

**APOLLO MEDICAL PARTNERS, L.P.**  
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**E. BRANDON FRADD, M.D., C.F.A.**  
MANAGING DIRECTOR

October 6, 2002

Letter objected to because signature not verified and fax date implies pre or post dating.

Dr. Bill Hutchins  
890 N. Kellog Ave  
Santa Barbara, CA 93111

Dear Dr. Hutchins,

This is a letter to confirm that I have known you since at least 1993 and that we have numerous conversations about investments in which you have demonstrated a very thorough approach to due diligence. I am reminded in particular of our numerous conversations about the scientific and medical merits of Emisphere, Conceptus, The Medicines Company, and Endocardial Solutions, in which you cited data from medical meetings, scientific publications and conversations with doctors in the field. I know that you also attended numerous investment conferences over the years. I have seen you at some of them and have asked you to go to others on my behalf.

I can also confirm that you introduced Reed Slatkin to me and that he made an initial investment in Apollo Medical Partners in December 1999 as well as subsequent investments later on. I formally withdrew his ownership in Apollo Medical Partners as of July 1, 2002 with an increase in capital consistent with the return of the fund over that time period.

Please feel free to use this information in any way you need.

Sincerely,

*Brandon Fradd*  
Brandon Fradd

*Amount withdrawn was \$2,246,244.27 as the trustees would know - it was wired to them.*

The 2,246,244.27 figure matches the Dr. Fradd letter to the penny. The trustee objected to admission of the letter despite evidence of the accuracy of its content.

**DETAIL FOR TABLE 2**

<b>Asset Sales:</b>	
Raptor Partners Settlement	\$ 7,544,103.06
Sale of Apollo Medical	2,246,244.27
Sales of Securities	2,234,901.18
Sale of 4480 Via Esperanza	2,165,964.75
Sale of Earthlink Stock	1,713,059.51
Sale of Roble Blanco Property	1,608,898.46
Sale of 4484 Via Esperanza	1,294,444.36
Sale of Kellogg Property	712,654.37
Sale of Riley Road	275,002.33
Sale of Strand Energy	142,247.25
Fortress Technologies Settlement	100,000.00
Sale of La Cumbre	90,779.33
Sale of Brewer Road	52,000.00
Sale of Wine	25,563.75
Sale of El Cabellero Country Club	25,515.88
Sale of Volvo	22,100.00
Telsoft Solutions Settlement	20,833.70
Sale of Corvette	19,000.00
Sale of Porsche	100,243.00
<b>Total Asset Sales</b>	<b><u>\$20,393,555.20</u></b>

<b>Miscellaneous Receipts:</b>	
Boult Cummings reimbursement	\$ 65,001.62
Interest	25,218.71
Miscellaneous	13,279.12
Misc. Escrow Turnover	6,450.00
Mancuso Escrow Turnover	6,164.00
Rents	3,400.00
Net Debtor Collections	480.86
Dividends	419.44
<b>Total Miscellaneous Receipts</b>	<b><u>\$ 120,413.75</u></b>