

To the Placer 2nd Direct Lenders:

The Trust can confirm that the foreclosure of the Placer loans was completed by the Court-Appointed Receiver on December 22, 2008 when the Receiver was the only bidder credit bidding an amount at the sale on behalf of the Placer 1 direct lenders. The result is the Placer 2nd direct lenders' interests in the second have been extinguished.

With regards to the ability of a Placer 2nd direct lender claiming a fraud loss, the Trust is not in a position to give tax advice as to taking a fraud loss deduction on your personal tax returns. Regarding proof of the foreclosure, between the notice of foreclosure, the service of the Trust's complaint seeking the appointment of the receiver, the order appointing the receiver and the receiver's e-mail notice of the completion of the foreclosure sale, you should have sufficient "proof" of the foreclosure.

With regards to "proof" of the fraud perpetrated by the principals of USACM, the Trust cannot provide formal "proof" at this point in time. There are certainly numerous allegations of fraud that the Trust has alleged in its complaints, including the complaint against Deloitte & Touche (though not against Deloitte directly) and the non-dischargeability complaints against both Hantges and Milanowski in their respective bankruptcies, to support our assertions/allegations. However, because none of the actions have yet resulted in a judgment/verdict, the Trust won't suggest such rises to the level of "proof".

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