THE MILLENNIUM MULTIPLE EMPLOYER WELFARE BENEFIT PLAN
c/o Jonathan Cocks
3205 Walker Drive
Richardson, Texas 75082

September 1, 2010

Dear Covered Employer:

This letter provides guidance to consider when preparing your Chapter 11 proof of claim as well as an update regarding the recent activities of the Millennium Multiple Employer Welfare Benefit Plan (the "Plan"). Among other topics, it discusses the status of the Plan's settlement negotiations with the Internal Revenue Service and various tax related litigation.

Proof of Claim

By this time you should have received notification from the U.S. Bankruptcy Court for the Western District of Oklahoma that November 16, 2010 is the date by which all proofs of claim must be received. In its Chapter 11 filing, the Plan classified and listed each Participant as an unsecured creditor. We strongly encourage each Participant to prepare and file their proof of claim so it is received by Bankruptcy Court on or before the November 16, 2010 deadline.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (referred to as "ERISA). All of the Plan's assets are held for the benefit of its Participants (who are designated employees of the Covered Employers). According to the provisions of ERISA, none of the Plan's assets can revert back, or be distributed, to any Covered Employer.

Article 8.02 of the Master Plan document addresses the Plan's termination. In summary, these provisions state a Participant "shall be entitled to receive that fixed Benefit specified by their Rating Group." According to the definitions set forth in Article 1 of the Master Plan document, a Participant's fixed Benefit is their Life Benefit.

The Plan Committee believes each participant has no less than an unliquidated and contingent unsecured claim in the amount of their 2010 Life Benefit. For reasons discussed in more detail in our letter dated June 9, 2010, the Plan Committee has not made 2010 life benefits available. However, each participant's 2010 Life Benefit amount has been calculated. In a separate letter, each participant has been sent what the amount of their 2010 Life Benefit will be if and when life benefits for 2010 are made available. Each participant will need this information to properly complete their proof of claim.

While the Plan Committee believes each Participant's claim is limited by the amount of their 2010 Life Benefit, you or your participants may believe otherwise. Accordingly, we suggest you review any potential claim as well as the basis for your claim with your attorney before you file your proof of claim with the Bankruptcy Court.

Settlement Initiative with the Internal Revenue Service

Following discussions in early June between the Plan's attorneys and the Internal Revenue Service (also referred to as the "IRS" or "Service"), the Plan and the IRS exchanged modified

settlement proposals. The Plan sent its most recent proposal to the Service in late July. We understand the IRS' negotiating team is reviewing our most recent proposal with other interested parties. The Plan anticipates receiving a response in the near future.

If a settlement is reached, the terms of any such settlement will be communicated to you for your review and consideration. The terms of any settlement may also have to be incorporated in the Plan's Chapter 11 proposed plan of reorganization and this could result in a material change to any plan of reorganization proposed by the Plan. While we believe continued discussions between the Plan and Service are a positive sign, we do not know if or when any settlement might be reached or agreed to.

Tax Litigation Update:

The Committee is presently aware that three sets of Plan participants/covered employers have pending cases in the U.S. Tax Court involving the Plan. As part of each of these actions, the Tax Court has been asked to determine whether the Plan complies with Internal Revenue Code Section 419A(f)(6) and the related regulations. No decision has yet been announced in the first case. Testimony in the second case was presented to the Court in April and May 2010 and the initial set of briefs were filed with the Court in early August 2010 (the trial is not technically complete until the required reply briefs are filed which will not be until mid-September 2010). The third case has still not been scheduled for trial.

Another Plan participant/covered employer paid the tax assessed in connection with the denial of their Plan contribution deductions and filed a tax refund action in a U.S. District Court. A jury trial was requested and the trial was held in July 2010. Following the presentation of evidence, the jury was asked to decide a combination of the three questions, which are summarized as follows:

1. Were the deductions taken for contributions to the Plan an ordinary and necessary business expense (if the answer to Question 1 is "yes," then go to Question 2; if the answer to Question 1 is "no," then go to Question 3)?

2. Were the contributions for which a deduction was taken made to a welfare benefit fund that was part of a plan meeting the following two requirements: a) no employer normally made more than 10% of the total contributions to the plan by all employers and b) the plan does not maintain an experience rating arrangement (if the answer to Question 2 is "yes," then stop; if the answer to Question 2 is "no," then go to Question 3)?

3. Did the taxpayers act in good faith and have reasonable cause for claiming the tax deductions at issue in this case?

The jury answered "no" to Question 1 and "yes" to Question 3. Consequently, they were not required to answer Question 2.

In this matter the jury decided the taxpayers' contribution deduction did not constitute an ordinary and necessary business expense, but the taxpayers acted in good faith and had

reasonable cause for believing their Plan contributions were deductible. The jury did not rule on the Plan qualification question (Question 2).

During the course of trial IRS Revenue Agent Owen Lakey testified; the only question he was asked was had the Service ever made a determination regarding whether the Plan met the requirements of Internal Revenue Code Section 419A(f)(6) and the related regulations. He responded by stating that as of the date of his testimony the IRS has never made such a determination.

We continue to believe that in at least one of the Tax Court cases discussed above a decision regarding the Plan's compliance with the statutory and regulatory requirements will be issued by the U.S. Tax Court sometime in the next twelve to eighteen months. Furthermore, the Committee believes there will not be any answers to any of the tax related questions regarding the Plan, including those asked in its original request for a private letter ruling, until the issues are at least considered and ruled on by the U.S. Tax Court or a comprehensive settlement is reached with the IRS.

6707A Penalty Update

We previously reported that in late 2009, a bill was introduced by members of the House Ways and Means Committee and Senate Finance Committee to change the 6707A statute. In summary, the bill would change the 6707A penalty to make it proportional to any tax benefit derived from the underlying listed transaction. If passed, the proposed revised 6707A penalty would be equal to 75% of the tax benefit obtained up to a maximum penalty of $200,000 for entities and $100,000 for individuals. A minimum penalty of $10,000 would also be applicable.

A bill incorporating the above provisions was passed by the U.S. Senate in January 2010. A different bill incorporating the same provisions was subsequently passed by the U.S. House of Representatives. Neither the House nor the Senate has yet acted on the other body's bill. We have been told by certain Congressional staff members that Congress still wants to act, but nobody is quite sure how or when.

In response to a request by certain Congressional leaders in June 2009 the IRS advised Congress it would cease its 6707A penalty collection efforts under certain circumstances; this collection moratorium was subsequently extended to June 1, 2010. Following the June 1st expiration date and in response to a Congressional inquiry, the IRS advised Congress it will continue with the existing collection moratorium. However, the IRS did not state how much longer the existing collection moratorium will remain in place.

While neither the Plan nor the Committee can provide you with any tax advice, we continue to encourage you to seek appropriate tax advice regarding the 6707A assessment/penalty and the need to file a Form 8886 with both the covered employer's tax return and Plan participants' tax returns. In order to avoid the potential current or future assessment of the 6707A penalty, you should also seek advice from your attorney or tax advisor/preparer regarding the need to continue

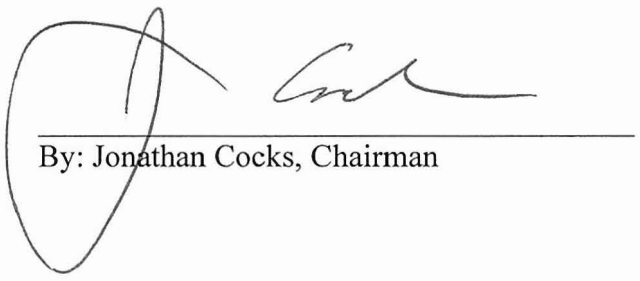
the annual filing of a Form 8886 with your personal tax returns even though a Plan contribution may not have been made by your employer for the tax year in question.

If you have any questions regarding the above or any other matter, please contact the undersigned via email at jonathan.cocks@tx.rr.com or telephone at (972) 690-3552.

Thank you for your interest and continued support.

Sincerely,

The Millennium Multiple Employer Welfare Benefit Plan Committee



By: Jonathan Cocks, Chairman