

To: Robert Rose. Robert@HomeWaves.com robert@oceanplacepi.com
2535 Creek Tree Lane, Cumming Georgia 30041.
home 678 455-4573

CC: Homewaves 2650 Northgate Avenue, Cumming Georgia 30041
Office 770 887 8589, cell 404 867.2063 USA,
RR Bahamas direct line 404 867-2063

Cc: Tom Bingham CALDWELL & WATSON, LLP 404.843.1956 (P)
tbingham@cwlaw.org

From: Keith Duncan
Home address: 4177 Ancient Amber Way, Norcross Georgia 30092.
770 825 0500

Date: Friday, March 21, 2008

To Mr. Robert Rose,

I have asked my legal counsel to review and forward this letter.

I received your certified letter on Feb 16, 2007 indicating on page 3 that you have no intentions of repaying my (3) notes until you have: quote “evidence and protection that your (Keith) intentions were not malicious and the knowledge you gained including... etc”. I am so glad you put your intentions in writing so eloquently.

If you refuse immediate repayment as stipulated in Mr. Wade Watson’s demand letter dated March 14 and/or file any lawsuit or counter lawsuit against me, my litigation attorneys will file lawsuit utilizing my extensive documentation (Emails, Financial Statements, and accounting records) indicating that you intended to personally defraud me of not only my (3) loans, but also my substantial contributions of time and resources to Homewaves and LightLogics. Even your original Letter of Intent stipulated zero compensation.

The key facts are:

1. The original Nov 6 2007 Letter of Intent was drafted by you. It expired approximately Dec 10 and was extended 1 time to approximately Dec 19.

This LOI stated that the balance of the investment was to be made after the partnership agreement was signed.

2. The first Nov 12, 2007 Promissory Note for \$70,000 USD was drafted by you and stipulated a fixed interest rate of \$467 USD. This equates to about ½ of 1% fixed interest. Also, standard Georgia collection fees are typically 15% of principle. It took me 11 days after deposit of my money before I actually got you to sign this note that is dated Nov 23 2007 next to your signature. Your Nov 13 email to me stated you had signed it that Nov 12. I even had to go by your residence to get the signed copy.

3. The second note for \$20K was made on Nov 27 upon your insistence that you could not transfer your other funding sources into SunTrust to cover payroll and A/P bills. You explained that your new Line Of Credit and banking relationship applications with RBC, Wachovia, and BB&T would be jeopardized by unusual banking activity transfers.

4. The third note for \$19,800 was made on Dec 27 for me to cover approximate \$10K shortfall on payroll. I was startled when you questioned why I had not deposited \$30,000 to fulfill the original \$120K LOI. See # 1 above.

I have a very long list of documented activities by you that will be reviewed by a forensic CPA and my legal team. A sample of notable highlighted areas are:

1. General Ledger entry on 11/13/2007 showing deposit.

Acct: 28011 Paid In Capital Sub: 00-00-00 Atl,Default,Default
GJ GL 001757 11-07 11/13/2007 K. Duncan Investment 0.00 70,000.00

Are there corresponding Accounts Payable entries due March 1 2008 in addition to the other two loans due March 31 2008? Do all of these loan sources and amounts show up as Accounts Payable or Liabilities on the financial statements you presented to RBC, Wachovia, and BB&T?

2. You stated that Jan 4 through Jan 10 2008 was a critical period for RBC and other banks to approve you for a new +\$500K LOC and transfer of old Horizon LOC debt. You refused to show me any documentation on these major banking relationships or invite me to participate in any of the bank meetings.

3. During the conference calls with you attended by Tom Chorey and Susan Dignan (my partnership attorneys), you refused to identify and produce financial contracts and identify your Bahamas development company(s). You also stated that HWI does not hold corporate meetings, record minutes, and generate normal corporate documents.

4. During my time at HWI, you granted me full access to the accounting books with your wife Amy providing oversight. Regarding your Bahamas business, the General Ledger shows following examples. I know how impeccable you keep your accounting books so I do expect your entries are probably justifiable. I do ask the question why so many adjustments and bookings are on semi-annual ending and beginning dates? The first \$ column is Debit, the second \$ is Credit. These are pertinent because you provided me with June 30, 2007 (6 month ending) financial statements for HWI and LightLogics so my CPA could review the books.

Acct: 11045 Contracts Receivable
GJ GL 001446 03-07 12/31/2006 Bahamas 0.00 1,194,844.37

Acct: 21060 Unearned Contract Revenue
GJ GL 001562 08-07 1/1/2007 Bahamas 5,819,000.00 0.00
GJ GL 001565 08-07 1/1/2007 0.00 5,819,000.00

Acct: 11051 Loan Receivable Bahamas

Acct: 11046 Contracts Receivable-Bahamas
GJ GL 001606 09-07 6/30/2007 Book Bahama Inventory-HWI 986,712.28 0.00

Acct: 11043 Pending Bahama Contracts Sub: 00-00-00 Atl,Default,Default
GJ GL 001606 09-07 6/30/2007 Book Bahama Inventory-HWI 2,437,181.50 0.00

Acct: 22012 Short Term Notes Payable
GJ GL 001626 09-07 6/30/2007 Adjust 0.00 286,386.84
GJ GL 001648 10-07 6/30/2007 Reverse Adjustments 286,386.84 0.00

Acct: 21067 Unearned Revenue-Bahamas Sub: 00-00-00 Atl,Default,Default
GJ GL 001609 09-07 5/31/2007 R/C period 0.00 284,154.68
GJ GL 001611 09-07 5/31/2007 Adjust 0.00 205,589.19
GJ GL 001616 09-07 5/31/2007 Adjust 172,698.00 0.00
GJ GL 001617 09-07 5/31/2007 Adjust 0.00 98,000.00
GJ GL 001619 09-07 5/31/2007 Adjust 198,000.00 0.00
GJ GL 001647 10-07 5/31/2007 Reverse Adjusting Entries 284,154.68 0.00
GJ GL 001647 10-07 5/31/2007 Reverse Adjusting Entries 205,589.19 0.00
GJ GL 001647 10-07 5/31/2007 Reverse Adjusting Entries 0.00 172,698.00
GJ GL 001647 10-07 5/31/2007 Reverse Adjusting Entries 98,000.00 0.00
GJ GL 001647 10-07 5/31/2007 Reverse Adjusting Entries 0.00 198,000.00

GJ GL 001606 09-07 6/30/2007 Book Bahama Inventory-HWI 0.00 3,423,893.78
GJ GL 001607 09-07 6/30/2007 Revenue Bahamas 435,319.51 0.00
GJ GL 001648 10-07 6/30/2007 Reverse Adjustments 0.00 284,154.68
GJ GL 001648 10-07 6/30/2007 Reverse Adjustments 400,000.00 0.00
GJ GL 001648 10-07 6/30/2007 Reverse Adjustments 0.00 98,000.00
GJ GL 001648 10-07 6/30/2007 Reverse Adjustments 198,000.00 0.00
GJ GL 001648 10-07 6/30/2007 Reverse Adjustments 0.00 286,386.84

Acct: 21010 Accounts Payable
2/16/2007 HUNTERGLOB Hunter Global Corp 60,720.33

5. Concerning separation of your 17 different business entities, do your HWI and LightLogics accounting books and financial statements reflect proper accounting transfer and cost practices for the payroll of Joseph Wilch of Hunter Custom Homes? How about Mike Grella who is paid ½ by HWI and other 1/2 by your Bahamas company? He also did extensive work installing custom electronics on your personal 40 foot deep sea cruiser docked in Bahamas in casual conversations with me. How about payroll and expenses of other employees such as Robert Grossman for Bahamas work and work performed at your Cumming primary residence? Lynn Cirelli also expressed personal concern for her safety when she was required by you to transport \$9,800 USD cash many times when she traveled from Bahamas back to USA.

6. Approximately two weeks after I started on November 14, you listed both the HWI building and adjoining building for sale. You stated each is worth about \$1.5 Million USD and held by your Einstein Holdings company. HWI pays monthly rent on the 1st building. I was not notified by you of this listing.

7. In mid December, you had Joseph Wilch list all 7 company service vehicles for sale on AutoTrader. Two of these vehicles have also been mechanically disabled for many months.

8,. You store many of your personal possessions in HWI warehouse (about 700 square feet of floor space) as well as your large +25' white cargo trailer.

9. I am not sure why, but you are only signature authority on Suntrust and RBC banking accounts. Your wife Amy always made a point to caution me to not observe her while she signed your signature on outgoing checks and financial documents. I signed no financial checks on your behalf.

10. I spent over \$8,000 in legal fees through Jan 14 2008 to draw up Partnership papers. Did you spend a single dime with your partnership attorneys? Did you reimburse me for these legal expenses as agreed? Have you reimbursed me for my Jan 14 2008 submitted expense report? I personally purchased electrical equipment for a jobsite that week.

11. Back in late February, I visited Forsyth County Courthouse to search public records for any lawsuits with your name or company. I could not find any suits (local or state level) that you filed against your clients who owe

you approximately \$850K. Why not? Would this damage your RBC banking? Also, you claimed you filed lawsuits against your former employees (Chad and others) for breach of employment contract. I also heard that your previous clients are filing a class action lawsuit against you.

Summary: You stated to me that you have a personal net worth of approximately \$15.5 million USD. A substantial amount of your assets are located in the Bahamas including your \$1.5million condo and boat. You also stated that your sales revenue in Bahamas should be between \$5 to \$10 million per year off-shore. You also stated that Homewaves and Light Logics have an appraised value of about \$4.5 million USD as determined by an attempted merger last summer 2007. You also stated that if Homewaves locked its doors as of mid January 2008 by liquidating and without lawsuit collections, HWI book value was about + \$250,000 USD. During my time at HWI, the Suntrust and RBC banking accounts seldom had more than \$10K in balances.

You never supplied me or asked me to sign any Employment agreement, non-compete agreement, non-disclosure agreement, or independent contractor agreement with Homewaves/LightLogics. Why not? Why would you ask for a post engagement non-disclosure or non-compete agreement except to fabricate a non related excuse for not honoring your own signature on your Promissory Notes.

Regards, Mr. Keith Duncan

C:\aUserFiles\keith\2007 HomeWaves Master\HWI PartnershipAgreement NOW in LawSuit Litigation\2008 03 21 Notice to Robert Rose re pending legal action.doc

For Reference:
Email from Robert to Keith dated: Tue 2/12/2008 11:47 PM

Please review the certified letter sent to you on or around February 11, 2008 for my response to your certified letters and emails.

Furthermore, I dispute the amounts, dates, and other information indicated by you below.

Robert