

RECEIVER'S STATEMENT REGARDING LAWSUIT AGAINST J.P. MORGAN

On April 15 2009, Anne Marie Litson-Gruenberg filed a class action lawsuit against JPMorgan Chase & Co. in the Northern District of Texas, Wichita Falls Division (the same court before which the SEC's action and Receivership are pending). The lawsuit, styled *Litson-Gruenberg v. JP Morgan Chase & Co* bears Cause Number 09-CV-056.

In her First Amended Complaint, Ms. Litson-Gruenberg contends that she and her husband invested money with Millennium Bank and that the defendant bank, where UT of S maintained its bank account, was willfully blind to the illegal activities being carried out by Millennium Bank by accepting deposits from the off-shore entity.

On June 12, 2009, Defendant JPMorgan, who purchased certain of WaMu's assets from the FDIC in September 2008, filed a motion to dismiss the lawsuit on the basis that Ms. Litson-Gruenberg failed to state a claim upon which any relief can be awarded to her. Specifically, JPMorgan argues that Ms. Litson-Gruenberg has failed to plead that the bank had actual knowledge of any wrongdoing by Millennium (*e.g.* that anyone had been induced to invest in a Ponzi scheme operated by UT of S); that JPMorgan assisted in the fraud; or that JPMorgan owed a duty to the investors to investigate or disclose suspicious activities.

The Receiver has spoken with counsel for Plaintiff Litson-Gruenberg and counsel for Defendant JPMorgan and continues to monitor the progress of the lawsuit.