

ALUMINUM PRECISION PRODUCTS, INC.

November 14,1997

Bill Miller
Bill Miller Engineering
4895 Convair Drive
Carson City, Nevada 89706

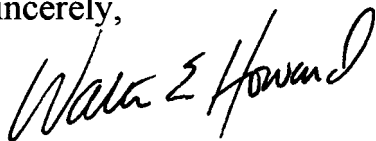
Dear Mr. Miller:

Aluminum Precision Products recently received a connecting rod sample machined from billet. We were asked to pull tensile specimens to check mechanical properties and to provide a chemical analysis of the metal to determine the alloy. We were able to pull (2) specimens from the beam area of the rod (one ea. long. and trans). In addition to the billet rod, APP checked mechanical properties on one of your forged connecting rods (BME500) for comparison. Both rods were sent to an independent testing lab for evaluation. The results are as follows:

<u>Specimen No.</u>	<u>Rod Type</u>	<u>Tensile</u>	<u>Yield</u>	<u>Elong.</u>	<u>Hardness</u>	<u>Comments</u>
1-Long.	Forged	98.6 KSI	91.5 KSI	12.5%	92.0/HRB	
1-Trans.	Forged	89.8 KSI	82.7 KSI	10.0%		
2-Long.	Billet	69.2 KSI	60.0 KSI	14.0%	76.0/HRB	7075 alloy
2-Trans.	Billet	69.3 KSI	59.6 KSI	15.0%		

We are very surprised with these results as the billet rod does not even meet 7075-T6 minimum properties. In comparison, the material we are using for your forged rods have mechanical properties that are over 45% higher than the billet rods. Based on the above data, the raw forgings APP supplies to BME have superior strength to that of billet rods. It appears that the manufacturer of the sample billet rod we received is supplying an inferior product to the racing industry.

Sincerely,



Walter E. Howard