

Initial Distribution Forthcoming

The November 20, 2007 letter to DTDF investors disclosed that DTDF was preparing to make an initial \$3 million distribution to investors, but that the September 2007 filing of a \$4.9 million proof of claim by Salvatore Reale presented a roadblock to such distribution because the confirmed plan of reorganization required that creditors be paid prior to any payments to investors. As discussed in the November 20th letter, DTDF filed a motion to set a cash reserve of zero for the Reale claim as well as for the claims filed by other individuals. Mr. Reale opposed DTDF's motion.

At the conclusion of a hearing on December 5th, Judge Riegle ruled in Diversified's favor, thus permitting the \$3 million distribution to DTDF investors without the requirement that any funds be paid to or reserved for the Reale or the other claims. As a result, DTDF is preparing to make the distribution in the near future. The distribution will be the first; there will be further distributions in the future as additional DTDF assets are collected.