



316 E. 9th St.  
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www.alcoholtest.com

**Statement of Corporate Policy Concerning Intellectual Property  
Associated with INTOXILYZER® Brand of Breath Alcohol Instruments**

All rights in software, including both source code and object code, used in association with the INTOXILYZER® brand of breath alcohol instruments are considered confidential, proprietary or a trade secret owned by CMI, Inc. Disclosure of the software would cause irreparable harm to CMI, Inc.

Despite the utmost importance of maintaining its software in strict confidence, CMI, Inc. firmly believes that supporting law enforcements' efforts to maintain safe roads and highways for each of its citizens and guests is equally important.

Therefore, CMI, Inc. is adopting a revised corporate policy wherein CMI, Inc. will work with interested parties to provide controlled viewing of its software when ordered by a court of competent jurisdiction. Each interested party, having executed an agreed upon Non-Disclosure Agreement and under Protective Orders provided by CMI, Inc. and issued by the court, will be provided an opportunity to view the software under certain terms designed to protect CMI, Inc.'s rights. A Protective Order and Non-Disclosure Agreement will be provided by CMI, Inc. upon written request made to the attention of the President. The extent of charges will be determined and agreed upon at the time of execution of the Non-Disclosure Agreement.

In this manner, CMI, Inc. can control and protect its valuable intellectual property rights while the issue of CMI, Inc.'s software can be removed as an impediment to law enforcements' abilities to prosecute and convict drivers accused of operating a motor vehicle while under the influence of alcohol. It is the goal of CMI, Inc. that this revised policy coupled with law enforcement's on-going use of the INTOXILYZER® brand of breath alcohol instruments will continue to lower the incidence of drunk drivers on roads and highways.

Further information can be obtained by contacting CMI, Inc.'s president, Toby Hall at the address below.

US Mail:

Toby S. Hall  
President, CMI, Inc.  
316 East 9<sup>th</sup> Street  
Owensboro, KY 42303

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September 25, 2007

### CMI Customer Communication

Greetings! My name is Toby Hall, President of CMI, Inc. I was appointed president in April of this year. As many of you know, I have been with CMI, Inc. for almost 17 years now. During that time, I have worked in design engineering, manufacturing, sales, and marketing. I have spent time providing training on instrumentation both at CMI and in many of your labs and training facilities. I have truly enjoyed what I have done over the past 17 years and look forward to putting my hands-on experience to good use in continuing to serve you.

I want to thank you for your continued patronage as customers of CMI and am always open to discuss your thoughts on both how we are performing as your supplier and how your needs are changing. CMI strives to meet your needs, allowing you to focus on running your respective programs.

CMI's products are used world-wide in law enforcement and employment related applications and have been approved for use by many internationally recognized bodies (NHTSA, OIML, Home Office (UK), etc.). These products have proven themselves in forensic laboratories and in the field time and time again. A new challenge has arisen, however, that isn't challenging the product's performance per se (because everyone knows that the way to test an instrument's performance is independently with known, traceable standards), but rather the access to intellectual property associated with the breath testing instruments and owned by CMI. Access to this intellectual property is purported to (1) give the viewer insight into the inner workings of the instruments and (2) to allow the viewer to determine whether the instruments are working properly and accurately.

The first reason given above -insight into the inner workings of breath testing instruments- is true and why indeed the intellectual property, i.e., the source code in particular, is very valuable to CMI. Our competitors, both existing and potential (e.g. in developing countries) would gain a significant economic advantage by learning how CMI is able to be so flexible in serving multiple customers while providing quality instruments. The second reason given above -determining whether instruments are working properly and accurately- is, as I have previously stated, not determined by an examination of the source code associated with that instrument. Still, the denial of access to CMI's intellectual property has placed a strain on our customers' resources in supporting their

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programs. Therefore, I am taking actions in support of your programs to allow controlled viewing of our source code.

Over the coming weeks, I intend to provide a means for the review of our most valued intellectual property in a way that will protect our property and interests and provide relief to you, our highly valued customers.

As more information becomes available regarding this matter, I will be back in touch.

Again, I want to thank you all for your continued support of CMI, Inc. With this change in policy, I believe we have taken a positive step in supporting you and your changing needs.

Thank you,

A handwritten signature in black ink, appearing to read "Toby S. Hall". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Toby S. Hall  
President  
CMI, Inc.

Please find attached, a statement regarding CMI's modified position on the viewing of our intellectual property (source code).