

Proffitt, Leah

From: Burson, Lu
Sent: Thursday, January 24, 2002 9:30 AM
To: White, John; Proffitt, Leah
Subject: FW: reg terms of settlement

Here is Mr. Levitsky's e-mail. I have left a voice mail for him and sent a follow up e-mail but have not yet heard for him. More to come....

-----Original Message-----

From: Michael R. Levitsky [mailto:mlevitsky@aiscn.com]
Sent: Friday, January 18, 2002 6:58 PM
To: Burson, Lu
Subject: reg terms of settlement

Hello Lu,

I received the proposed settlement letter today from William Bostwick and find it different from what was agreed. At the meeting on Jan 8th, 2002 I agreed to the final figure of \$8000.00 but under the terms that were presented (\$2000 in penalties and \$6000 in advertising over - I believe a six month period). Did something change since that meeting? If so please inform me of the reasons.

As you know, Lu, my main intention was to get clarification to these issues. And if by discussion there would be a change of feeling in amount of penalty I certainly would have been appreciative. Unfortunately, I saw early on in the meeting that further reduction of fines was not going to happen. As stated, your staff did not feel comfortable in justifying any further reduction or correction in terms previously negotiated by Angelo and Justin. Not to belabor the issue I did state, therefore, that under the circumstance I would accept the terms and this matter would be settled right then. My only wish was that the letter be addressed to me, personally, and not sent to Angelo in Ocala. By this letter just received by certified mail, unless there is a misunderstanding, it seems those terms do not further exist. It states we are being assessed civil penalties in the amount of \$8000 and now no payment terms are being offered..

As stated, please clarify for me these terms of payment again, so we can move on to other issues. I will be in Ocala on Monday morning. Could you address this matter as quickly as possible. Thank you for your understanding.

On another note, I would like to set up an inspection for the Ocala facility, at your convenience, in the very near future, for final sign off on the shaker and centrifuge issue. I feel that we have sufficiently monitored their performance and are satisfied that they are now

functional and useful parts of our process.

I appreciate your cooperation and quick response to these issues. As you know it is imperative to the economics of our operation that all these matters are finally behind us.

I look forward to your reply.

With Respect,

Michael Levitsky