**PRichmanMD@aol.com**

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|---|---|
| **From:** | PRichmanMD@aol.com |
| **Sent:** | Thursday, July 20, 2006 1:23 AM |
| **To:** | janwallace@att.net |
| **Subject:** | audit committee review of SDI stock rollback |

As Chairman of the Audit Committe for SDI, I have been asked to review the company's current financial condition and the rationale for a proposed 20:1 roll back of the firm's stock. It is clear that the company faces severe short-term liquidity challenges without the infusion of additional investor capital. In order to attract such funds, it is necessary for the firm to provide new investors with a capitalization structure that maximizes the value of their investment and improves the liquidity of the outstanding shares of company stock. All shareholders will ultimately benefit from this action as it provides management with adequate funds and time to execute the business plan for Secured Lending.

Peter B. Richman MBA
Chairman
Audit Committee
SDI

## Full Message Headers

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Received: from imo-m24.mx.aol.com ([64.12.137.5])
          by worldnet.att.net (mtiwmxc16) with ESMTP
          id <2006072005232101600o38tde>; Thu, 20 Jul 2006 05:23:21 +0000
X-Originating-IP: [64.12.137.5]
Received: from PRichmanMD@aol.com
    by imo-m24.mx.aol.com (mail_out_v38_r7.5.) id 2.324.8313327 (29678)
     for <janwallace@att.net>; Thu, 20 Jul 2006 01:23:16 -0400 (EDT)
From: PRichmanMD@aol.com
Message-ID: <324.8313327.31f06d44@aol.com>
Date: Thu, 20 Jul 2006 01:23:16 EDT
Subject: audit committee review of SDI stock rollback
To: janwallace@att.net
X-Mailer: Thunderbird - Mac OS X sub 208
X-Spam-Flag: NO
Status: RO
MIME-Version: 1.0
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