

AIR POWER INC.

July 31, 2005

Dear Valued Air Power Customer:

Recently Air Power and Lycoming's contract negotiations broke down.

I wanted to let you know that nothing has changed as far as Air Power supplying you with Lycoming products.

Our current agreement with Lycoming allows us to distribute all of Lycoming's products to our customers at the same low prices with the same great service that we have always provided. However, for the foreseeable future, we will no longer be able to advertise our famous \$300 over on engines and \$69 over on cylinder pricing. In addition, all of our ads and correspondence will clearly state that "Air Power is not an authorized distributor of Lycoming products".

Before I sign off, I want to tell you about 3 new exciting product lines that Air Power will be offering:


- Factory Lycoming Overhauls by Teledyne Continental Motors
- Superior Air Parts
- Unison

I want to thank these manufacturers for the confidence they have placed in Air Power.

Of course, all of these product lines will be sold with our One Low Price policy.

Our customers are the greatest people I have ever had the pleasure to work with. It has been our honor to serve you. Thank you for your business, loyalty, and support. (Visit our websites at www.factoryengines.com and www.factorycylinders.com for complete information and pricing.)

Sincerely,



Howard G. Van Bortel