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PSI PROPULSION SYSTEMS INC.

601 N.E. 26TH COURT*POMPANO BEACH, FL 33064*PH:(954)788-0810*FAX:(954)788-6565

November 1, 1999

Florida Department of State
Sandra B. Mortham, Secretary of State
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Re: Propulsion Systems, Inc.
FED # 65-0002733

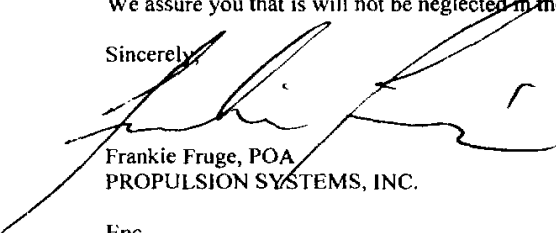
Dear Ms. Mortham:

Enclosed please find copy of "Application for Reinstatement" along with our check for \$150.

We respectfully request the Reinstatement fees be waived due to our extenuating circumstances. Since we relocated from 515 Seabreeze Blvd, Ft. Lauderdale, Florida to our current address none of our correspondence was forwarded. We had an Agent at that time, John A. Margois, who was in charge of all of our State and Federal reporting. We were under the assumption that these forms had been properly filed and never received any notice to the contrary.

We assure you that is will not be neglected in the future.

Sincerely,


Frankie Fruge, POA
PROPULSION SYSTEMS, INC.

Enc.