

June 13, 2023

Re: Receivership of DenSco Investment Corporation – Status Update

Dear DenSco Investors:

This letter is intended to serve as an update regarding the Receivership activities that have occurred since the Receiver's May 26, 2022 status report, including an update on the claims the Receiver has brought against JP Morgan Chase Bank NA ("Chase Bank") and two of its employees, Vikram Dadlani and Samantha Nelson, and US Bank NA ("US Bank") and one of its employees, Hilda Chavez.

The case has proceeded under a scheduling order that required written discovery to be completed by the end of October 2022, depositions of fact witnesses to be taken by the end of January 2023, depositions of expert witnesses to be taken by the end of April 2023, and summary judgment motions to be filed by the end of May 2023. The depositions of fact witnesses included numerous bank employees, Yomtov Scott Menaged, Veronica Castro, and the Receiver. The trial-setting conference is scheduled for June 15, 2023.

The pleadings in the case, written discovery requests, disclosure statements, and certain motions and court rulings have been posted to the Receiver's website. However, deposition transcripts and expert reports have not been posted because they contain information that is covered by a protective order.

On April 20, 2023, the Receiver and the bank defendants participated in mediation conducted by a retired Superior Court judge. As a result of the mediation, the Receiver reached a settlement with US Bank and Ms. Chavez. The terms of the settlement are being finalized and will be submitted to the Receivership Court for approval. If the Receivership Court approves the settlement agreement, the terms will be confidential. However, investors who sign an Investor Confidentiality Agreement will be permitted to review the settlement agreement.

The Receiver will continue to pursue claims against Chase Bank and its employees.

After the compromise with US Bank is approved and paid, the Receiver will evaluate the possibility of another interim distribution to the DenSco investors. However, the Receiver is aware that substantial expenses are owed to Special Counsel retained in the bank litigation. Accordingly, it may be premature to make another interim distribution to investors until the claims against Chase Bank and its employees are fully resolved.

Sincerely,



Peter S. Davis, Receiver
DenSco Investment Corporation