

Janet,

Thank you for your timely response to my email of February 7, 2014. In retrospect, it would have been nice to know this information prior to the homeowners insurance policy lapsing on the property that I sold to BFR and on which I hold the first mortgage. As you are aware, insurance on the property is a condition of the loan. Your response actually raises several questions and I hope you can provide me with answers.

- 1) You stated "*At one point we were told that Ted Bernstein would take over as Manager and we prepared paperwork to transfer responsibility, however that paperwork was never returned to us.*" Who stated that to you? And by the way, how were you appointed as Managing Member of BFR in the first place? Were you or are you taking direction from someone else as to any of the financial affairs of BFR or the trust(s)? If so, who was/is that? If not, I will assume that all financial affairs to include payments from BFR or the trust(s) were made unilaterally by you/Oppenheimer Trust.
- 2) You are both the Trustee of each of the trusts that own the interest in BFR and you are the Managing Member of BFR – essentially you are wearing two hats. When did you plan to advise me that the homeowners insurance was lapsing for non-payment of premium?
- 3) Have you requested funds from the estate of Simon Bernstein or Shirley Bernstein to pay the homeowners insurance premium? If yes, what was the response and from whom was the response given? If no, why not as you seem to be in communication with both Ted Bernstein and Robert Spallina on other matters?
- 4) This is a balloon mortgage with principal and interest due in June 2014. When did you plan on advising me that there were no funds in any account to pay me?

When Simon Bernstein and I entered into the sale of my home to BFR (an entity that he created specifically for the benefit of his grandchildren), I agreed to carry a first mortgage on the property. He assured me that his estate plans included a provision to pay off the mortgage at his death. I have been patiently waiting for my check and am now very concerned about the prospect of receiving my money. As I mentioned, Si Bernstein did all of this for the purpose of providing a home for his grandchildren. It was never his intent that they could possibly be forced out of their home in a foreclosure because homeowners insurance or the mortgage balance was not paid. I am prepared to act to protect my rights but hope this matter can be amicably resolved in advance of that.

Please respond to me at your earliest convenience.

Sincerely,

Walt Sahm