



Precision Machine & Mfg.
500 Industrial Road
Grove, OK 74344

April 15, 2005

Dear Valued Customers:

On April 4, 2005, PMM received notification from the U.S. Small Business Administration that its application for Small Disadvantaged Business (SDB) certification renewal was declined. We apologize for this disruption in our status and any inconvenience it may cause.

The Caudill family is proud of its Native American heritage and understands the importance of SDB utilization to its defense customers. In view of this, PMM has a plan in place to submit another application for SDB status with the Small Business Administration after the 12 month waiting period set forth in 13 CFR§ 124. Please feel free to call us if you have further questions regarding this matter.

Sincerely,

Tony Caudill
Vice President