

Brondino@aol.com

From: Brondino@aol.com
Sent: Tuesday, July 12, 2005 3:17 PM
To: janwallace@att.net
Subject: Re: FW: "Less Is More"

Very interesting. Cliff just sent over a copy also. When is this issue going to be addressed?

I leave for the East Coast on Saturday, and will not be in the office until Tuesday the 26th.

FYI, Cliff authorized certain bills to be paid. Munjit and I agreed that any bills that were not of an immediate nature should be postponed until at least you, Cliff and Munjit meet.

I am rendering a cash flow spreadsheet to Gary V. based on what was reported to me by Bev. Not clear who is in-charge of the T-Rex, Bev or SDI!??

Let me know if there is anything you wish for me to do. Thanks,

Brondino

In a message dated 7/12/2005 11:11:22 A.M. Pacific Daylight Time, janwallace@att.net writes:

From: "Leonard F. Yablon, J.D." yei@earthlink.net

To: sditd@sbcglobal.net

Cc: janwallace@att.net

Subject: "Less Is More"

Date: Wed, 6 Jul 2005 20:42:07 +0000

Clifford L. Strand - Chrm.

Jan M. Wallace - Pres.

Secured Diversified Investment, Ltd.

6 July 2005.

Re: Less {SDI} Is More.

Once again – I Thank You & SDI for hosting me 27–>29 July 05 toward investment considerations in SCDI–same was/is much Appreciated.

YEInc wishes to seriously communicate the following impressions/recommendations/considerations, after extensive 'inhouse & outside SDI dd', toward possible max YEInc \$5.0MM Equity investment into SDI, premised upon SDI's compliance/completion of EACH and EVERY of the following Issues before 30 Sept 2005, Without exception(s):

* Revision of SDI' printed Mission Statement (public) brochure on reception desk via eliminating the wording/use of ..'adroit negotiations', and ...'By design SDI LTD stock is not trading". If all past 'acquisitional negotiations' infact evidenced shrewdness, craft and/or resourcefulness in assembling the type of Real Estate assets you self mandated, and which IMHO do not presently exist and until such time do exist –the use of ADROIT is not justified. Nor infact is Whomever negotiated {notwithstanding 5030 Campus Drive) justified to remain on SDI payroll. Further to this 'brochure' – Why has the Executive team At the Time of This brochures Printing & continued distribution - endorsed such a paradoxical statement for a PUBLIC company {By Design SDI LTD is NOT trading}?! This further clouds any reader/investor confidences when they read"This mgmt team has been selected for Their talents & experience in diverse and unique abilities to produce the desired growth & profitability"! My 'dd' found no present growth/profits resultant from such Executives talents. The afore examples are the most obvious justification to immediately destroy all existing brochures, whose continued existence would make for excellent Stockholder lawsuit evidence/file! Should you continue distribution of this specific brochure short of becoming a PRIVATE company— YEI would NOT be of investment interests, and would seriously recommend all responsible parties of drafting & approving this brochure have medical exams of their 'Hippocampus'.

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* YEI would further require the Immediate sale/liquidation/vacate of ALL present SDI Real Estate holdings/commitments, except 5030 Campus Drive bldg, which SDI should occupy return to as HQS effective 1 Jan 2006 via buying out {\$230K} Sutterfield preferably with 100%Stock!

The immediate SALE for NET Cash to SDI bank account, of ALL real estate on SDI books, is a key prerequisite for YEI further investment consideration. YEI's objective being – recapture of majority of past good intended investment funds and/or future tax credits to the SDI bottomline asap via arms length Sales = Clean Up SDI books/enhance SDCI value. I have 'extensive justifications facts", for afore SALE issue(s), which i can detail for you If you do not understand and/or Appreciate THIS prerequisite, but in the interests of

breviety—enough said.

* Assuming EACH of afore issues have been completed Before 1 October 2005
--Then I seriously would require Mr. Trolf be taken off the payroll/dismissed immediately=Gone (the receptionist can make biz cards more cost efficient then GT—really), and Billy “RAINMAKER” Biddle also taken off Payroll immediately, and put on a “fair to SDI Incentive compensation formula for any Deals he is Exclusively responsible for Closing/Funding via being a Independant Contractor.

SDI nor YEI can not afford to embrace any future BB’s continued (ADROIT) ignorant-to-these-different times near sighted deal Costs. I further would insist that RAINMAKER Billy operate out of his Palm Springs residence, and SDI reimburse BB for only receipted legit expenses relative to Official SDI biz --notwithstanding possible stockholders Questions relating to BB’s (and Other Executives) Employment Agrm’s being IMHO excessive, smacking of possible past/present/future Conflict of Interests, possible Related party transactions, and The not in parity with Public corporation Salary Mentality versus Commission/Incentive of Private biz mentality! Thus – All Employment Agrms Must be Forgiven to comply with GAAP + SEC!

The theme being —SDI nor YEI potential gelt can NOT afford waste of payroll, questionable deal quality expenses, daily posturing & overhead expenses without daily productivity, or any employee/Executive indecision near & long-term costs.

YEI further will insist that Clifford be excused from daily President/Executive responsibilities, and function as the SDI Deal Intermediary/Rainmaker—given his astute EXCHANGE background & PRIVATE (versus Public) Biz experiences, with fair compensation relative to productive results.

Also—YEI would require NO Purchasing of “California & Nevada” real estate below a qualified/certified NET 12.50% CAP-Rate If at all per 100% Board members written Approval & Secured by Personal Board members after 30 Sept 05.

A Further ABSOLUTELY necessary Prerequisite would be the installation of Jan M. Wallace as President, Munjit Johal as CEO, and Jim Brondino as COO effective 1 Oct 05. IMHO at worst case Munjit & Jim are capable and savy enough presently to run SDI on a daily profitable lean & mean basis If EACH of afore Issues are completed per YEI’s potential investment prerequisite NLT 30 Sept 05.

Infact—my yiddish biz sense & potential \$5.0MM worth of 2cents is—should Jan be committed beyond 30 Sept 05—these 2 Gentlemen would be best for the future of SDI be it Public or Private, and should be compensated fairly relative to past persons holding such positions + Performance!

* YEInc’s final investment consideration must be; Completion of Clean Up, Then within reasonable time thereafter implimenting a 4 to 1 Reverse Split, Then sell the Shell, and thus”taking of SDI PRIVATE NLT 31 Dec 2006” to focus on making real gelt.

Respectfully – Leonard F. Yablon, J.D. 6 July 2005.

Full Message Headers

Received: from imo-d23.mx.aol.com ([205.188.139.137])
by worldnet.att.net (mtiwmxc17) with ESMTP
id <200507121917460170097unce>; Tue, 12 Jul 2005 19:17:46 +0000
X-Originating-IP: [205.188.139.137]
Received: from Brondino@aol.com
by imo-d23.mx.aol.com (mail_out_v38_r1.7.) id 2.62.58ba4556 (25305)
for <janwallace@att.net>; Tue, 12 Jul 2005 15:17:42 -0400 (EDT)
From: Brondino@aol.com
Message-ID: <62.58ba4556.30057156@aol.com>
Date: Tue, 12 Jul 2005 15:17:42 EDT
Subject: Re: FW: "Less Is More"
To: janwallace@att.net
X-Mailer: 9.0 Security Edition for Windows sub 5200
Status: RO
MIME-Version: 1.0
Content-Type: multipart/mixed;
boundary="--boundary-LibPST-iamunique-1493764918_-_--"