



Caterpillar Inc.

100 NE Adams Street
Peoria, Illinois 61629

September 13, 2005

VIA E-MAIL

Mr. Ryan Jonsson
Marketing/Operations
Fuel FX International, Inc.
12730 High Bluff Drive
Suite 260
San Diego, California 92130

Dear Mr. Jonsson:

Re: Fuel FX Reactor

This letter is to advise you as to Caterpillar's position regarding Caterpillar warranty when the Fuel RX Reactor is used with Caterpillar engines. Our position on the use of aftermarket products is as follows:

Caterpillar only recommends the use of genuine Caterpillar filters and maintenance items on Caterpillar products. When auxiliary devices, accessories, and/or consumables (filters, oil and fuel additives, synthetic oil, catalyst, etc.) made by other manufacturers are used with Caterpillar products, the Caterpillar warranty is not affected simply because of their use.


The Caterpillar warranty continues to cover defects caused by our material and workmanship. Failures resulting from the installation or usage of other manufacturer's products are not Caterpillar factory defects and, therefore, are not covered by Caterpillar warranty.

Caterpillar is not in a position to evaluate the many auxiliary devices, accessories, and consumables promoted by other manufacturers and their potential impacts on Caterpillar products. Installation or use of such items is, therefore, at the discretion of the equipment owner who assumes all risks for the effects resulting from their usage. This position should be made clear to customers/owners of Caterpillar equipment whenever a proposal or inquiry concerning the use of non-Caterpillar manufactured auxiliary devices, accessories, or consumables is received from them.

- 2 -

In addition to the above, we must also inform you that Caterpillar does not authorize the use of its trade name or trademark in a manner which implies our endorsement of these aftermarket products.

Very truly yours,

A handwritten signature in cursive script that reads "Sharyl L. Nuske".

Senior Legal Analyst

Sharyl L. Nuske
Telephone: (309)675-5332
Facsimile: (309)675-6620
\\sln\0913050954.doc