

HINCHY
WITTE
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A LAW CORPORATION

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April 15, 1996

Michael B. Witte, Retired

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

South Bay Sand Blasting & Tank Cleaning, Inc.
Attn: Juan Loza, Pres.
1920 Una St.
San Diego, CA 92113
FAX No. 619-238-8341

Re: SBSB&TC v. Dolphin Industries, Inc.
Our File No.: 95-0798

Dear Warren and Juan:

I received from South Bay SB & TC today a FAX copy of the \$75,000 check disbursed by Sumitomo Bank last Friday, April 12, 1996. Warren, thank again for your assistance in this regard.

The remaining balance of the \$243,149 judgment entered on March 28, 1996, a copy of which has been provided to Sumitomo, is to be paid in six (6) equal installments, INCLUDING 10% interest accrued from the date of entry of judgment, directly to South Bay SB & TC. The first payment is thus due no later than May 12, 1996.

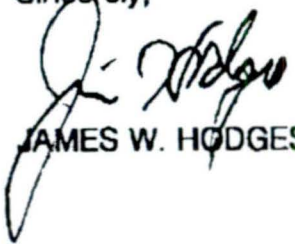
Warren, you and Sumitomo are authorized to communicate directly with Juan Loza at South Bay at 238-8338 for the purpose of keeping them posted on the status of payments, and making arrangements to disburse the payments directly to South Bay. Without interest, the payments should be about \$28,000/mo., so WITH interest the monthly payments amortized over the six month period should be about \$30,000 each. Please call me directly if there are any problems.

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Via a copy of this document to Ken Terrell, counsel for Dolphin, I am notifying them that the payments have begun and confirming that no action will take place to enforce the judgment so long as the above-recited payment structure is maintained.

Sincerely,



JAMES W. HODGES