

August 27, 2010

Dear Clients and Friends,

We write today with exciting news for LACE. Today we are pleased to announce that Kroll Bond Rating Agency, Inc. has acquired LACE Financial.

While our firm is new to the ratings marketplace, our team brings a wealth of knowledge of, and experience within, the ratings industry. We also bring an unblemished reputation for the most rigorous diligence and thorough analysis. We are eager to both expand on this track record and to maintain LACE's reputation for delivering accurate and valued credit ratings based on sound analytical methods.

It is LACE's commitment to accuracy that inspired our interest in making this acquisition and you should expect the same high level of ratings accuracy going forward. As a client of LACE, you will not see any immediate changes in the delivery of the service. Over time, we are looking forward to enhancing both LACE's product offerings as well as the client experience. We will, of course, keep you informed as we implement enhancements.

As we move ahead, we are eager to hear from each of you. Maintaining LACE's commitment to its clients means that we want to know what works and what doesn't. We look forward to an ongoing dialog.

We hope that you share our excitement over this transaction and the opportunities ahead.

Thank you and best regards,

Jules Kroll
CEO
Kroll Bond Rating Agency, Inc.