

From: Rachel Eckles
Sent: Monday, June 19, 2006 12:32 PM
To: Shane Williams
Subject: Dictation
Attachments: IRS inquiries from Judy Berkowitz.doc

Please let me know if you would like anything changed or if I need to do anything more with this.

Thank you,

Rachel R. Eckles

Nexia Strategy
200 South Orange Ave
28th Floor
Orlando, FL 32801
P: 407-454-5101
F: 407-454-5102
reckles@nexiastrategy.com

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Message to the IRS inquiries from Judy Berkowitz

Answer to question 1: The precious metal remains inside of the parent corporation in this transaction and has an equivalent amount inside of Titanium Technologies and we can send along the assays to support that issue. The money from the three taxpayers went to cover the operating cost, primarily insurance of the taxpayers and in the case of Sunshine sisters. We will give an aggregated distribution chart of where the money went to for the last 3 years, 2003, 2004 and 2005. Titanium Technologies is an Amodeo owned company that is asset rich and the indemnitor for this transaction and the truth is the IRS can get paid in full, subject to the Act of Fair Accounting of what is actually owed and if the book of business sells for its full sum of money. Principally what is going to happen is the assets are going to be placed in an irrevocable trust and they will be managed by a Mirabilis Ventures subsidiary that has the insurance to keep their value maintained and after that, when they are sold the IRS will get paid. We just need to talk about the schedule of payments so that the value to receive by the management and the company is sufficient. There is the allocation on a monthly basis is correct, but when the assets are placed in it. We will also put under a collateral agreement if she would like to send us one, the collateral agreement basically consist of Titanium's guarantee under the indemnity contract and the consideration for the book of business which should be publicly remarkably securities, although some may have a restriction. As soon as those assets are sold, the IRS will get paid. All the companies that are part of Presidion are part of her list and we will send her back a copy of that we inquired about in January of this year. The 1120's for all the taxpayers, I hope have already been filed. We will provide copies, we will give the 1040 return on me immediately and we are inquiring them from Craig, Jim and Yaniv, although since Yaniv has had no activity with the taxpayers we were curious as to why he was mentioned. Then we will give part of the indemnity agreement and the employment agreement to be part of the 2003 contract. I don't know if we understand what those agreements are so maybe we should make an inquiry about them.