

At the confirmation hearing on Thursday, January 24, 2008, the Bankruptcy Court (Hon. Linda B. Riegle) found that all of the elements required to confirm a Plan of Reorganization were satisfied, except that there was a question concerning voting. The Plan Modification between USA Investors VI, LLC (Borrower) and the USACM Liquidating Trust (USACM Trust) was filed and notice provided to the creditors after the ballot package on the Plan had been sent out. The Court wanted the Borrower's lawyer to send a notice to each unsecured creditor that had voted on the Plan (all accepted the Plan) to be sure that any creditor that wanted to change the vote in light of the Plan Modification had an opportunity to do so. The Court did so in order to be sure that the requirement of Bankruptcy Code § 1127(d) was satisfied.

Borrower's lawyer will send this notice by Friday, January 25, 2008. If a creditor wants to change the vote, the creditor must do so by January 31, 2008.

The Court will enter an order conditionally confirming the Plan of Reorganization. If ballots are changed, the Court will consider the impact of the change at a status hearing on February 4, 2008 at 9:30 a.m.

These developments may not delay payment to the Lenders. If the Order confirming the Plan on a conditional basis is entered on the docket, if it is not changed due to changes in ballots, and the Borrower's Trustee makes the payment to the USACM Trust promptly after the 10-day stay expires after the Order is entered, then the Trust should still receive the monies due the Direct Lenders and be able to make the payments required to Direct Lenders in February, 2008.