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*Via HAND DELIVERY AND EFILING
(Refiled per Instruction of Reviewing Clerk):*

The Honorable Donald F. Parsons, Jr.
Court of Chancery
New Castle County Courthouse
500 North King Street, Suite 11400
Wilmington, DE 19801

Re: Emerging Europe Growth Fund, L.P., v. Figlus,
C.A. No. 7936-VCP

Dear Vice Chancellor Parsons:

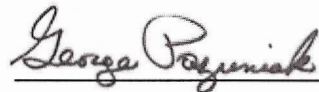
This letter is on behalf of Defendant Ihor Figlus in response to Your Honor's request for a written status report (Trans. ID 55371965). As this letter was being prepared, we have also received Plaintiffs' letter to Your Honor.

Defendant has complied with the Court's Order, and there have been no further activity taken by Plaintiff in this case. Defendant has raised the fact that it appears that Plaintiffs are not complying with their obligations to Defendant as a limited partner, and particularly have either delayed or not provided required reports. Of more import, Defendant has just belatedly received a K-1 form from

Defendants indicating that distributions were made to his former spouse (who is an officer of both Plaintiffs), even though the distributions should have been made to both Defendant and his former spouse jointly. Defendant is raising what appears to be Plaintiffs' breach of the same Agreements on which Plaintiffs have sued Defendant. Plaintiffs' counsel argued that distributions were not due because Defendant's joint interest in Emerging Europe Growth Fund, L.P. is pledged as security against loans taken by Defendant and his former spouse. However, those loans are not owed to the partnership, but to another entity, and, in any event, there has been no accounting of payments to the loan holder. This matter may result in counterclaims being raised in this action.

As always, counsel is available at the Court's convenience should Your Honor have any questions or concerns.

Respectfully Yours,



George Pazuniak (DE Bar No. 478)

cc: Richard P. Rollo (by e-file);
Kevin M. Gallagher (by e-file)