



August 2, 2017

Re: *SECURITIES AND EXCHANGE COMMISSION v. WORLD CAPITAL MARKET INC.; WCM777 INC.; WCM777 LTD. d/b/a WCM777 ENTERPRISES, INC.; and MING XU a/k/a PHIL MING XU;* U.S.D.C C.D. Cal. Case No. CV-14-2334-JFW-MRW—**INTERIM DISTRIBUTION REISSUE**

Dear Investor:

As you have been advised in prior communications, I filed the motion in October 2016 regarding allowed and partially allowed claims against the receivership.

On November 28, 2016, the Court entered the “Amended Order: (A) Sustaining Omnibus and Specific Objections to Claims; (B) Approving Proposed Allowed Amounts of Claims; and (C) Approving Distribution Plan and Authorizing Receiver to Make Interim Distributions.” Here is a link to the Order and the Exhibits to the Receiver’s Motion, which reflect the claim amounts the Court approved therein—WorldCapitalMarketReceivership.com—see items 25 (Order), 23 (Partially Allowed Claims), 22 (Allowed Claims), 6 (Distribution Plan), and 5 (Trade Creditor and Personnel Claims) under the 10/14/2016 bullet point found near the bottom of the home page. Recall that, to protect investors’ identities, claims were listed numerically by tracking number.

In February 2017, an interim distribution payment was issued reflecting your Court-approved claim. However, the Receiver was unable to get the approved payment to you using the address information you provided when you submitted your claim.

You have since provided updated address and payment information. Accordingly, enclosed herewith is a check that reflects your pro rata share of the \$21 million currently approved for distribution; the pro rata calculation is based upon your Court-approved claim amount as reflected on the aforementioned exhibits. At this time, \$21,000,000.00 of receivership funds is being distributed on an interim basis, and the Court-approved allowed claims total is \$52,183,128.19. This interim distribution thus reflects 40.24289 percent (calculated as  $\$21,000,000.00 / \$52,183,128.19$ ) of your allowed or partially allowed claim amount. By way of example only, if an allowed claim is \$10,000.00, the interim distribution amount would be \$4,024.29 ( $\$10,000.00 * 40.24289$  percent).

**BE CERTAIN TO DEPOSIT YOUR CHECK IMMEDIATELY UPON RECEIPT AS THIS CHECK WILL BE VOIDED 60 DAYS FROM THE DATE ON THE CHECK. THIS IS PARTICULARLY IMPORTANT IF YOU ARE NOT LOCATED IN THE UNITED STATES.**

Please continue to check the receivership website for updates about the case. A final distribution will eventually be made, and I will communicate with you regarding timing thereof as appropriate. In the meantime, please direct any questions to my staff at [WCM@EThreeAdvisors.com](mailto:WCM@EThreeAdvisors.com) or (619) 354-0926.

Sincerely,

Krista Freitag

E3 Advisors, 355 S. Grand Avenue, Suite 2450, Los Angeles, CA 90071 [EThreeAdvisors.com](http://EThreeAdvisors.com)



Una versión de esta carta se encuentra disponible en Español (CAMBIAR IDIOMA PARA CADA ENUNCIADO) en el sitio web de Administración Judicial de World Capital Market en [WorldCapitalMarketReceivership.com](http://WorldCapitalMarketReceivership.com).

この手紙の日本語版については、World Capital Market Receivership ([WorldCapitalMarketReceivership.com](http://WorldCapitalMarketReceivership.com)) のウェブサイトからご覧いただけます。

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