

3/17/20

Steve Spurr, President
Katech, Inc.
via email

Dear Steve-

I received your undated letter which began with, "We have certainly had an interesting relationship," a statement with which I agree.

I received Katech's check for \$1385.56 which my business deposited last week. Thank you for prompt payment of that invoice. I hope that sum was less than what it would have cost Katech to ship the car back to me after rebuild3.

In re: your comments about the engine's current performance and Katech voiding the warranty. As I stated previously, in writing, I accept voiding of the warranty on rebuild3.

I appreciate Katech's willingness to drop the requirement of a "non-disparagement agreement". You are correct—my philosophy is not to *disparage* the Katech brand, however, there are people who do not know what that word means and may consider statements of unflattering truth as "disparagement". I hope that won't happen, however, Zach DeRieu's posting of your statement on the *Corvette Forum* has me uneasy about that.

I received Katech's \$10,000.00 check, which, to date, I have not deposited. My intent was further negotiation with you. I wanted us to consider the article(s) Katech requested in its earlier proposed agreement. One could be how Katech solved the "Street Attack LS7 oil consumption problem". Also, I was interested in placing a story in the boating media about that V16 marine engine. Both would have been intriguing stories to write. While I was not willing to complete them prior to and as a condition of a refund, I would have been willing to do that after a refund, as well as, being an influencer for the Katech brand on various web forums of interest to Corvette owners.

Two incidents squelched those ideas.

The first was Zach DeRieu emailing me to say that you would not allow him to answer questions about 1) my car's odometer readings during the 2000-mile oil use test for which I let you use my car and 2) the brand/type of oil used during that 2000 mile validation test. Prohibiting his answering those questions was petty and unnecessary.

The second was the paragraph in Zach's *Corvette Forum* posting of your statement made at 1333-hrs 13MARCH which was clearly intended to discredit me.

Those incidents made it clear to me that further discussion of the refund would be a fool's errand.

I shall deposit that \$10,000.00 check later today.

I disagree that check is, as you said, "...another example of how we are going above and beyond to be more than reasonable." Katech and myself have vastly different definitions of "reasonable".

I would not characterize your effort as resulting in a, "...happy ending...". While, from my perspective, it's anything but that, I'll acknowledge that it does represent a closure which should please Katech's new owners along with their accountants and legal counsel.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "H. Halverson", with a stylized, flowing script.

Hib Halverson