plant is stored that, after certain procedures were performed by Fabio Penon, the 1 MW Plant would be shut down for an extended period and parts would be removed (for testing) from the 1 MW Plant. To avoid any further disassembly of the 1 MW Plant, the 1 MW Plant was locked in its containers on February 17, but is not otherwise subject to additional security.

This letter is not intended to be an exhaustive list of defaults under the Term Sheet, but simply to identify one recent and material default, and further to raise the issue of security in connection with the 1 MW Plant.



Respectfully,

[Handwritten signature]
Christopher R.J. Pace

cc: John W. Annesser, Esq. (counsel for Leonardo Corp. & Andrea Rossi)