

**BERNAL**

May 11, 2006

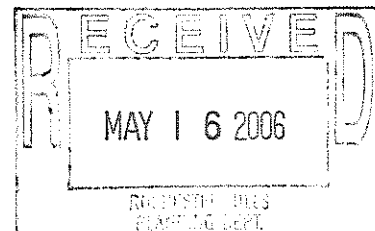


Dan Casey  
Manager of Economic Development  
City of Rochester Hills  
1000 Rochester Hills Dr.  
Rochester Hills, MI 48309

Dear Mr. Casey:

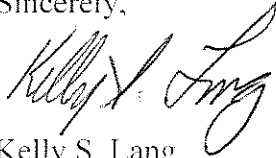
On April 12, 2006, Bernal, Inc. submitted to the City of Rochester Hills an Application for Industrial Facilities Tax Exemption Certificate. As a supplement to this Application, below is a list of the nearly \$2 million of taxable equipment investments made by the Bernal since 2002 for which there was no request for personal property tax abatement.

<u>Year</u>	<u>Description</u>	<u>Original Cost</u>
2002	Rotary Table	64,645
2002	New EDM Upgrade	150,000
2002	Other	33,495
	<b>Equipment Investments in 2002</b>	<b>248,140</b>
2003	AMC Schou Grinder	579,240
2003	Boring Mill	110,786
2003	Equipment Used for New Cladding System	73,561
2003	Rotary Table	66,535
2003	CNC Electronic Controller	30,000
2003	Overhead Crane	23,500
2003	Video Conferencing Equipment	14,045
2003	Other	26,065
	<b>Equipment Investments in 2003</b>	<b>923,732</b>
2004	DMG Milling Machine	556,822
2004	CNC Electronic Controller	36,500
2004	Other	37,590
	<b>Equipment Investments in 2004</b>	<b>630,912</b>
2005	Upgrade to Laser CNC for Cladding	56,169
2005	Steady Rest for Lathe	50,330
2005	Rebuild Grinder	37,900
2005	Overhead Crane	20,200
2005	Other	6,882
	<b>Equipment Investments in 2005</b>	<b>171,481</b>
	<b>Total Equipment Investment from 2002 – 2005</b>	<b><u>\$1,974,265</u></b>



These large equipment purchases along with the \$4,750,000 of future equipment purchases for which tax abatement is being requested have and will continue to enhance Bernal's competitive position and will enable the company to remain a force in Rochester Hills manufacturing for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelly S. Lang". The signature is written in a cursive style with a large, stylized "L" at the end.

Kelly S. Lang  
Chief Financial Officer  
Bernal, Inc.