

FRED TAYAR & ASSOCIATES
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FILE No. 10-2568

WRITER'S EXTENSION: 200

August 9, 2010

VIA REGISTERED MAIL

Eran Ostfeld
88 Charles Street
Thornhill, Ontario L4J 8A3

Dear Mr. Ostfeld:

Re: Lublin Financial Corporation ("Lublin") v. Eran Ostfeld et al.

We act as lawyers to Lublin.

Reference is made to a promissory note and underlying security pursuant to which you promised to repay advances made by Lublin. As of July 31, 2010, the outstanding indebtedness was \$1,478,574. Interest continues to accrue at the rate of \$729.16 per diem.

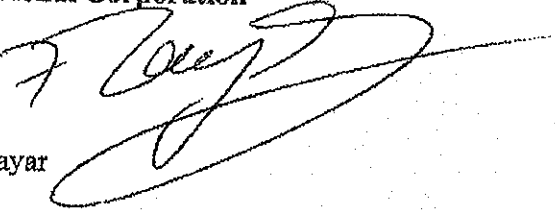
In addition, a second advance of \$300,000 was made on March 27, 2008 in respect of which there is an outstanding indebtedness inclusive of interest to July 31, 2010 of \$442,155. Interest accrues at the rate of \$147.94 per diem.

Lublin has been patient in extending to you significant time to work out the financial difficulties which you have ostensibly experienced over the last year. However it is time to bring this matter to a resolution. Please advise how you propose to retire the aforesaid indebtedness.

If we do not hear from you within the next 7 days, we will assume that you have no intention to respond, and Lublin will proceed to exercise such remedies as it is lawfully entitled to.

Yours very truly,
FRED TAYAR & ASSOCIATES
Professional Corporation

Per:

A handwritten signature in black ink, appearing to read 'Fred Tayar', written over a horizontal line.

Fred Tayar
/sr