



January 25, 2008

Dear Investor:

As we begin the New Year, I want to give you a quick update about what we have been doing and a brief overview of what we hope to accomplish in coming months. We are aware that this case may seem to be moving slowly. Because of the structure of the Horizon Establishment investment offering, this case is more unwieldy than most. Accordingly, it has taken us a while to identify all of the investors, as well as assets and other sources of recovery.

Currently, we estimate that there are more than 1,800 investors, who invested directly with Horizon Establishment or one of its facilitators. In this regard, please remember that the Court has set February 15, 2008 as the deadline for filing claim. *If you have already filed a claim, you do not need to file another one.* We continue to receive claims as investors are located. We are working to develop a claims administration process that is reasonable under the circumstances of this case and that is cost effective. At this point, we are not in a position to estimate the total loss. In truth, this will take a number of months to complete and much will depend on the quality of information provided by investors and our ability to resolve issues with those with whom we might disagree.

The Receiver Team is working to liquidate the remaining assets in the case, which consist of investments in real property and other business ventures, many of which are highly speculative/questionable investments. Some, however, do appear to have value. We are also in the late stages of investigating whether there are additional recoveries available from third-parties.

To date, we have recovered \$6.5 million, but the expenses of administration, including professional fees, are paid from these funds after approval by the Court. We currently have approximately \$4.0 million in cash on hand. It is difficult to predict the amount of additional recoveries and the cost to effect them. We will not pursue recoveries unless we believe there is net value to the Receiver Estate. Our current belief is that the ultimate distribution will be well below \$10 million, which means that investors will receive only a small percentage of the amount lost. Unfortunately, this is most often the result in cases involving large Ponzi schemes. Our current expectation is that we will be able to distribute the money in 2008, but this will depend on our ability to finalize all liquidation and recovery efforts in the first half of the year.

Please make certain you have reviewed the tax memos on our web site and have discussed them and the tax situation concerning your loss with your tax advisor. We recently posted an updated memo that addresses recent developments in the way that the IRS views losses incurred in connection with a Ponzi scheme.

You may be interested to know that in connection with our investigation in this case, we and the SEC discovered another similar scheme. Though separate from Horizon Establishment, it is an off-shoot involving some of the same facilitators, along with others. The principal promoter was Global Finance & Investment, Inc. The SEC filed another enforcement action, and I was appointed as Receiver for eight entities and individuals. Though the recoveries and assets of the Global Finance



Defendants are not part of this case, many of the investors and parties are common to the Horizon case and the Global Finance case.

We know this process has been very difficult for you, and it may be difficult for you to understand what we are doing. Be assured that we are conscious of your situation, and our goal is to maximize recoveries on a cost effective basis. The unfortunate reality of this case is that there are simply not enough assets remaining to cover the losses.

Finally, Travis Correll has pleaded guilty to criminal charges filed in Atlanta, and we believe that he will be sentenced in the next few months. We are aware of several other indictments involving other facilitators, and we believe that criminal authorities continue to investigate others.

If you should have any questions or concerns, please contact Shuwanda Sloane at 404-926-0059.

Sincerely,

/s

S. Gregory Hays, Receiver