Dear Lise,

In the interests of giving your members, creditors and and investors a fuller picture of the situation that the market faces and The RISC Foundation's actual efforts to avoid the loss of jobs and economic damage to the City of New Haven that would be caused if the market closes, I would respectfully ask that you forward the following information to your members, creditors, investors *and* employees:

1. Neither the foundation nor anyone involved in the management of the foundation has any intention of buying, owning or profiting from the operation of the market.
2. The foundation's intent is make a substantial long term low interest loan to an **EMPLOYEE OWNED AND OPERATED MARKET** which will maintain and enhance the market's employment objectives and the City of New Haven's economic development program rather than having the market close.
3. The Article 9 "friendly foreclosure" plan was not proposed or created by the foundation but by the market's own consultant to protect the market's vendors and employees and to protect the directors of the market from liability for failure to properly provide for payment of accrued taxes and outstanding payables totaling hundreds of thousands of dollars.
4. More than two years ago the foundation loaned the market $150,000 at an interest rate not to exceed two percent as a bridge loan to permit it to achieve profitability. Despite the assurances of the then chairman of the board that the market would have no difficulty repaying this loan in a timely manner, no payment of principal or interest has ever been made on the loan, and none ever will be if there is an Article 9 friendly foreclosure.
5. This spring the foundation learned that the market's financial condition once again was dire and that the market was in danger of closing its doors within a month. After discussions with Webster Bank, which was doing its best to keep the market open but could not properly make an additional loan to the market, the foundation in guaranteed an additional loan of $125,000 from Webster to the market to keep it open temporarily to see if there was a long term solution to the market's financial problems.. The foundation expects to lose this $125,000 in a friendly foreclosure.
6. The foundation believed at the time the new Webster loan was made, and Webster agreed, that the only way for the market to achieve financial viability was for the market to receive a substantial infusion of new capital.
7. At this time (July) there appeared to be no source of substantial additional capital and the foundation committed to make a substantial infusion of capital if it would permit a viable long term solution to the market's financial problems.
8. The foundation believes that there is a substantial likelihood that the market will have to close its doors while the board of the market is attempting to negotiate a solution to the market's financial problems that does not involve an Article 9 friendly

foreclosure, and it has attempted to communicate this to the board, and it believes this would be a tragedy.

Best,

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