

ROBERT E. LEE SHORT FUND, INC.
101 Union Square
New York, New York 10017

January 31, 2008

The President of the United States
The White House
1600 Pennsylvania Avenue
Washington DC

His Holiness, Pope Benedict XVI
St. Peter's Basilica
Vatican City
ITALY

Oprah Winfrey
c/o O Magazine
Harpo Productions
100 Michigan Ave
Chicago, IL 10019

Bono
The Clarence Hotel
Dublin, SW7 N2
IRELAND

Lady and Gentlemen:

You don't know me and it is unlikely you would ever seek to, but I am a rich and handsome man and I have made a huge investment whose profit depends on the decline of a stock whose issuing firm is central to the stability of global financial markets. I am sending you this letter to garner publicity for my point of view, which I hope will be an effective method to enhance my personal wealth and success. Further, the timing of this letter is no accident: I am sending it to you on the eve of said company's critical capital raise, the failure of which would aid my cause greatly. Because of arcane laws designed with the good intent of protecting investors (the "quiet period"), the company will have no opportunity to refute my allegations in the public domain, which leaves me free to post this letter to all the major newswires and conduct pithy and insubstantial interviews with all the leading "financial journalists" that dominate the TV screens in the trading rooms of all the major financial centers of the day.

You may have no knowledge of or concern about said company, but the mere inclusion of your illustrious names will add to the credibility that is literally money in my pocket. In fact, it is quite possible you have never heard of the subject company and it would require a graduate level course in financial accounting to even begin to understand the complexity of its business. This is a critical component of my investment thesis: In this environment, fundamental analysis and due diligence are *passé*; mark-to-market rules and it is the going assumption that anyone to whom the media will allocate attention must be correct.

I have also sought to profit from the destruction of company that is associated with, but not of, the harbinger *du jour* of economic apocalypse: SUBPRIME. Just like junk bonds, derivatives, and internet stocks all had their day of doom, whisper "SUBPRIME" to anyone in 2008 and they immediately will sell for pennies on the dollar. No analysis necessary, no reasoned judgment allowed; all

investments associated with SUBPRIME are without recovery, as clearly every borrower of a subprime mortgage in the world will promptly walk away from his house in the near future, throwing their keys to a mortgage servicer who will just as promptly burn down the house for sport, no recovery to be had, and no residual value to be reclaimed. Ever.

The funny thing is, I never included SUBPRIME in my original reasoning. It just happened. Without evil SUBPRIME my short position would have cost me my firm, just like this same bet took down the last one. Better lucky than smart!

But I digress. The important thing is not that you read this letter; in fact, I would be surprised if you have even gotten this far before throwing it in the garbage with the other nutjob mail you receive. The real value to me has already been accrued: you see I can now send this letter to Dow Jones, AP, Bloomberg, CNN, CNBC, and every other media outlet in the land. They will see my letterhead and your name and they will assume and report that I am in close communication with you regarding my "concern" about how to "save" this "sleepy but reliably profitable business" (that categorization is from today's *Wall Street Journal*. Front page news!).

Anyway, you're a very smart and respected person (or at least you occupy a position generally associated with intelligence and respect), and I know you can't just accept all of my assertions and conclusions about how doomed this company is and how much money I will make on its destruction. Therefore, I have attached a "FINANCIAL MODEL." This MODEL is very complicated and looks like something a really smart kid at an investment bank would construct on a computer, SO IT MUST BE RIGHT. The MODEL indicates that at approximately 4:30 Monday afternoon, the subject company will financially implode under the weight of evil SUBPRIME. The MODEL has a lot of buttons and tabs and lists the names of many evil SUBPRIME-related securities, which underscore the veracity of my analysis. One trivial note: the MODEL was composed in India by an outsourcing team using a UNIX based operating system and an obsolete release of Lotus 1-2-3. Much of the code is hard wired in Hindi. It is unlikely you will be able to interact with the MODEL unless you have a Cray supercomputer and a Cal Tech comp sci graduate team based in Mumbai or Bangalore. But that doesn't matter; we both know you have no intention of or ability regarding the MODEL; just attaching a MODEL means my analysis must be right!

I will, for the purposes of enhancing the credibility of the MODEL and the conclusions thereof, attribute the source of the model to an unnamed "UNIVERSAL POWER BANK" ("UPB"). The UPB cannot be named because then they would have to actually defend the gross and oversimplified assumptions in the MODEL (which would be awkward for them and me). Furthermore, cryptic allusions to the UPB will enhance the impression of my vast and powerful network of influence (just like sending you this letter did!).

Anyway, thanks for everything, thanks for just being you. Thanks for being part of a system where I can seek to systematically destroy a decades-old company that is a lynchpin of the entire financing system solely to enrich myself and

further my franchise as a "shareholder activist", like my hero Gordon Gekko. Thanks also for not objecting to the asymmetry of a legal framework where I am free to unabashedly pursue capital markets terrorism without hindrance, while the subject company is hidebound by all manner of restriction and regulation, and their own ill-advised reluctance to engage in fear-mongering, inflammatory baiting, and empty rhetoric. God Bless the United States of America!

Warmest Personal Regards,

A handwritten signature in black ink, appearing to read "Bruce Wayne". The signature is stylized with multiple overlapping strokes and a long horizontal line extending to the right.

Bruce Wayne

Most Omnipotent Managing Founder
Robert E. Lee Short Funds, Inc.