

Guardian Services, LLC

May 31, 2006

Dear Guardian Services, LLC IRA investor:

Enclosed is your Form 5498, *IRA Contribution Information*, for 2005 for your IRA held by Guardian Services, LLC ("Guardian").

The fair market value of cash and non-Alanar, Inc. ("Alanar") investments was based on the most recent statements received by Guardian.

The individual Alanar bond issues and investments in Alanar Bond Funds have been valued at 30% of their current value. As noted in the forensic accountant's report dated April 3, 2006 (which can be viewed at www.silegal.com), it was estimated that, at December 31, 2005, approximately 70% of the total Alanar bond portfolio was either nonservicing (no payments had been received from bond issuers within the past six months) or related to bond issues in which only partial payoffs of amounts owed to bondholders had been received. Based on this information and for the purpose of determining the fair market value of these investments at December 31, 2005, the value of all outstanding investments in Alanar-related bond issues or Alanar-related Bond Funds as reported on the enclosed Form 5498 has been reduced by 70% of the current value.

The decrease in the reported fair market value of the bond-related investment balances is not necessarily a permanent reduction of your investment value and does not necessarily indicate a loss of your original investment amount. Alternatively, it may also be determined that a further reduction of the investment value is warranted. The fair market value of these investments was determined based on the best financial information available at December 31, 2005 and that value is subject to change, based on additional financial information obtained or changes in the Receivership action.

The effects of the fair market value reported on Form 5498 on your 2006 required minimum distribution may vary depending on each investor's individual circumstances; therefore, each investor should consult with their own tax professional and provide them with this letter. REMEMBER, NEITHER THE RECEIVER NOR BGBC PARTNERS, PC CAN GIVE TAX ADVICE ON THIS MATTER.

Bradley W. Skolnik
Court Appointed Receiver