

120 E. Pritchard Street, Asheboro, NC 27203 Phone: 336-629-3000 Fax: 336-629-2976 www.phasechange.com

Dear PCES Customer:

SUBJECT: Rodent Attraction

I am writing to convey my sincere interest in positively resolving the "rodent attraction" issue and to state that based on our analysis our BioPCmatTM product does not attract rodents.

To validate this position we have taken the following steps:

- 1.) We sought to identify an outside testing agency and a standardized test that specifically classifies building materials as not being rodent attractant. We have been unable to identify such a test or agency.
- 2.) We asked QuarTek Corporation, <u>www.quartekcorp.com</u> a nationally known nanotechnology company, whom we use to monitor the quality of our products, to comment on the nutritional value of our bio-based phase change materials. Quartek states that, "These products are non-edible and have no nutritional value for humans or animals." I have included a brief overview of QuarTek as an attachment to this letter as well as their specific response for your review.
- 3.) We reviewed our past four years' installations in commercial buildings, restaurants, and private homes to identify any reports of rodent attraction. We have had no reported issues of the product attracting rodents.
- 4.) We reviewed our own internal testing for rodent attraction. Again, we found no evidence of rodents being attracted to or eating the product.

We thank you for the opportunity to work with you and look forward to assisting your energy saving needs.

Sincerely,

James McColgin

Chief Executive Officer

QuarTek Corporate Profile

www.quartekcorp.com

QuarTek Corporation is a privately held nanotechnology company based in High Point, North Carolina, located in the heart of the Piedmont Triad between Greensboro and Winston-Salem. QuarTek's management team combines the best talents from academia and industry. With guidance from leading advisors on the scientific advisory board and the board of directors, we are developing new nanotechnology applications for the twenty-first century.

At QuarTek we do not confine our thinking to conventional domains; we dare to imagine. Our mission is to introduce innovations at the forefront of Nanotechnology to create better products for the benefit of mankind.

For more information about QuarTek Corporation please contact:

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Technology Platform

High performance and innovative thinking drive QuarTek's success in the field of nanotechnology. QuarTek is conducting research and developing processes to produce smart materials, devices, and sensors that exhibit physical properties and functions different from those found at larger scales. These processes have many technical and commercial applications. QuarTek is collaborating with academic and industrial institutions on innovative ideas and projects. Our technology is backed up by 25 patents and patent applications. QuarTek has active research programs utilizing our Smart Materials (QSMs) in the following areas:

- Energy Management: Phase Change Materials
- Biofuels: Separation and Extraction Technology
- Water Safety: Sanitation and Filtration
- Antimicrobial Technology
- Textile Innovations: Fire Retardant, Stain Release, Novel Binders, Odor Control
- Nano-Sensors for Diagnostics