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FIRM NAME: The International Supportgroup
ATTENTION OF: Gunnar Bendreus, Chairman
CITY/STATE/COUNTRY: Sweden
TELEFAX NO.: 011-468-768-7270

FROM: Richard V. Singleton
PAGE(S): 2
DATE: May 22, 1996
CLIENT/MATTER: ESTONIA
Our ref. 58515-002

Dear Gunnar:

1. We confirm that in our telephone conversation of yesterday evening you informed us that the board has agreed that Mr. Komnaes and Ms. Grauers will remain as members of the litigation team, but they should be used as sparingly as possible and only with your prior approval. You further advised that you did not wish to have any contact at all with either of them. I have relayed these comments to Ms. Grauers and Mr. Komnaes as well as to other members of the litigation team.

2. I have asked all members of the litigation team to provide me with statements of their fees and disbursements incurred to date as well as the estimated fees and disbursements for Messrs. Brinkmann and McLean to see this case through conclusion. I hope to be in a position to provide you with this information by early next week so that we can have informed discussions concerning the financing.

3. All the lawyers on the team believe it is important that you keep us informed of the total contributions to the litigation fund, the amounts drawn out of the fund and the current balance. We also need to discuss and agree on how any payments for

compensation to you and others for administrative services should be made and when. It is important that monies contributed for the purposes of the litigation be used solely for the litigation effort and not for other activities of ISG. The letter sent to the claimants warranted that all funds would be used solely for the litigation.

4. We will be preparing the agreements between the ISG and attorneys and hope to be in a position to forward them to you by the end of next week.

5. Alan McLean has advised that all of the additional information requested by him is necessary for the purposes of commencing the French penal action. I understand that you are drafting a letter to the claimants requesting that information, which you hope to send out early next week. Please send an English version to myself, Mr. McLean and Mr. Brinkmann for approval before sending it out. This is necessary to insure that nothing is said inadvertently that could in the future prove to be damaging.

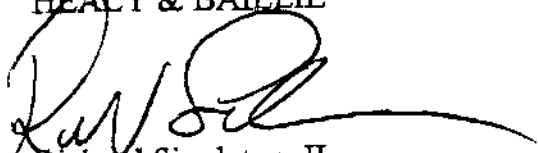
6. A separate letter should be prepared for the 2 or 3 test cases in the German action. Essentially, all of the legal heirs of the deceased who will be the test cases must assign their rights to one person who will act as a personal representative and bring suit on behalf of them all. Appropriate documents will be required under Swedish and Estonian law for this purpose.

Please keep in mind that Monday is a holiday in the United States and I do not plan on being in my office on that day.

Very truly yours,

HEALY & BAILLIE

By



Richard Singleton, II

RVS/nb

cc: Dr. Thomas Brinkmann
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