



ONE BISCAYNE TOWER, 21ST FLOOR
2 SOUTH BISCAYNE BOULEVARD
MIAMI, FLORIDA 33131-1811
TELEPHONE: 305.373.9400
FACSIMILE: 305.373.9443
www.broadandcassel.com

DANIEL NEWMAN, P.A.
DIRECT LINE: 305.373.9467
DIRECT FACSIMILE: 305.995.6387
EMAIL: dnewman@broadandcassel.com

August 28, 2009

***Re: U.S. Securities and Exchange Commission v. Founding Partners Capital
Management Co. and William L. Gunlicks
Case No. 2:09-CV 229-FTM-29SPC
U.S. District Court, Middle District of Florida***

Dear Investors:

As discussed in my August 24, 2009 letter, the Receiver is responsible for investigating the affairs of the Receivership Entities. The Receiver and his professionals are and have been in the process of conducting an investigation of the financial transactions entered into by the Receivership Entities, including those entered into during the 2008 tax year. That investigation includes among other things analyzing the information currently existing on the Receivership Entities' books and records, determining their accuracy and obtaining missing information. The Receiver has tasked his tax professionals with preparing the appropriate tax returns for 2008, and, under normal circumstances, the Receiver is responsible for the timely filing of the appropriate federal and state tax returns for the above-mentioned entities by September 15, 2009. However, at this time, as a result of the investigation to date, the Receiver and those professionals working with him have concluded that, despite their efforts, they do not have in their possession sufficient accurate and reliable information necessary to file complete and accurate tax returns for the Receivership Entities by September 15, 2009.

In light on this situation, the Receiver and his tax advisors have evaluated all options and concluded that the most prudent course of action at this time is to file with the Internal Revenue Service a blank return with a detailed disclosure statement putting the Internal Revenue Service on notice as to why the Receiver is unable to file a complete and accurate tax return by the September 15, 2009 deadline. Limited Partners will receive blank Schedules K-1 with the same disclosure.

The Receiver is aware that a blank return is not a valid return for purposes of starting the statute of limitation, but the Receiver and his tax advisors believe that it puts the Internal Revenue Service on notice that a complete and accurate return will be filed as soon as possible. For your reference, the Receiver is attaching to this correspondence a paragraph from the Internal Revenue Manual concerning blank returns which indicates that, when a blank return with a disclosure statement is filed with the Internal Revenue Service, the agents are instructed to record it in the Taxpayer's file and treat it as amended, once the complete return is filed. The Receiver and his tax advisors further believe that filing a blank return avoids significant potential tax penalties for filing false returns and avoids reporting incorrect taxable income.

As discussed above, the Receiver has tasked his tax professionals to take all steps necessary to prepare complete and accurate returns as soon as possible. When that task is complete, the Receiver will notify limited partners, provide Schedules K-1, and file a complete and accurate return with the Internal Revenue Service for 2008.

The Receiver encourages each limited partner to consult with your own tax advisor concerning how this may affect each of you.

Very truly yours,

BROAD AND CASSEL

s/Daniel S. Newman

Daniel S. Newman, Receiver

DSN:bf

Attachment

3.11.3.7.2.2 — Blank Return

[Last Revised: 01-01-2008]

- (1) Edit RPC “L” on returns with all zeros or no significant entries present, or edited from attachments, on any of the following T-Lines:
 - Lines 7 through 77, Form 1040
 - Lines 7 through 47, Form 1040A
 - Lines 1 through 12, Form 1040EZ

Reminder:

When RPC “L” has been edited on the return, do not edit CCC “B”. RPC “L” does not negate the need for a DSI, when applicable.

- (2) Refer the return to your work leader when caption information is missing and cannot be perfected using instructions in IRM 3.11.3.9.2.
- (3) Treat the blank return as amended when a statement is present indicating that a return will be filed later. See the amended return instructions in IRM 3.11.3.7.2.1.
- (4) Edit CCC “E” when a statement indicates that the taxpayer will have no requirement to file returns in the future.
- (5) Refer to the instructions in IRM 3.11.3.7.1.4 when the return has been filed as a frivolous filer return.
- (6) Refer to IRM 3.11.3.7.2.17 for processing instructions when there is an indication that the return is a Substitute For Return (SFR).
- (7) If a blank return is released by Criminal Investigation Fraud Detection Center with no special instructions, **correspond** for the following using Form 3531:
 - Credits
 - Income
 - Other taxes
 - Payment information or statement that taxpayer is not liable for this or subsequent tax year