



To Whom It May Concern:

With all the rumors and half truths on the status of Smeal Manufacturing Co., the company felt that we needed to write this statement to set the record straight.

An unfortunate automobile accident has forced Smeal Manufacturing Co. of Snyder, Nebraska to seek and file Chapter 11 bankruptcy protection. A Smeal Mfg. pump hoist, mounted on a commercial chassis, was involved in an automobile accident where the driver of the truck ran a red light, resulting in injuries to an occupant of another vehicle. The product manufactured by Smeal Mfg. was not found to be faulty in any manner. However, the tort and liability laws of the state where the accident occurred are written in such a manner that Smeal Mfg. was forced to seek Chapter 11 bankruptcy protection.

In short, Smeal Manufacturing Co. did not file for bankruptcy because of financial difficulties. Smeal Manufacturing is NOT insolvent. We were forced to seek Chapter 11 bankruptcy protection due to the structure of tort and liability laws within the United States. We are operating normal day to day business and are still building the same quality products for the water well industry.

Sincerely,

Virgil Hunke  
President / CEO  
Smeal Manufacturing Co.

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