APPENDIX A THE COVERUP OF LOSSES Dan Dyer 1/12/99 Oxbow Fund I 11/24/98 Sterling Capital LLC formed to raise \$25 formed by Daniel Dyer (no million; Oxbow 5 assets/no revenues) controlled by Dyer Dyer's plan to 8 raise funds to Sterling agrees to buy the former buy WCC loan WCC Loan for \$160 million over 5 fails as few CCL reports to clients thatWCC investors found years but w/ right to terminate at any time loan now being bought bySterling Oxbow Offering 11/23/98 WFSG 12/18/98 Sterling Purchase (1/3) and Brooks (2/3); still valued through CJM Agreement with CCL to buy at \$160 Million announces Planning Corporation WCC Loan for \$160 million restructuring 3 Memorandum 3/99 5/23/99 Dyer Informs CCL that he can't buy WCC 1/99 CCL informs clients of "sale" to loan Sterling for alleged full value 6/4/99 Sterling sells 2/3 **Brooks Financial** of right to buyWCC LLC formed 6/4/99 Loan to Brooks Financial LLC **Brooks** agrees to takeover Sterling's right to buy 2/3 of WCC Loan contingent on

receiving \$50 million fromCCL