

September 23, 2009

To All Investors

Re: In re Life Fund 5.1, LLC (No. 09-32672)  
In re Life Fund 5.2, LLC (No. 09-32674)  
In re Houston Tanglewood Partners, LLC (No. 09-32676)  
In re A&O Resource Management, Ltd. (No. 09-32677)  
In re A&O Life Fund, LLC (No. 09-32678)  
In re A&O Bonded Life Assets, LLC (No. 09-32679)  
In re A&O Bonded Life Settlements, LLC (No. 09-32681)  
[All cases pending in the United States Bankruptcy Court, Northern District of Illinois]

Dear Investor:

On Monday, September 21, 2009, the United States Bankruptcy Court approved my appointment by the U.S. Trustee (a part of the Department of Justice) as Chapter 11 trustee of the estates in the bankruptcy cases identified above. I am honored by the appointment and will work hard and efficiently to attempt to achieve results in this complicated matter. I am writing to you because we have been provided preliminary information indicating that you may have been an investor in one of these bankrupt entities.

Under the bankruptcy procedure and rules, a trustee is someone who is independent--with no ties to the debtors — who “steps into the shoes” of the debtor’s management. Generally, I am authorized to administer the debtors’ estates through the bankruptcy process. Perhaps most significantly, while I do not represent any individual investor, I hope to preserve assets of the estate and identify additional ways to return value to those who have invested.

By way of background, I was an Assistant U.S. Attorney for 12 years in Chicago, and successfully prosecuted a number of wide-ranging fraud schemes. Since April 2007, I have been a partner at the law firm of Perkins Coie LLP, where I have led teams conducting internal investigations for Fortune 500 companies and public entities. I intend to use my experience in conducting successful, complex investigations as Trustee. I expect to be assisted by lawyers in my law firm who specialize in the areas of corporate investigations, insurance and bankruptcy law.

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I am well aware that much progress has been made in unraveling some of the alleged wrongdoing. I plan to work diligently to get up to speed quickly, including by drawing upon information that has been or may be provided by parties in the case, as well as law enforcement.

I also know that many of you have numerous questions about the bankruptcy process, and I intend to do my best as trustee to keep the lines of communication open. I also know that some of you may have valuable information that will assist me in my duties.

In an attempt to keep interested parties abreast of developments in the bankruptcy proceedings and the actions of the trustee, I intend to set up a website shortly where I will post significant filings and developments in the bankruptcy proceedings as well as information about claims procedures and deadlines. In the interim, we have already established a toll-free number, 1-877-841-2346, as a telephone message line for individuals who have information or questions that they believe may be relevant to my role as trustee. Understanding there are hundreds of interested parties, we will endeavor to return calls in a prompt manner. If you have an attorney, please consult with him or her before contacting me.

I know many of you are very concerned about what has taken place thus far and worried about the status of your individual investments. I cannot change the past but I will work hard to maximize the value of the estates for those who have been harmed.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Patrick M. Collins". The signature is written in dark ink and is positioned above the printed name.

Patrick M. Collins