



*Carl & Kitty Tilley*  
*131 Hiwassee Drive*  
*Lebanon, Tennessee 37087*

Dear Walter,

I could not state, in the business letter you were sent, all my personal feelings as it had to be total business. I was shocked that you resigned and even more with what you said to others.

You have gained over \$40,000.00 in stock sales and other payments from the foundation and me personally in less than four (4) months. You worked hard and you were paid well.

I wish there was a way to hire you full time but under current restrictions that can not be done. At this time there is no position for you to warrant even part time positions. I can not be expected to pay you when there simply is not that much work that has to be completed.

When this project started you were to get 10% of the money from stock sales ....I asked you if you wanted stock or commission/finders fee and you elected commission/finders fee.

As the project proceeded and you observed the machine and the results from every scientist and technician around you then asked about 10 percent of the stock.

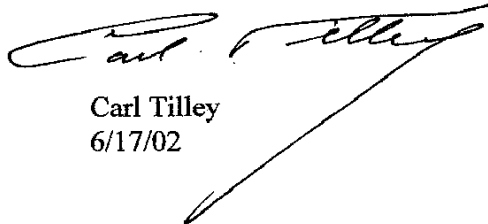
Walter I offered you 10% of my dividend return from my stock ownership on any invention the foundation sold as long as you were with this company.

I promised I would do that and my intention was there up to the point you decided to resign.

Statements to me have been made that you intended to get 100 shares of stock and sell it and make yourself a quick \$100,000.00.

Be this as it may you should have talked to me instead of talking to others which puts you in violation of the agreement you signed.

Mr. Webb I considered you a friend I will not go into this matter further with you concerning what you said or didn't say.



Carl Tilley  
6/17/02