

October 28, 2002

Dear BFA Investor:

As you may recall from our last correspondence, the earlier indictment in the above-referenced case was remanded to the Grand Jury on the order of Maricopa Superior Court Judge Frank T. Galati. I am writing to inform you that on October 28, 2002, Attorney General Janet Napolitano announced that **the Arizona Grand Jury returned a new 32-Count indictment against the same five defendants**. These defendants, William Pierre Crotts, Thomas Dale Grabinski, Lawrence Dwain Hoover, Harold Dewayne Friend and Richard Lee Rolfes are again charged with numerous counts of *Fraudulent Schemes and Artifices, Illegally Conducting an Enterprise, and Theft*.

The above-mentioned defendants are scheduled to be arraigned on these new charges on November 6, 2002 at 8:30 a.m., Central Court Building, 201 West Jefferson, 5th Floor, Phoenix, AZ, 85003. At the arraignment, the defendants will be advised of the charges, and will be allowed to enter a plea of guilty or not guilty. You do not need to attend this hearing, however you do have the lawful right to be present. Please be aware that it is common for court proceedings to be delayed or rescheduled for various reasons.

Keep in mind that defendants, Edgar Kuhn, Donald Deardoff and Jalma Hunsinger have already pled guilty to various charges relating to this case. They continue to cooperate with the prosecution of this case and will not be formally sentenced until the prosecution of the other five defendants is complete.

We hope this information has been helpful, and want to assure you that we will continue to keep you informed as to the status and progress of this case. If you have any questions regarding the criminal case, please call our BFA Help Line at (602) 364-1275. Callers in the state of Arizona, but outside Maricopa County, may reach the BFA Help Line at 1-866-823-6577. Additionally, you may e-mail the Office of Victim Services at bfa@ag.state.az.us.

Sincerely,

Office of Victim Services