

ROBB EVANS & ASSOCIATES LLC
Temporary Receiver of
Lake Shore Asset Management, Ltd., et al.
11450 Sheldon Street
Sun Valley, California 91352-1121

RECEIVER'S NOTICE TO INVESTORS
July 18, 2008

This is to provide you with an update on the London Interpleader Action for the funds formerly held by MF Global, Lehman Brothers, and the Newedge Group (the London FCM's). Those funds have been paid into court pursuant to an interpleader action filed by these FCM's. The Receiver's London counsel appeared at a Case Management Conference before the High Court of Justice, Queen's Bench Division, on 11 July 2008. Counsel for the Defendants, Lake Shore Alternative Financial Asset Limited, Lake Shore Alternative Financial Asset Account I Limited, Lake Shore Alternative Financial Asset Account II Limited, and Genevacorp Funds World Limited (formerly Lake Shore Financial Asset Fund IV Limited) also appeared through counsel. The Defendants are challenging the Receiver's claim to the funds on two grounds: (1) recognition of the US Order Appointing a Receiver would be contrary to public policy as an improper enforcement of a foreign penal or public law and (2) there is not a sufficient connection between the defendants and the jurisdiction of the US Court. The Receiver has submitted that it is seeking the funds on behalf of the Lake Shore clients for repayment to them, and that this does not constitute enforcement of an Order on behalf of the CFTC or the United States Government for purposes of a fine or penalty. The Receiver will also present evidence on the scope of Lake Shore's operations in the United States and elsewhere.

The Lake Shore defendants requested a summary judgment application on the issue of sovereign authority and whether the Receiver is seeking to enforce a foreign public or penal law. A trial on the remaining issues will follow. The Court has set the following dates for hearing and submission of documents:

- (1) The Defendants Application for Summary Judgment must be filed on or before 11 August 2008;
- (2) The Receiver must file and serve its evidence in response on or before 10 September 2008;
- (3) The hearing on the application for summary judgment will be scheduled between 1 October and 14 October 2008;
- (4) Additional expert evidence and witness statements are to be served between 15 October 2008 and 16 February 2009;
- (5) A trial date will be set which will not commence before 1 April 2009.

The Receiver thanks all of you for your cooperation. Many of you have submitted Letters of Support. These are being presented in the London proceedings. In addition, if any clients have made redemption requests prior to the Receiver's appointment that were not honored, the Receiver would appreciate receiving these details. Please email any relevant information to lakeshore@robbevans.com, or send via fax at 818-768-8802. We will also be advising you of the status of the Sentinel bankruptcy claim in the near future. A hearing on the Trustee's Plan of Liquidation is scheduled for August 12, 2008, in Chicago.