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S. Scott Marcum
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January 24, 2007

Via E-mail : dean@owencpa.com

Mr. Dean Owen, Jr., CPA
5978 Old Highway 45 South
Paducah, Kentucky 42003

Re: *Owen v. Marine Engines Inc.*
McCracken Circuit Court
Civil Action No.: 06-CI-01020

Dear Dean:

Attached is a copy of the proposed settlement agreement. If it meets with your approval, I will go ahead and execute it. If not, please let me know what if any changes need to be made.

Please let me know how to proceed. I can be reached by e-mail at smarcum@bsgpad.com or by telephone at (270) 442-4369.

Very truly yours,

S. Scott Marcum

SSM/lw
Enclosure

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"Privileged Communications-Settlement Negotiations"
January 24, 2007

S. Scott Marcum, Esquire
410 Broadway
Paducah, KY 42001

Re: *Dean Owen v. Marine Engines, Inc.*

Dear Attorney Marcum:

I am writing to set forth the terms and conditions which have been agreed to by our respective clients for a full and final settlement of all disputes between the parties. I understand that the agreement is as follows:

1. Marine Engines, Inc. will not contest Mr. Owen's request for a credit from his credit card company in the amount of \$11,148.38.
2. Marine Engines, Inc. agrees that Mr. Owen shall retain title of the 420 horsepower motor currently in his possession. Obviously, there are no further warranties.
3. Mr. Owen shall return to Marine Engines, Inc., at its expense, the two fuel pump kits with all accessories.
4. Mr. Owen shall forthwith agree to file a "Stipulation of Dismissal" with prejudice in C.A. 06-CI 1020 and/or any other civil action between the parties.

If I have accurately set forth the understanding between the parties, please sign below where indicated. Upon confirmation that the credit card dispute has been resolved as set forth above, please arrange for the return of the fuel pump kits and the dismissal of the action. Thereupon, this matter will be settled in full.

Thank you very much for your cooperation in this matter.

Very truly yours,



James A. Rice

Acknowledged and Agreed:

S. Scott Marcum, as attorney for Dean Owen