

AFFIDAVIT OF TERRANCE B. McKENNA

Terrance B. McKenna deposes and states the following:

1. I currently reside at 11026 Courtland Street, Trinity, FL. 34655.
2. I am a creditor of Cumberland Investment Corporation.
3. On January 5, 1990, I was appointed to the Unsecured Creditors' Committee in a Chapter 11 case involving Cumberland Investment Corporation. (See Exhibit A.)
4. I was designated by Virginia A. Greiman, United States Trustee to be the Chairman of the committee referred to in paragraph 3 above. Also serving on this committee were three other unsecured creditors, Mr. Lockey, Mr. Aubin, and Attorney Iuliano, who represented Mr. Cato of Intergroup, Inc.
5. In accordance with the handout that I received from the United States Trustee's Office, my duties included the following: (See Exhibit B.)
 - (a) Consult with the trustee or debtor in possession concerning the administration of the case;
 - (b) Investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of the debtor's business and the desirability of the continuance of such business, and any other matter relevant to the case or to the formulation of a plan
6. Mr. Chorney, the debtor in possession, for Cumberland Investment Corporation and I worked and lived close by to each other and we had constant contact.
7. Subsequent to my appointment as chairman on January 1990 and on several occasions during March, 1990, Mr. Chorney told me that the coins that were stored at Eastland Bank have been switched and that the process was ongoing. Mr. Chorney also told me that it appeared as if there was a conspiracy to ouster him and to take control of all the assets of Cumberland Investment Corporation.

8. On or about April 18, 1990, Mr. Chorney notified me that the Unsecured Creditors' Committee had placed a motion before the court to Expand the Powers of the Examiner and commence the liquidation of the assets.
9. I have personal knowledge that Mr. Matthew McGowan, counsel for the Creditors' Committee, did not consult with me or any other member of the committee concerning the motion to expand the Examiner's powers. (See Exhibit C.)
10. After talking with Mr. McGowan, I wrote a letter to Judge Votolato, dated April 30, 1990, indicating that the motion by Mr. McGowan was both unauthorized and did not reflect the view of the Creditors' Committee. (See Exhibit D.)
11. On June 6, 1990, I personally attended a meeting of the Creditors' Committee. All members present expressed their concern about the allegation that a switching of coins may have taken place at Eastland Bank. In addition concern was voiced about ousting Mr. Chorney as Debtor in possession.
12. On June 8, 1990, Mr. Sylvia, from the law offices of Salter, McGowan, Swartz & Holden, without authorization of the Creditors' Committee, sent a letter to so called Unsecured Creditors of Cumberland Investment Corporation concerning expanding the number of members on the committee. (See Exhibit E.)
13. Upon information and belief, this letter was sent to so called redemption clients, who may have been secured creditors. I have no idea as to whether redemption coin clients are secured or unsecured because no bankruptcy court hearing was held concerning this issue.
14. On July 6, 1990, Mr. McGowan sent a letter to Patricia Antonelli, Esq. at the U.S. Trustee's Office in Boston that expressed the concerns of the Committee that coins at Eastland Bank were being switched, as stated in paragraph 11 above. The letter requested that the Federal Bureau of Investigation be contacted and asked to conduct an investigation with respect to this matter. (See Exhibit F.)
15. I received an AMMENDED APPOINTEMENT OF A COMMITTEE OF UNSECURED CREDITORS IN A CHAPTER 11 CASE, dated July

- 13, 1990 in the mail from Virginia A. Greiman, United States Trustee. This letter included 4 new members. (See Exhibit G.)
16. Upon information and belief, the only legitimate unsecured creditor, referred to in paragraph 15 above, was Trian Nacu. Two of the creditors, Mr. Boesel and Mr. Price, both represented by David Reilly, Esq. of Wickford, R.I., were so called redemption clients and therefore I do not know if Mr. Boesel or Mr. Price were legitimate unsecured creditors, who qualified to be on the unsecured Creditors' Committee. The fourth creditor, Durham Life Insurance was not even a creditor of Cumberland Investment Corporation.
17. I received a letter, dated July 20, 1990, from Mr. McGowan to Patricia Antonelli, Esq. This letter indicated that Durham Life Insurance Company should not be listed; that Intergroup, Inc. and Peter S. Lockey should be removed as well; and that two more so called redemption clients be added to the list, namely Ward Robinson from New Jersey and William T. Marston from Milton, MA. (See Exhibit H.) Once again, I do not know if Mr. Marston or Mr. Robinson were legitimate unsecured creditors.
18. Upon information and belief, the eight members of the committee on July 20, 1990, now was comprised of 3 unsecured creditors', namely myself, Gerald Aubin and Trian Nacu; and 5 redemption coin clients, who may or may not have been secured creditors', namely, Mr. Hills, Mr. Boesel, Mr. Price, Mr. Robinson and Mr. Marston.
19. Based upon representations made to me by Mr. Chorney that Mr. McGowan had made statements at court hearing, on July 25, 1990, that the Creditors' Committee had voted to oust Mr. Chorney, I decided to call Mr. McGowan. Mr. McGowan told me that 4 out of 5 people that he contacted were in favor of the removal of Mr. Chorney. Mr. McGowan told me that the 4 people were Mr. Hills, Mr. Boesel, Mr. Price and Mr. Marston.
20. Since I had personal knowledge that the committee who attended the meetings which I attended did not want to oust Mr. Chorney, I decided to poll the members of the committee. I asked the members of the committee to fax me their position on keeping or ousting Mr. Chorney and asked the committee to get their signatures notarized.

21. I have personal knowledge that Mr. Aubin, Mr. Nacu, Mr. Robinson and myself were in favor of keeping Mr. Chorney as Debtor in Possession. In addition, there were many so-called redemption clients, who were not part of the Creditors Committee, who wrote to me in favor of keeping Mr. Chorney as the one running Cumberland Investment Corporation.
22. On July 30, 1990, I gave the notarized 'votes' and other correspondence to Mr. Boyajian prior to being sworn to testify before the bankruptcy court on that date. I have personal knowledge that Mr. Boyajian was not allowed, by the court, to enter the notarized votes or other documents in support of keeping Mr. Chorney as the Debtor in Possession as full exhibits at this hearing.
23. Upon information and belief, the representations of Mr. McGowan that the committee voted to oust Mr. Chorney was incorrect. I sent a letter to Judge Votolato on August 3, 1990. This letter reiterated the concerns of the Creditors' Committee on June 6, 1990, that coins at the Eastland Bank were switched and that the FBI should investigate this. (See Exhibit I.)
24. On or about August 5, 1990, I received a telephone call from Patricia Antonelli from the U.S. Trustee's office when I was at an unlisted telephone number at my beach house at Mattunick, R.I. Ms. Antonelli said, "Why do you want to get involved. What is there in it for you besides the \$5,000? The IRS and other agencies will be looking at you."
25. I personally felt threatened by the statements made by Ms. Antonelli in paragraph #24 above. I also took extreme offense at her attacking my integrity, after being in business at that time in the same location for over 18 years, and I am still at this same location.
26. On August 6, 1990, Mr. McGowan sent me a letter contesting the veracity of the August 3, 1990, letter sent to the judge. (See Exhibit J.)
27. On August 15, 1990, when I attended a Creditors' Committee meeting, I was told by Mr. McGowan that both myself and Mr. Aubin were fired from the committee.

28. To this very date, I have never received any communication from anyone that I was removed as chairman of the Creditors' Committee and I do not know if what Mr. McGowan said is true.
29. I have personal knowledge that on November 2, 1990, Virginia Greiman, United States Trustee signed AMENDED APPOINTMENT OF A COMMITTEE OF UNSECURED CREDITORS' IN A CHAPTER 11 CASE. This document lists "William and Theresa Hills" as Chairman, Pro Temp; Robert Boesel, Everett Price; Trian Nacu; Ward Robinson and William T Marston as being the composition of the Creditors' Committee. (See Exhibit K.) Once again, I must reiterate that I do not know if the Hills, Mr. Boesel, Mr. Price, Mr. Robinson and Mr. Marston were legitimate unsecured creditors or not.
30. Upon information and belief, the only unsecured creditor on the list in paragraph 29 above, was Trian Nacu.
31. I have personal knowledge that my name is still on the court docket as Chairman of the Creditors' Committee. How come???

I swear that the information contained in paragraphs 1-31 above are true, or based upon information and belief that I believe to be true.

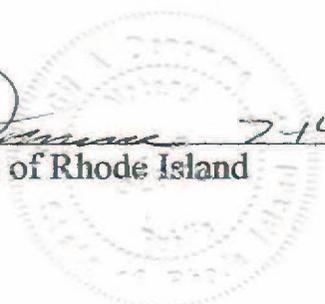


Ferrance. B. McKenna
11026 Courtland Street
Trinity, Florida 34655
727 372-6665

Sworn to me on this _____ day of July, 2004



Notary of the State of Rhode Island



UNITED STATES BANKRUPTCY COURT
District of Rhode Island

In re: CUMBERLAND INVESTMENT)
CORPORATION,)
)
Debtor)
_____)

Chapter 11
Case No. 89-11051-ANV

APPOINTMENT OF A COMMITTEE OF UNSECURED CREDITORS
IN A CHAPTER 11 CASE

The following persons, selected from unsecured creditors who are willing to serve, are hereby appointed as the creditors' committee in the above-referenced case, pursuant to 11 U.S.C. 1102(a):

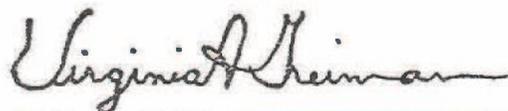
*Terry's Tire & Auto Service, 36 Blackstone Street, Woonsocket, RI, (Terrence B. McKenna, Agent, c/o J.B. Complex, 66 Social Street, Woonsocket, RI 02895, 401-765-8626)

F.P.C., 1211 Main Street, Woonsocket, RI, (Jerry Aubin, Agent, same address, 401-762-1871)

Intergroup, Inc., 4111 Arrow Place, Sarasota, FL 43235
(Robert C. Iuliano, Esq., Agent, 2 Main Street, Woonsocket, RI 02895, 401-769-6788)

Peter S. Lockey, 565 N. Main Street, Woonsocket, RI 02895,
(Peter S. Lockey, Agent, same address, 401-762-0829)

*Chairman



VIRGINIA A. GREIMAN
United States Trustee

Dated: January 5, 1990



U.S. Department of Justice

*United States Trustee
Districts of Maine, Massachusetts
New Hampshire and Rhode Island*

*Boston Federal Office Building
10 Causeway Street, Room 472
Boston, MA 02222-1043*

*617/565-6360
FTS/835-6360*

To: Members of the Unsecured Creditors' Committee
From: Virginia A. Greiman, United States Trustee

Re: Creditors' Committee Role in Chapter 11
Reorganization Cases

Thank you for agreeing to serve on the Unsecured Creditors' Committee in this case. For those of you who may not be attorneys, or for whom this is a first experience in such a capacity, perhaps a word about reorganization cases under Chapter 11 of the Bankruptcy Code and the role of an Unsecured Creditors' Committee would be helpful.

In most Chapter 11 reorganization cases filed under the Bankruptcy Code, management hopes to revitalize its business and to present a plan of repayment (in whole or in part) to its creditors which will meet with the approval of its creditors and otherwise comply with the requirements of the Bankruptcy Code for final Court approval, or confirmation as it is called under the Code. As long as the case remains as an attempted reorganization, and unless a trustee is appointed to operate the business, the debtor will have an exclusive right to file a plan for the first 120 days after the case is filed. After 120 days (unless the Court orders otherwise) the debtor and/or any other party, including a creditor or the creditors' committee, can file a plan. There is no requirement (unless a date has been specifically set by the Court on request of some party) that the debtor file a plan within the first 120 days or by any specific date.

The present management of the debtor will continue in possession, and control of its business, unless the Court orders that a trustee be appointed, the case is dismissed, or the case is converted to a liquidating proceeding. The Court will normally enter such an order only when requested by the United States Trustee, a creditor or other party in interest. In most cases, such an Order will be entered only after creditors and the debtor have been advised that such action has been requested and opportunity for a hearing is afforded so that the requested action can be contested.

The role of supervising the administration of the debtor and its management is performed in large part by the Office of the United States Trustee. The United States Trustee will appoint committees, will preside at the examination of the debtor at the creditors' meeting, and if ordered to do so, will select and appoint a trustee or examiner in the case. The

U.S. Trustee will not serve as, or perform the actual functions of the trustee. Through the use of financial reporting from the debtor, periodic visits to the debtor's place of business in some cases, and the imposition of certain other controls, the United States Trustee will attempt to insure that the debtor and its management are operating in good faith and in conformity with the Bankruptcy Code and other laws, and that the debtor is directing its efforts in a manner which will maximize the potential for an effective reorganization. The United States Trustee is not, however, the representative of, or the advocate for, the financial interests of any particular group of creditors in the case.

The Unsecured Creditors' Committee is representative of all unsecured creditors. It is assumed that the committee will represent the interests of all unsecured creditors, attempt to maximize the recovery for unsecured creditors, and promote the other interests of unsecured creditors in its negotiations with the debtor, the secured creditors, and other parties in the case. In order to aid the Unsecured Creditors' Committee in accomplishing these goals, the Bankruptcy Code specifically sets out certain duties and powers of Unsecured Creditors' Committees.

The Bankruptcy Code specifically provides that a Creditors' Committee may:

- (1) Consult with the trustee or debtor in possession concerning the administration of the case;
- (2) Investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of the debtor's business and the desirability of the continuance of such business, and any other matter relevant to the case or to the formulation of a plan;
- (3) Participate in the formulation of a plan, advise those represented by such committees of its recommendations as to any plan formulated, and collect and file with the Court acceptances of a plan;
- (4) Request the appointment of a trustee or examiner under Section 1104 of the Bankruptcy Code, if a trustee or examiner, as the case may be, has not previously been appointed and
- (5) Perform such other services as are in the interest of those represented.

The Bankruptcy Code further provides that the debtor must meet with the committee to transact such business as may be necessary and proper, and that the debtor shall furnish to the Creditors' Committee, upon request, information concerning the debtor's business and its administration. If in the performance of its duties, the committee would be aided by the services of an attorney, accountant or other professional, the law provides a means for the appointment of such individuals as may be selected by the committee. The compensation of such individuals will be paid from assets of the debtor, and will not be chargeable directly to individual committee members.

Not all businesses filing for reorganization under the Bankruptcy Code can be successfully reorganized. Some cases will have to be dismissed and,

in some others, the better course will be to cease operations and distribute the available assets to creditors. As a member of the Unsecured Creditors' Committee, your degree of involvement just as the committee's involvement in the case, is totally up to you and the other committee members. It should be recognized, however, that the healthy tension created between the debtor and the committee when an active creditors' committee is functioning, is beneficial in determining when and if the Court should be requested to convert a case to a liquidating proceeding. In other cases, hopefully this one, an active creditors' committee can, through its investigation of, advice to and negotiation with the debtor, facilitate the filing of a plan which will maximize the return to unsecured creditors and allow the debtor to continue in business as a revitalized concern.

My staff and I stand ready to provide whatever assistance we can to you in this matter. We look forward to working with you toward a successful resolution of this case. Please do not hesitate to contact us if you have any questions.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF RHODE ISLAND

In Re: Cumberland Investment
Corporation

Chapter 11
No. 89-11051

Debtor

CREDITORS' COMMITTEE'S MOTION FOR
ORDER CONFERRING EXPANDED POWERS UPON EXAMINER

The Creditors' Committee, by and through its counsel, hereby moves this Court for an order under Bankruptcy Code §1106(b) conferring expanded powers on the Court-approved Examiner appointed in this case, Michael Weingarten, and in support of this Motion states as follows:

1. On or about November 8, 1989 an involuntary petition for relief was filed against the Debtor, which the Debtor responded to by filing its own petition for relief under Chapter 11 on December 6, 1989.

2. Thereafter, on December 20, 1989, upon the motion of various parties in interest, the Court ordered the appointment of an examiner and approved the United States Trustee's selection of Michael Weingarten as Examiner.

3. The Examiner has devoted a great deal of time to having independent analyses performed by qualified numismatics on

the Debtor's inventory of approximately 25,000 coins and has arranged for and consummated the sale of a small sampling of coins. In the course of his work, the Examiner has acquired a high level of knowledge of the Debtor's inventory, the coin industry in general and of how to sell coins for the highest value in the marketplace. The Creditors' Committee and its counsel, and Eastland Bank and its counsel, who collectively represent virtually all creditor interests in this case, trust and respect Mr. Weingarten and have great confidence in his abilities.

4. The Examiner has prepared and filed with the Court two extensive reports detailing the work performed in analyzing the Debtor's coin inventory. The second report, filed earlier today with the Court, discloses the distinct possibility that the principal of the Debtor, Harold Chorney, may have acted fraudulently in materially misrepresenting to a large group of persons over an extended period of time the value of coins sold, or to be sold to them, and the overall value of the Debtor's inventory of coins. Based on the revelations in that report, there is now reason to believe that the Debtor cannot be reorganized in Chapter 11, and that the Debtor's representations of the value of its inventory had been dramatically overinflated to a point where the unsecured creditors may now receive no dividend in a case where only weeks ago the Debtor had indicated that they would receive a 100% dividend.

5. Based on the findings in the Examiner's latest report, the Creditors' Committee's counsel is of the firm belief that Mr. Chorney should be relieved forthwith of all power and authority to direct or control the affairs of the Debtor; and, pursuant to Bankruptcy Code §1106(b), because of the Examiner's extensive knowledge of the affairs of the Debtor, its inventory of coins and of how those coins can be further analyzed and eventually sold for the highest value, that the Examiner be granted full power and authority to direct the affairs of the Debtor and, with the later approval of the Court, be authorized to commence the liquidation of the Debtor's inventory of coins.

WHEREFORE, the Creditors' Committee requests pursuant to Bankruptcy Code §1106(b) that the Examiner be granted full power and authority to direct and control the affairs of the Debtor and, with the later approval of the Court, be authorized to commence the liquidation of the Debtor's inventory of coins.

Creditors' Committee of Cumberland
Investment Corporation
By its Attorneys,



Matthew J. McGowan
Salter, McGowan, Swartz & Holden
Incorporated
321 South Main Street
Providence, RI 02903
(401) 274-0300
(Bar No. 2770)

Dated: April 16, 1990



April 30, 1990

Arthur N. Votolato Jr.
Bankruptcy Judge
380 Westminister Mall
Providence, RI 02903

Personal & Confidential
Hand Deliver

Re: Motion to Expand Powers of the Examiner

Your Honor:

At a special Creditors' Committee Meeting held at Woonsocket, RI on April 30, 1990 that was attended by the following members of the Creditors' Committee:

Terrance B. McKenna, Chairman
Jerry Aubin
William Hill

The subject of this meeting was the unauthorized motion that was submitted by attorney Matthew J. McGowan.

It is the unanimous opinion of the Creditors' Committee that the Motion to Expand the Powers of the Examiner was not authorized or even discussed with myself or any members of the Creditors' Committee. We feel that the creditors are at great risk due to this misrepresentation made in the name of the Committee (Please see exhibit 1).

How can Mr. McGowan state in (3) of exhibit 1 "that the Creditors' Committee trust and respect Mr. Weingarten and have great confidence in his abilities" when Mr. Weingarten has never made any direct report to the Creditors' Committee other than a brief telephone conference call.

Furthermore we are outraged over the "Creditors' Committee request pursuant to Bankruptcy Code S 1106b ...", without in any way being briefed by counsel or otherwise having any knowledge of this motion and its content or consequences.

We beg of your Honor to have a change of counsel and allow the Committee to submit to appoint a new attorney to this court. In addition, due to the gravity of expressed alligations, we feel that first hand knowledge is essential to make prudent decisions. Consequently, we humbly request that the examiner report periodically to our committee directly.

Furthermore, we would like to request from the Court and your Honor, that the banks' repretatives periodically update us concerning the collateral and that the DIP periodically inform us of any changes in status of corporate assets.

Should you desire to discuss any of these matters in person, I would be more than pleased to do so. I can be reached at the following numbers:

| | |
|----------------|--------|
| (401) 766-3270 | office |
| 765-8626 | home |
| 766-0836 | fax |

Sincerely,

Terrance B. McKenna
Chairman of Creditors' Committee

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SALTER, MCGOWAN, SWARTZ & HOLDEN

INCORPORATED

ATTORNEYS AT LAW

THE HERITAGE BUILDING

321 SOUTH MAIN STREET

PROVIDENCE, RHODE ISLAND 02903

TELEPHONE 274-0300

TELECOPIER 861-1953

AREA CODE 401

LESTER H. SALTER
ALAN L. SWARTZ
JUSTIN S. HOLDEN
MATTHEW J. MCGOWAN
MARK G. SYLVIAOF COUNSEL:
JAMES R. MCGOWAN

June 8, 1990

TO: Unsecured Creditors of Cumberland Investment Corporation

Re: Cumberland Investment Corporation
Ch. 11 Case No. 89-11051

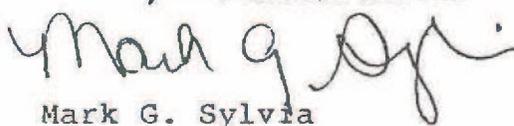
Dear Creditor:

On December 7, 1989, an involuntary Chapter 11 Bankruptcy Petition was filed against the above-referenced company. Pursuant to Section 1102 of the Bankruptcy Code, a creditors' committee was formed to represent the interest of all general unsecured creditors in the case. That committee presently consists of four persons who, like you, hold claims as general unsecured creditors. That committee has employed this law firm to serve as its counsel to represent and perform services for the committee in order to protect the interests of general unsecured creditors.

A creditors' committee is one of the primary negotiating bodies for the formulation of the debtor's plan of reorganization or liquidation. It will provide supervision of the debtor and will protect the interests of all general unsecured creditors in the case.

We are looking to expand the creditors' committee in order to provide a better representation of the interest of the unsecured creditors in the case. We think you may find it interesting to serve on the committee. If you are interested in serving on this committee, please contact the undersigned at your earliest convenience. If you are not interested in serving on the creditors' committee but possess any information about this case, parties related thereto or have any suspicions or information about questionable pre-bankruptcy transactions which may be of assistance in securing a recovery of your claims, please contact myself or Matthew J. McGowan of this office. Thank you.

Very truly yours,

SALTER, MCGOWAN, SWARTZ & HOLDEN
INCORPORATED


Mark G. Sylvia

SALTER, MCGOWAN, SWARTZ & HOLDEN

INCORPORATED

ATTORNEYS AT LAW

THE HERITAGE BUILDING

321 SOUTH MAIN STREET

PROVIDENCE, RHODE ISLAND 02903

LESTER H. SALTER
ALAN L. SWARTZ
JUSTIN S. HOLDER
MATTHEW J. MCGOWAN
MARK G. SYLVIA

OF COUNSEL:
JAMES R. MCGOWAN

TELEPHONE 274-0300
TELECOPIER 861-1953
AREA CODE 401

July 6, 1990

Patricia Antonelli, Esq.
U.S. Trustee's Office
Boston Federal Office Building
Room 472
10 Causeway Street
Boston, MA 02222-1043

Re: Cumberland Investment Corporation
Ch. 11 No. 89-11051

Dear Patti:

As you are aware, the Debtor in the above-referenced case has made serious allegations that a switching of coins, which are in the possession of Eastland Bank, may have taken place.

In view of these allegations and the possible ramifications resulting therefrom, the members of the Creditors' Committee ("Committee") present at meetings held on June 6, 1990 and July 5, 1990, have asked that the Federal Bureau of Investigation ("FBI") be contacted and asked to conduct an investigation with respect to this matter.

It is the belief of the members of the Committee present at the aforesaid meetings, that an investigation is necessary to fully resolve the issues raised by the Debtor, thus, enabling the Committee to better evaluate its position on other matters pending in the case.

Very truly yours,

SALTER, MCGOWAN, SWARTZ & HOLDEN
INCORPORATED


Mark G. Sylvia

MGS:rmc
CC: Creditors' Committee
Peter Furness, Esq.
Michael Weingarten

**Everett Price, Jr., PO Box 616, Brewton, AL 36427 (David Reilly,
Esq., AGENT, 22 West Main Street, PO Box 457, Wickford, RI
02852-5112, 401-294-9595)

**Nacu Enterprises, Inc., (Traian S. Nacu, AGENT, 323 Main Street
Woonsocket, RI 02895-3125)

*Chairman

**Amended to reflect additional appointments



VIRGINIA A. GREIMAN
United States Trustee

Dated: July 13, 1990

SALTER, MCGOWAN, SWARTZ & HOLDEN

INCORPORATED

ATTORNEYS AT LAW

THE HERITAGE BUILDING

321 SOUTH MAIN STREET

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LESTER H. SALTER
ALAN L. SWARTZ
JUSTIN S. HOLDEN
MATTHEW J. MCGOWAN
MARK G. SYLVIA

OF COUNSEL:
JAMES R. MCGOWAN

July 20, 1990

Patricia Antonelli, Esq.
United States Trustee's Office
Boston Federal Office Building
10 Causeway Street
Room 472
Boston, MA 02222-1043

Re: Cumberland Investment Corporation
Ch. 11 No. 89-11051

Dear Patti:

I have received a copy of the Amended Creditors' Committee list in the above-referenced case and would like to point out several changes.

Durham Life Insurance Company should not be listed as a committee member in this case. This creditor should be included on the creditors' committee in Warwick Hyundai Inc., d/b/a Caldrello Hyundai Ch. 11 No. 89-10972.

Intergroup, Inc. and Peter S. Locky should be removed from the list as well. Shortly after the committee was originally formed, we received a letter from Robert C. Iuliano, Esq. informing us that his client would not be participating on the committee.

With respect to Mr. Locky, he has not participated as a committee member in the past, nor should he be allowed to do so in the future. Mr. Locky was previously employed as an accountant for Cumberland Investment Corporation and was denied permission by the Court to serve as the Debtor's accountant in the bankruptcy case. In view of these circumstances, Mr. Locky should be removed in order to avoid any potential conflict of interest.

Patricia Antonelli, Esq.
July 20, 1990
Page Two

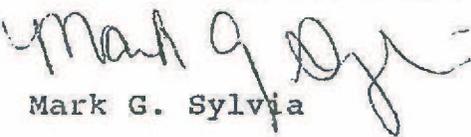
The following creditors should be added to the
committee:

Ward Robinson
34 Greenbrook Drive
Marlton, NJ 08053
(Ward Robinson, Agent, same address,
609-983-1032)

William T. Marston
58 Dean Road
Milton, MA 02186
(William T. Marston, Agent, same address,
617-698-2729)

Very truly yours,

SALTER, MCGOWAN, SWARTZ & HOLDEN
INCORPORATED


Mark G. Sylvia

MGS:rmc

CC: Terrence B. McKenna
Peter S. Lockey
Robert C. Iuliano, Esq.



August 3, 1990

Arthur N. Votolato Jr.
Bankruptcy Judge
380 Westminster Mall
Providence, RI 02903

Personal & Confidential

Re: Creditors' Committee Meeting held on June 6, 1990

Your Honor:

In light of all hearings taken place in the last two weeks, before there is any action taken as to a trustee, or any other matters, the Creditors' Committee feels that the issues addressed in this letter be acted upon first to resolve any open matters.

Should your honor wish to speak to me and council please advise.

Sincerely,

Terrance B. McKenna
Chairman of Creditors' Committee

cc: U.S. Trustees Office
Salter, McGowan, Swartz & Holden
Gerald Aubin
Tom Hills
Cambridge Meridian Group

SALTER, MCGOWAN, SWARTZ & HOLDEN

INCORPORATED

ATTORNEYS AT LAW

THE HERITAGE BUILDING

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MARK G. SYLVIAOF COUNSEL:
JAMES R. MCGOWAN

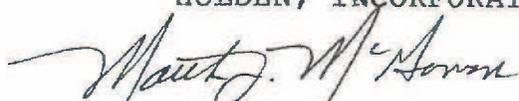
August 6, 1990

Honorable Arthur N. Votolato, Jr.
United States Bankruptcy Court
380 Westminster Mall
Providence, RI 02903Re: Cumberland Investment Corporation
Ch. 11 No. 89-11051

Dear Judge Votolato:

I apologize for writing to you directly but do so only in response to an August 6th letter sent directly to you by Terrance B. McKenna. Neither the writing of that letter nor its contents was authorized by the Committee or by me. Mr. McKenna's letter and the letter he attached to it do not reflect the present position of the Committee. I apologize for any consternation caused by Mr. McKenna's actions.

Very truly yours,

SALTER, MCGOWAN, SWARTZ &
HOLDEN, INCORPORATED


Matthew J. McGowan

MJM:mep

cc: Members of Creditors' Committee
United States Trustee
Attn: Patricia Antonelli, Esq.
John Boyajian, Esquire
Edward J. Bertozzi, Esq.
David N. Cicilline, Esq.
Peter J. Furness, Esq.
Cambridge Meridian Group

