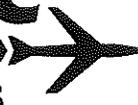


Shellcast Inc

Precision Investment Castings



February 28, 2018

State of Michigan
Department of Environmental Quality
Grand Rapids District Office
350 Ottawa Avenue, NW Unit 10
Grand Rapids, MI 49503-2341
Attention Mr. Eric Grinstern



Dear Mr. Grinstern

Subject: Violation notice dated 02/26/18 - Semiannual reporting failures SRN: N0277

Your letter has been received and reviewed and we find it to correctly identify a systematic shortfall on our part as it pertains to reporting of our melting volumes for the period from 12/1/2011 through 1/31/2017.

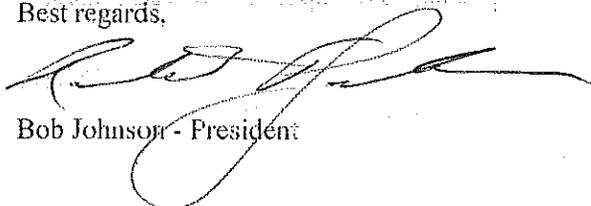
Our analysis shows that due to a change in ownership following the death of the company founder in late 2010, the management team failed to recognize the continuing obligation to provide the necessary reports that would have detailed the melting volumes experienced during that period. While the reports were not filed, the company does however keep very detailed records on alloy usage which is segregated by material chemistries. This recordkeeping is part of our quality procedures in accordance with AS-9100 aerospace standards where daily reports are logged into the system.

With our internal cause and corrective action review completed and root cause identified we have initiated a policy where the required reports are tied to a calibration log. This system-based initiative will give our engineering and quality group an alert that the report has come due. The report templates are now stored on our server for easy access and it is our feeling that missed reports are a thing of the past. Please note that the required report covering 7/1/2017 through 12/31/17 has been submitted to the Chicago, IL office as required.

Shellcast is a very small single shift operation well below the 20,000 ton threshold that denotes a small foundry. 2017 total melt volume was 72 tons which is normal for this company.

I would like to take the time to thank you for your assistance in the matter and encourage you to contact us with any further questions that you may have.

Best regards,



Bob Johnson - President