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OCTOBER 8, 2009

TO: SUN EMPIRE RELATED INVESTORS

RE: SECOND STATUS REPORT - SEC v. SUN EMPIRE CLUB, LLC, et al.

Dear Investors:

This second report to investors is intended to keep you apprised of the actions which have been taken by me as receiver to investigate the disposition of investor funds solicited by the Defendants and to provide you with a status of the efforts undertaken to account for and recover investor funds. It is my intent to provide you with monthly status reports which will keep you apprised of current activities in the litigation and the status of efforts to account for and hopefully recover investor funds received by the Defendants in this Action.

Before addressing the concerns expressed by several of you in the Petitions filed with the Court, I would like to clarify the scope of Orders under which I was appointed and the duties which were assigned to me as a receiver in this action. Under the Court's Orders issued on April 30 and May 26, 2009 ("Orders"), I was appointed as receiver over Sun Empire, ECAM, Sun Investment Savings and Loan ("SISL"), Sun Group and their "subsidiaries and affiliates," including Sun Commerce and Investment (collectively, "Receivership Entities").

Additionally, the Orders froze certain funds in accounts held in the names of certain of the Receivership Entities and in the names of other entities and individuals including Sunland Investment Club, LLC; Sun Empire, LLC; D'Quadrant Strategies, LLC; Sun Commerce and Investment; Sun Celebrity, LLC; Innovative Business Holdings, The Real McCoy Realty and Lending; Discovermee.com; Baja Energy, LLC; Cattleya Investments, LLC; Delilah Proctor; Nash Investments, LLC; Empire Wealth Solutions;

Baja Sand & Gravel; Infinity Investment Club, LLC; Tycoon Investment Club, LLC; Recommended Services, LLC; Empire Club, LLC; and Greenland Holdings, LP.

Although funds in the accounts in the names of entities other than the Receivership Entities have been frozen, those funds have not specifically been made a part of the Receivership Estate. Accordingly, those funds are not under my direct supervision or control and I have not been authorized to distribute such funds.

Issues Raised in Investors' Petitions

I have read each of the Petitions, letter and emails which you have submitted to me. I understand the hardship which each of you is suffering as a result of the Defendants' actions. Many of your communications seek immediate return of your funds. Unfortunately, given the nature of this case and the number of victims, the amount of your claims greatly exceeds the amount of funds which I currently have under my control in the Receivership.

This action is in the early stage of litigation. The Defendants have denied liability, while refusing to turn over assets or account for the missing funds the Defendants received from you. Given the Defendants' complete lack of cooperation with the SEC and the Receiver, the process of determining exactly "where the money went" will take some time. In such actions, proof of fraud and an accounting for investor funds are required before the Court will consider any plan for distribution.

Additionally, since this is an "equitable" receivership, any proposed plan of distribution must provide for a fair and equitable disposition of all of the victims' claims. These determinations cannot be made until the scope and magnitude of the Defendants' actions have been verified and funds have been accounted for and hopefully retrieved. Once this information has been obtained, I will request orders from the Court regarding its equitable plan for distributing funds to all of you as victims of the Defendants.

For these reasons, I am unable at present to distribute funds to any one of the many investors who are seeking to be repaid.

Receiver's Activities

After I was appointed by Judge Carter, my staff and I took possession of the books records, computers, office equipment and other assets which remained at the businesses operated by the

Defendants in Milpitas, California and in Anaheim, California. Although some records were recovered, those records, particularly those relating to the receipt and disposition of investor funds, were incomplete and unorganized. Further, the majority of the Defendants have failed and/or refused to comply with their obligation under Judge Carter's order to voluntarily surrender records and cooperate with the Receiver.

This lack of meaningful financial records and the Defendants' failure and refusal to cooperate with my efforts to obtain complete and accurate financial data has impeded the work of my staff and forensic accountants in tracing the funds which each of you invested with the Defendants. To date, only one of the Defendants and/or their principals has voluntarily provided any records. As a result, the SEC has been compelled to serve subpoenas on numerous financial institutions for production of the missing financial records, all of which information has been and is being analyzed by my staff and the accountants. As additional information is gathered from various sources it will be analyzed so that funds can be traced and recovered.

Additionally, my staff and I have been analyzing many thousands of documents which have been recovered from various other sources, including investors and other related individuals, the Defendants and others, in an effort to establish the nature and extent of the Defendants' activities.

Each of you can facilitate my investigation by providing me with copies of your investment documents, which I had requested from you individually or from the team leaders, in my July 30, 2009 status letter to you. These documents, which will ultimately be critical to your ability to "prove up" your claim, are:

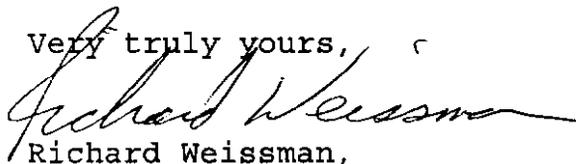
- All Clubs' statements, cancelled checks, wire transfer information and any other bank records in your possession and/or in the possession of team members, evidencing transfers into or out of the investment club accounts;
- A narrative description of the investments made by the Club, including the amount of the Club's overall investment; the names of companies to which funds were paid, including direct investments and fees or other disbursements; names of individuals or entities "promoting" the investment; a description of type of investment (i.e., high interest Certificate of Deposit); amount/calculation of interest or other return on investment paid and recipient of payment(s);

- Copies of promotional materials and/or other documentation provided to you by the investment promoter and/or documents signed by any team leader or member, on behalf of the Club, including without limitation all correspondence and emails sent or received by Club Team Leader and/or individual investors.
- Names, addresses and contact information of all investment promoters and/or team leaders with whom you spoke or from whom you received any e-mail or regular mail regarding investment solicitations or investment instructions;
- Names addresses and contact information for all members of the Investment Club members and the amounts each such member invested; and
- Any and all other documents, of whatever type and nature maintained by Team Leaders in connection with monies received into or disbursed from or on account of each Investment Club.

Many of you have provided me with some of the requested documents. However, if each of the Team Leaders and/or individual investors will provide me with the above described records, it will facilitate a faster and more accurate determination of facts and will assist us in accounting for and, hopefully, recovering additional funds for distribution.

If any investor has additional questions, please submit the questions in written form to me at the above address and I will endeavor to include responses to as many inquiries as possible in the next status report. Your assistance is greatly appreciated.

Very truly yours, c



Richard Weissman,
Receiver for Sun Empire, et. al.