

LIBERTY TRADE INTERNATIONAL, INC.,
IN RECEIVERSHIP

Raymond J. Peroutka, Jr., Receiver
c/o Invotex Group
1637 Thames Street
Baltimore, MD 21231

June 5, 2006

To: All Claimants and Participants

RE: Liberty Trade International, Inc., in Receivership

Dear Sir or Madam:

As many of you are aware, the Circuit Court for Baltimore County placed Liberty Trade International (“Liberty”) and David M. Robinson (“Mr. Robinson”) into receivership and appointed me as Receiver. The documents that evidence these actions can be found in the *Documents* section of this website.

The initial mailing of Proof of Claim forms was in excess of 1,100 letters. We have supplemented that mailing with a second mailing of an additional 75 letters. To date, we have received more than 980 Proof of Claim forms with a total claim amount of \$5,862,270.

As discussed in prior correspondence, the receivership process has several steps. They include:

- 1) Identifying and safeguarding the assets,
- 2) Converting the assets to cash,
- 3) Identifying all claimants,
- 4) Determining the proper amount of each claim,
- 5) Determining the total amount of all claims, and
- 6) Distributing available funds to all claimants in the proper proportion.

Based on the information reviewed to date, Step One is complete. My staff and I will continue to look for clues and indications of the existence of other assets, but I have taken possession of or asserted our interest in the known Liberty assets.

I have begun Step Two by gaining the Court’s approval to liquidate the furniture, fixtures, personal items and automobiles in my possession. Most of these items will be liquidated through auction. Liquidation of Liberty’s real estate interests is being pursued but is only in its initial stages. This will take months, possibly continuing until the final distribution.

Step Three appears to be nearly complete; we are receiving fewer and fewer contacts from prospective claimants as well as Proof of Claim forms. **The deadline for filing claims has been set by the Circuit Court of Baltimore County as September 15, 2006.** After that date we will know the total of all claims submitted. Step Three will be considered complete on that deadline date.

In the initial stage of Step Four, my staff is creating a full accounting of Liberty’s bank accounts. This includes uploading the various transactions into a computer format, identifying the name of the investor related to specific

transactions and cross referencing to the document that relates to that transaction. Though this is a time-consuming process it will make the adjustment process under Step Five more efficient. Step Five therefore has not yet begun, and Step Six is the ultimate culmination of the prior five steps.

Claimants may continue to contact the receivership through mail, e-mail or telephone. Please be aware that the telephone requires that you leave a message for my staff to return your call.

Sincerely,

Raymond J. Peroutka, Jr.
Receiver
Liberty Trade International