

Michael B. Witte, Retired

April 4, 1996

Dolphin Industries, Inc.
Attn: Prentice Davis, Pres.
1313 West 24th St.
National City, CA 91950
FAX No. 619-336-2299

Sumitomo Bank of California
Attn: Warren H. Brazas, VP
410 "A" St.
San Diego, CA 92101
FAX No. 619-702-7393

Re: Payment of Judgment Agreement Re: South Bay Sand Blasting & Tank Cleaning, Inc. (herein "South Bay") and Dolphin Industries, Inc. (herein "Dolphin")
Our File No.: 95-0798
San Diego Superior Court Civil No. 694445

Dear Gentlemen:

This FAX letter will confirm the agreement reached this afternoon between South Bay and Dolphin at the meeting at the offices of the Small Business Administration (herein "S.B.A.") in San Diego, in the presence of various S.B.A. representatives. It concerns the orderly payment of the judgment entered on March 28, 1996, in the sum of \$243,149.00 in favor of South Bay and against Dolphin, a copy of which judgment is attached.

South Bay hereby agrees to withhold enforcing payment of the judgment, through garnishments, liens or otherwise, on condition that Dolphin pay the entire judgment, together with 10% per cent post judgment interest thereon computed from March 28, 1996, according to the following terms: (1) \$75,000 no later than Friday, April 12, 1996, or sooner if the S.B.A. approves Dolphin's pending loan and funds are disbursed, and (2) six equal monthly installments thereafter, beginning thirty days following the payment of the \$75,000 "down payment." Payments shall be made directly to the offices of South Bay at 1920 Una St., San Diego, CA 92113, to the attention of Juan Loza, President.


Further, Dolphin agrees that all contracts, pending and future, whereby Dolphin is the successful bidder on jobs, shall be assigned to Sumitomo Bank as security for the

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payment of the anticipated S.B.A. loan. Out of the funds thus administered by Sumitomo Bank, either loan proceeds and/or income to Dolphin via secured contracts, Sumitomo agrees to act as escrow agent for the collection and disbursement of the funds due South Bay on the within described judgment payment schedule. By doing so, Sumitomo does NOT obligate itself to pay the judgment, but only to disburse on schedule such funds as come into its possession as above described.

By executing this FAX agreement and forwarding it to the S.B.A., Attn: Tony Vigil, Deputy District Director, FAX No. 619-557-5894, Dolphin and Sumitomo agree as set forth herein. South Bay's agreement is evidenced by its counsel's signature below, as authorized at today's meeting by its president, Juan Loza.

Sincerely,


JAMES W. HODGES
Attorney for South Bay

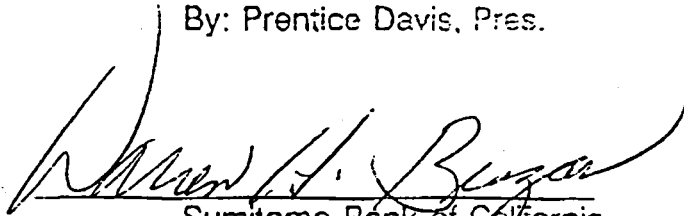
Agreed:

Dated: 4 APRIL 1996


Dolphin Industries, Inc.
By: Prentice Davis, Pres.

Agreed:

Dated: 4 APRIL 1996


Sumitomo Bank of California
By: Warren H. Brazes, VP

cc: South Bay Sand Blasting, Attn: Juan Loza, FAX 619-238-8340
cc: Small Bus. Admin., Attn: Tony Vigil, FAX 619-557-5894