

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

UNITED STATES SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

ALANAR, INC., et al.,

Defendants,

and

CHURCHMEN'S INVESTMENT CORPORATION,  
et al.,

Relief Defendants.

CIVIL ACTION NO.:

1:05-CV-1102-DFH-TAB

Judge: David F. Hamilton

Magistrate Judge: Tim A. Baker

INVESTOR CLAIMS PROCEDURE HEARING NOTICE

**To: All Interested Parties in the Alanar Receivership, including Alanar, Inc. Bond Issue Investors, Bond Fund Investors, and Bond Issuers**

**Notice:** Notice is hereby given that a hearing will take place on May 1, 2008 at 4:00 P.M., Eastern Daylight Time, in the courtroom of United States District Judge David Frank Hamilton in the United States District Court for the Southern District of Indiana (Indianapolis Division), 46 East Ohio Street, Room 344, Indianapolis, Indiana 46204. The purpose of this hearing is to consider the proposed Investor Claims Procedure that the Court-appointed Receiver, Bradley W. Skolnik, has recommended for adoption by the Court. Investors and interested parties may express their views, including objections, concerning the proposed Investor Claims Procedure. **YOU ARE NOT REQUIRED TO ATTEND THIS HEARING.**

**Objection Procedure:** Interested parties who object to the proposed Investor Claims Procedure or have comments or recommendations regarding the procedure may those written objections, comments, or recommendations in writing by sending a letter or e-mail to the Court. To be considered by the Court, any letter or e-mail must be sent to the Clerk of the United States District Court for the Southern District of Indiana (hereinafter referred to as the "Court Clerk"), 46 East Ohio Street, Room 105, Indianapolis, Indiana 46204, with a copy to the Receiver, Bradley W. Skolnik (including any attachments thereto) c/o Stewart & Irwin, P.C., 251 East Ohio St., Suite 1100, Indianapolis, IN, 46204, and to the intervening Bondholder Committee at 524 Chuck Wagon, Mustang, OK 73064. E-mails should be sent to the Court Clerk at [sec-alanar@insd.uscourts.gov](mailto:sec-alanar@insd.uscourts.gov), with copies to the Receiver at [receiver@silegal.com](mailto:receiver@silegal.com) and to the intervening Bondholder Committee at [robtbolton@msn.com](mailto:robtbolton@msn.com). All objections or comments must be received no later than April 24, 2008 (herein after referred to as the "Objection Bar Date"). Except for good cause shown,

**any objections, comments, or recommendations not received by the Court Clerk by the Objection Bar Date shall conclusively be deemed waived.**

Note: Investors who believe they are entitled to compensation do NOT need to file any claim or objection at this time to preserve their claims for compensation. The only question the court will decide at the May 1, 2008 hearing is what the Investor Claims Procedure should be.

If you wish to review all the details of the Proposed Investor Claims Procedure, it may be viewed and downloaded from the Receiver's website, [www.alanarinfo.com](http://www.alanarinfo.com). You may also view and download a copy of this Notice and the Order setting the hearing.

This Summary of the Proposed Investor Claims Procedure may be helpful: The Receiver will mail a claims packet to each investor listed in the record within 45 days after the court approves the claims procedure. The Receiver will also provide a claims packet to anyone else who requests one. The claims packet will include a Statement of Claim Form listing the claimant's "ANIC" or "Adjusted Net Investor Claim." The Receiver will calculate the ANIC by determining the total of all payments by that Investor to an Alanar Business Entity in connection with or on account of Bond Issues or Bond Funds, and by then subtracting all payments made to the Investor on their investment in Bond Issues or Bond Funds. For Investors with multiple investments, the Receiver will net out positive and negative ANIC's to arrive at one combined ANIC for each Investor.

Under the Proposed Investor Claims Procedure, Investors who agree with the Receiver's ANIC calculation will not need to take any action to preserve their claims. Any Investor who disagrees with the Receiver's ANIC calculation will need to file a completed form with supporting information within a proposed time limit (proposed to be 90 days after the court approves the proposed Investor Claims Procedure) asking the Receiver to recalculate the ANIC. Any Investor who is dissatisfied with the Receiver's decision will have an opportunity to ask the court for a final determination. **For full details on the proposed Investor Claims Procedure, visit [www.alanarinfo.com](http://www.alanarinfo.com).**

There can be **no assurance** that any Investor will recover the calculated ANIC. The calculated ANIC will be used to allocate fair shares of assets that become available for distribution to Investors.

**UNDER THE INVESTOR CLAIMS PROCEDURE PROPOSED BY THE RECEIVER, ONLY THOSE INVESTORS WHO DISAGREE WITH THE RECEIVER'S CALCULATION OF THEIR "ADJUSTED NET INVESTOR CLAIM" AS DESCRIBED IN THE CLAIMS PROCEDURE WILL BE REQUIRED TO SUBMIT A CLAIM.**