

STENGER & STENGER

A MICHIGAN PROFESSIONAL CORPORATION

PHILLIP S. STENGER
ADMITTED IN MI, KY, MN, GA & CO
KAY GRIFFITH HAMMOND
ADMITTED IN MI
LAURA D. DUSTON
ADMITTED IN MI, KY, GA, CO & MD
JOSEPH M. JAMMAL
ADMITTED IN MI & MN
DUSTIN H. ALLEN
ADMITTED IN IN
AMANDA BREWSTER
ADMITTED IN MI
OF COUNSEL:
LEE T. SILVER
ADMITTED IN MI
DOUGLAS W. VAN ESSEN
ADMITTED IN MI

2618 EAST PARIS AVENUE, S.E.
GRAND RAPIDS, MICHIGAN 49546

TELEPHONE (616) 264-3256
FACSIMILE (616) 940-1192
TOLL FREE (877) 512-2483

OF COUNSEL:
DENISE M. HALLETT
ADMITTED IN IN
MELISSA Y. HOFFMAN
ADMITTED IN NJ & PA
DANIEL A. MANCINI
ADMITTED IN NJ & PA
BRETT P. RILEY
ADMITTED IN CO & WY
JESSICA WASSENBERG
ADMITTED IN MN
CINQUE AXAM
ADMITTED IN GA
DANIELLE P. ROBERTS
ADMITTED IN GA

March 6, 2013

Re: *Commodity Futures Trading Commission vs. Watson, Potts and Cash Flow Financial, LLC et al*
U.S. District Court, Eastern District of Michigan, Southern Division
Case No. 11-cv-10949, Honorable Lawrence P. Zatkoff

Dear Sir or Madam:

As you may already know, we filed two motions simultaneously with the Court on July 27, 2012; *Motion and Memorandum Requesting Approval of Proposed Investor Claims Procedure* ("Claims Procedure Motion") and *Motion to Set Hearing for Approval of Proposed Investor Claims Procedure* ("Motion to Set Hearing"). Copies of both motions are posted on our website, www.cffreceiver.com, and may be found under the "Pleadings" heading. The Receiver's Motion to Set Hearing requested that the Court set a hearing date in order to hear any objections from investors as to the proposed Investor Claims Procedure as set forth in the Claims Procedure Motion.

On January 30, 2013, the Court entered an Order ("January 30, 2013 Order") denying both of the Receiver's motions. The Court stated therein that the Investor Claims Procedure should set a date certain by which investors can file objections and/or comments to the proposed Claims Procedure. After the expiration of the set date on which all objections should be filed, the Court will then determine if and when a hearing before the court is actually required. In addition, the Court requested additional information as to why the Receiver chose the publication notice to be published in the *USA Today* as opposed to *The Wall Street Journal*.

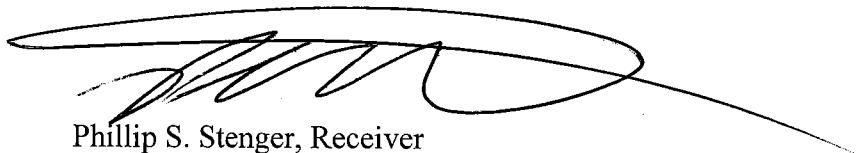
The requested revisions are procedural in nature and the motions are currently being amended in order to comply with the court's requests. We anticipate that the motions will be re-filed with the court in the next few weeks. Once the motions are approved we will be able to proceed with the proposed Investor Claims Procedure as outlined therein.

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Please see the Receiver's website at www.cffreceiver.com for more information. We will continue to update you via our website as this process continues and the motions are re-filed. If you have any questions you may contact the Receiver at (616) 264-3256 or toll free at (877) 512-2483; or you may direct email inquiries to cffreceiver@stengerlaw.com.

A copy of this letter will be posted on the CFF website and has been e-mailed to all investors for whom the Receiver has an e-mail address. If you would like future updates to be e-mailed to you, please provide the Receiver with your e-mail address at your earliest convenience.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Phillip S. Stenger', with a long horizontal flourish extending to the right.

Phillip S. Stenger, Receiver
Cash Flow Financial, LLC, Alan James Watson,
And Michael Potts