



Stavatti Corporation  
1061 Tiffany Drive  
Eagan, MN  
U.S.A. 55123-1877

August 26, 1997

Attention: Christopher R. Beskar,  
President & CEO

Dear Sir,

Thank you for your letter of August 6, 1997 requesting further information on the new Orenda V8 Aircraft Engine series engine. We are pleased that that you have identified the OE600 as a suitable application for your new general aviation airframe , the Sleek.

Attached please find the "Non Disclosure" agreement duly executed as per your request.

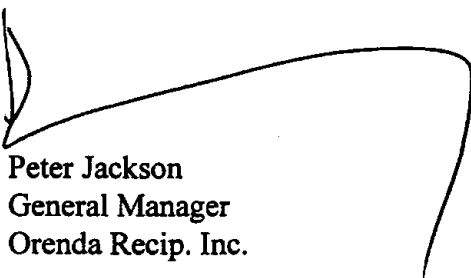
We do not foresee a problem in supporting the program schedule as outlined in your letter. Should we come to an agreement then we would suggest that we supply you with an "non runnable" engine mock-up. This will permit you to complete your layout and engine support systems design. We would then supply an certified configuration engine for your ground and flight testing.

In order to formalize an OEM agreement we will require further details with respect to your company including pertinent financial information.

It would be appreciated if you could you please advise what additional information your require in order to proceed with the design of your aircraft.

Should you require any further information please do not hesitate to call us at your convenience.

Sincerely Yours



Peter Jackson  
General Manager  
Orenda Recip. Inc.

**ORENDA RECIP INC.**

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