



James Goldstene  
Executive Officer  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

**RE: Rescission of Turn Key Settlement Agreement**

As President of the Compliant Car Builders Association (CCBA) and President of Turn Key Engines, I led the efforts by the California Sand Car Manufacturers industry to work with CARB certification folks to get our industry compliant. In September 2006 CARB told us for the first time ever that our products were going to be regulated and need to be certified under some new regulations CARB was passing. I gathered my industry and approached CARB certification staff as willing participants so we could get our products compliant and do everything right. We worked closely with CARB certification staff, and they were very helpful. Because of our cooperation and hard efforts, our products were all compliant by December 2007.

As soon as this certification part was over, CARB enforcement turned around out of the blue and said we owed CARB millions in penalties. No one ever explained to me why we owed this money, how CARB calculated this penalty, or any other details. Instead, CARB on two different occasions simply said "if you guys don't get on with this settlement, it doesn't matter to us if you go out of business, change your name, move to another state, or die, we will find you and attach your assets." CARB never provided a written explanation describing exactly what laws we were violating. As small business owners, we were scared for our lives. The choices my industry faced were to pay the money, or lose our businesses and our livelihoods.

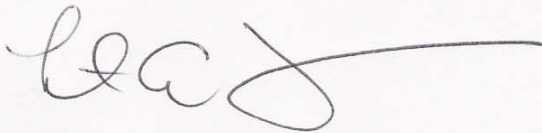
I have just recently learned that CARB relied on an illegal "underground regulation" to enforce against model year 2007 products produced by Turn Key and the other 38 members of the Sand Car Industry who all signed identical settlements. **As a result of CARB enforcement's heavy-handed and abusive process, at least 5 companies have gone out of business and the stress of the whole process contributed, at least in part, to one owner's death.** Also enclosed is a related OAL petition I filed on October 12 regarding the illegal underground regulations on which CARB's alleged violations and the settlement was based; I now have confirmation of an opinion from the California Legislative Counsel concluding that CARB had no authority to enforce the off-highway regulations before August 15, 2007.

Given these new facts, I'm writing to respectfully request that CARB rescind all the Sand Car settlements, including the agreement that I signed as the President of Turn Key Engines, which was finalized on March 5, 2009. CARB fraudulently led our industry to believe they had a legal enforcement case against us. I am also demanding that CARB return all the money our industry

has paid as part of the settlement to this point as it was fraudulently obtained – and all the other damages and costs we have incurred.

In addition to having the settlement rescinded, and my money paid back, I have stopped sending my settlement checks to Kerry Albert (who, by the way is the enforcement officer that was in charge of our case – why is he getting our checks?), and instead have placed them in an escrow account until this thing gets worked out in a fair and legal manner. I have instructed the other Sand Car Manufacturers to do the same.

I understand that under California law, CARB has 45 days to respond to this claim. Given the time-sensitive and importance of these issues, and the ongoing, devastating impacts to the small sand car businesses, I respectfully request that you formally respond to me – in writing – within that 45 day window, and sooner if possible as I'm sure you can understand the toll this matter has taken on me and my colleagues. I would welcome the opportunity to meet with Mr. Goldstene in December to discuss our grievances and demands as well as the needed improvements to the enforcement process as recommended by the Californians for Enforcement Reform and Transparency (CERT) coalition. Thank you.

A handwritten signature in black ink, appearing to read 'Kit Enger', with a long horizontal flourish extending to the right.

Kit Enger  
President, Compliant Car Builders Association  
President, Turn Key Industries  
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