

From: Jonathan Miller

Sent: Wednesday, November 20, 2024 5:41 AM

Subject: Request for Meeting

Mayor, this is a respectful request for a meeting or failing that, a phone call to discuss a major concern to you, the City and to our company. We hope that can be arranged at the earliest possible time and will accommodate any schedule you wish provided our corporate attorney in Michigan can attend. We therefore request available dates and times for such a conference within the next two weeks and, prior to December 5th in order to speak well prior to the Christmas Break. We hope to avoid any public concerns and certainly, legal action of any kind but feel that we have been very patient and now need some answers.

As you know, Securix, LLC signed an agreement with the City of Ocean Springs in May, 2021. The part of the services provided that actually paid for the system and all its benefits, required use by your officers of our unique, proprietary software. The citations sent were first approved by your City Attorney, Judge and Police Chief and included the City's letterhead. This was in every regard to be seen as a government not private, program.

The citation made it clear that the recipient could either: 1., show proof that the insurer and government information was incorrect, 2., enter diversion by agreeing to not reoffend, take a free course provided and pay a program fee of \$300. while avoiding points on their license and court attendance, or 3., they could of course, attend court. The attraction for us was that there was real "leverage" as the law made it clear, (as has been recently reconfirmed by an Opinion Letter from the Attorney General), that if the violator never entered diversion and paid, was unable or unwilling to show proof that the insurers records and also, that government records were wrong and insurance actually existed, that they would be found guilty and in addition to normal penalties and perhaps court costs, the file would, at least in the vast majority of cases, be sent to the State along with another \$200., (if the first offense, \$300. for the second and \$400. for later offenses) and, along with all else, we could anticipate the system being taken seriously, most people would pay and.... it would be profitable.

Very few paid and over \$1.1 million was never collected. Of the 3,700 unpaid/not dismissed citations, not one was ever heard in your court or reported to the State and, not the first dollar ever went to the State's Uninsured Motorist Fund. The City, in this but also other regards, made it clear that the system was not to be taken seriously.

In early 2022, not long after the system started, a Class Action was filed by a person who admitted guilt, made a partial payment and took the course but then, decided to attack the system legally by claiming it was a private company without authority or, any basis in law, acting as government. This was filed in the Federal Court for Southern Mississippi. Two others eventually joined the Complaint. The Federal Case was recently dismissed but a State Case continues and this abuse continues also.... but none of this should have never happened. The vast sums spent and projected in future legal fees are only a tiny part of our losses. Far greater is the massive damage done by the failure to honor the agreement and those results posted on the internet encouraging even more abuse,

This Class Action resulted in a national debacle that has cost us millions in losses and massive damage to our brand and reputation. The twelve systems previously in use there in Ocean Springs remain in a local storage unit - unusable and the damage to our brand is so severe we have finally stopped using the term "Securix" in marketing materials. While the Federal Case was recently dismissed with prejudice, the state case remains and will likely add greatly to the already gigantic legal bills for Securix, LLC. The Federal dismissal and Attorney General Fitch's Opinion Letter have not dissuaded these violators from their claims based on the vagueness of the City's actions in failing to show that the system should be taken seriously.

Especially disconcerting was the fact that despite several requests, the City was unwilling to adjudicate the cases of those that had filed the Class Action, leaving our company to be targeted and made to suffer. We understand that any judge can do as he or she best decides but the fact that **not a single case was ever heard**... that they were all dismissed even when violators attended court, does not conform to Section 9.3 of the Agreement which says: "CITY accepts and pledges enforcement, processing and adjudication of motor vehicle compliance violations in CITY's jurisdiction."

Another problem is that in Section 2. 8 of the Agreement it says: "CITY agrees to enforce the law with all offenders identified by the System and verified by a sworn officer without prejudice or favoritism of any kind."

In refusing to find a single person guilty and thus making a mockery of the documents the city approved and instructed us to send on its behalf, this created legal concerns for both us and for the City itself. The fact that the City refused to even adjudicate the case of the person who initially filed the Class Action makes it impossible for us to understand as that greatly encouraged disrespect for the system and the law statewide and also nationally. Again, we do not seek to embarrass anyone but failures to honor the agreement have resulted in massive losses we can't explain to lenders, investors and supporters. We had to abandon efforts and deinstall or suspend all operations in New York, Pennsylvania, and Louisiana. We believe that we can clearly show that our losses, directly attributable to issues involving the failure of the City to honor the agreement have resulted in many millions of dollars of losses. Our company has almost fifty unitholders and dozens of lenders and supporters nationally. They continue to demand answers we are unable to provide and hope that we can calmly and respectfully all discuss how to move forward so that we can begin to provide more meaningful answers.

Please advise when we can speak prior to December 5th on these matters. Thank you very much.

A handwritten signature in blue ink, appearing to read "Jonathan Miller". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail.