



September 3, 2008

Joe Smith
President
ABC Company
123 Washington Street
Baton Rouge, LA 70821

Subject: Hartwig, Inc. Assigned as Your New Okuma Distributor

Dear Mr. Smith,

Recently we informed our valued customers that we are ending our business relationship with Regal Machine Tool.

Okuma is very pleased to announce the assignment of the southern Texas (Houston) and Louisiana territory to Hartwig Inc. Hartwig has been an Okuma distributor for over 30 years. While Hartwig will be new to all of our customers in this area, they are not new to Okuma or to Texas.

Hartwig is a family owned company led by Gary Hartwig whose father started the business many years ago. Gary now has two sons in the business to continue their standard of excellence. Gary Hartwig and his team have continued to perform to the highest standards of quality service, offering product support and meeting customer and supplier commitments year after year. Okuma America distributors are tested and measured on a number of key points. Hartwig has received the highest rating of any distributor in customer service, support and product knowledge as measured by an independent survey of Okuma customers. Hartwig continues to set the standard for all distributors. Hartwig has operated a distributorship in Dallas, Texas for almost three years and has established themselves and Okuma as a leader in providing engineered solutions, prompt service and spare parts support. Hartwig Dallas has done an outstanding job growing our business in this territory.

The transition from Regal to Hartwig will be effective January 20, 2009 or sooner. It is possible the transition may take place sooner as Gary Pearson and Gary Hartwig are working very closely together to insure our customers receive all the necessary support. Discussions are taking place to have Gary Pearson stay on with the Hartwig management team for an undetermined period of time. With Gary Pearson's support, I am sure you would agree this will help make this process much easier for you, Okuma and Hartwig. Regal and Hartwig leaders will be meeting with all Regal employees to share their short-term and long-term plans. Their desire is to maintain

Okuma America Corporation

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Regal's current staff levels in the foreseeable future. During this period of time Regal management and staff will continue to provide you the necessary sales, service and application engineering support required until Hartwig Inc. is in place and ready to handle all of your requirements.

We expect the transition from Regal to Hartwig will go smoothly. However, if you have any concerns at all please feel free to call any of the following members at Okuma America Corporation.

Larry Schwartz	President and COO	704.504.6012
John Horn	Vice President, Sales & Marketing	704.504.6346
Ira Busman	Vice President, Customer Service	704.504.6158
Bob Kral	Vice President, Engineering	704.504.6096

Sincerely yours,

Larry Schwartz
President and COO

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