

RADIANCE CAPITAL LLC

August 22, 2008

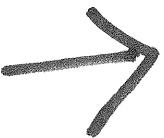
Dear Valued Business Partners ~

Over the last 90 days, Radiance Capital has seen significant deterioration in the credit quality from the time of approval to the time of funding. In most cases, we are talking about a 45-60 day period where beacon scores have significantly dropped due to increased revolving debt and more recent slow and late pays. The management at Radiance believes that in this type of economy only those with adequate cash reserves and low revolving debt will survive. These conditions have contributed to our higher than expected delinquency and write-offs in business approved over the last 12-18 months.

As we communicated to you in the beginning, Radiance is committed to this niche for the long term. In order for us to be a viable company, we have to ensure access to the capital markets. To do that we must be more consistent year over year in our operations. Lenders are exclusively looking at historical performance to measure future success. Our ownership has expressed their support both personally and financially and are committed to this company for the long term.

In order to ensure we remain a sustainable funding source, Radiance Capital is in the process of re-underwriting its backlog of approved deals in light of the current market change over the last 60 days. **This includes all deals approved, pending and/or in for funding.** Over the next several days, we will notify you of any changes to existing deals you have in with us. Any transactions that remain approved, will be at our current rate structure and must meet our lenders' criteria.

Effective August 25, 2008, the following will go in effect:

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- Rates will be increased 200bps across the board
 - We will be unable to process any application with a beacon score less than 625
 - The maximum revolving debt permissible will be \$25,000
 - We will re-pull credit on **ALL** approved deals in for funding and any material change in the financial condition of our lessee/PG may result in the approval being rescinded
 - Commissions on all deals will be capped at 10% (specific program transactions are exempt)

- We will be looking at TIB, industry, region and cash balances and weight those more heavily in our underwriting process

We know this is not going to be popular with you, our valued business partners and we apologize for the inconvenience this will cause you. This has not been done lightly nor without significant analysis and thought. Tough times demand tough decisions. This is one decision we have to make to ensure we are a player in this market today and in the future. As market conditions improve, we will review and adjust our underwriting process as needed.

Please feel free to contact either John Rosenlund or me.



Meryl Newman, CEO



John Rosenlund, COO