

Message

From: Marose, Gregory [Gregory.Marose@edelman.com]
Sent: 6/8/2016 2:03:01 PM
To: Geller, Mike [Mike.Geller@edelman.com]; Holmes, Allie [Allie.Holmes@edelman.com]
CC: Agnew, Shea [Shea.Agnew@edelman.com]
Subject: RE: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

Yeah, the FBI and SEC both have investigations. One would think Texas AG might be poking around.

Re: open letters. The only worthwhile open letter would probably be to UDF shareholders—not auditors. It could focus on why the company should be de-listed eventually and how, if/when it re-opens for trading, investors should get out because of the Hayman-detected fraud. Hayman would probably want to reach any retail investors hoping for a recovery or turnaround to simply get them to dump in the event it re-opened.

From: Geller, Mike
Sent: Wednesday, June 8, 2016 2:57 PM
To: Holmes, Allie; Marose, Gregory
Cc: Agnew, Shea
Subject: RE: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

What is the latest on what the government is saying / doing?

From: Holmes, Allie
Sent: Wednesday, June 8, 2016 2:55 PM
To: Geller, Mike; Marose, Gregory
Cc: Agnew, Shea
Subject: Re: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

OK. Just talked to Parker. As predicted, he brought up the "open letter" idea again. It's apparently quite dense, and geared towards an auditor audience. Originally intended to keep auditors from taking on the job, the new goal would be to point them in the right direction as to their investigation. It would need to be an open letter, not private, to keep it from being tortuous interference.

Regardless, I told him we were all in agreement that silence was the best strategy for now.

He's going to share our counsel with legal and Kyle, and depending on what they say, we might all want to get on the phone to present a united front.

From: "Geller, Mike" <Mike.Geller@edelman.com>
Date: Wednesday, June 8, 2016 at 1:50 PM
To: admin <Allie.Holmes@edelman.com>, "Marose, Gregory" <Gregory.Marose@edelman.com>
Cc: "Agnew, Shea" <Shea.Agnew@edelman.com>
Subject: RE: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

They can't cover until the stock reopens.

I'm not sure what we can counsel them on doing at this point. We have nothing more to say beyond what we've already said. What new ammo is there to make our case?

Mike Geller
Edelman

From: Holmes, Allie
Sent: Wednesday, June 8, 2016 2:38 PM
To: Geller, Mike; Marose, Gregory
Cc: Agnew, Shea
Subject: Re: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

They haven't closed their position, and I'm under the impression that until it's re-opened for trading, no one can close their position. (is that correct?)

Parker is worried that it will re-open at some point, and the value will rise, vs plummet to zero.

Parker has been nervous throughout this engagement, and when we council silence, he sometimes takes things into his own hands. As does Kyle. Want to keep them from doing any harm.

We'll continue to council silence, and try to keep him calm. Be prepared for a call, though, he might start chain calling us again. Thank you for your insights.

From: "Geller, Mike" <Mike.Geller@edelman.com>
Date: Wednesday, June 8, 2016 at 1:27 PM
To: "Marose, Gregory" <Gregory.Marose@edelman.com>, admin <Allie.Holmes@edelman.com>
Cc: "Agnew, Shea" <Shea.Agnew@edelman.com>
Subject: RE: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

Our emails crossed. Agree.

From: Marose, Gregory
Sent: Wednesday, June 8, 2016 2:25 PM
To: Holmes, Allie; Geller, Mike
Cc: Agnew, Shea
Subject: RE: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

Hey Allie,

I think someone should ask Parker if they've closed their position yet and if not, follow up with what he really wants to accomplish from here. UDF crashed from \$20 to \$3 before trading halted so it seems like we've won here. Not sure more proactive comms does anything except expose to Kyle to potentially unwanted attention.

I'm interested in what Mike thinks, but a POV for Parker is an appointment of an auditor outside of the Top 10 accounting firms is not something that'll restore UDF to legitimacy. It's a desperate play.

I mean, if you look at the number of suits against UDF right, it seems the company is cooked.

From: Holmes, Allie
Sent: Wednesday, June 8, 2016 2:20 PM
To: Marose, Gregory; Geller, Mike
Cc: Agnew, Shea

Subject: FW: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

Hi Mike & Greg -

Hope all's well. Some Hayman/UDF news today. See link below. NASDAQ was looking to de-list UDF last week, because they didn't have an auditor appointed. With an auditor appointed, Parker will be concerned that they're legitimized again.

Before things kick into high gear here, would love for us to be able to articulate a strong POV on what this means, and best course of action. What is Hayman's best strategy here? At one point, Parker was talking about an open letter to UDF's former auditor, so he could very well revive that notion. If we're going to council silence, we'll need a strong rationale – Parker doesn't tend to like silence.

Thoughts?

From: Parker Lewis <PL@haymancapital.com>

Date: Wednesday, June 8, 2016 at 12:47 PM

To: "Agnew, Shea" <Shea.Agnew@edelman.com>, admin <Allie.Holmes@edelman.com>

Subject: FW: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm



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From: Katheryn E. Mueller

Sent: Wednesday, June 08, 2016 12:43 PM

To: J. Kyle Bass <k@haymancapital.com>; Brandon Osmon <bo@haymancapital.com>; Dan Babich <DB@haymancapital.com>; Parker Lewis <PL@haymancapital.com>; Davis Hostetter <dh@haymancapital.com>; Chris Kirkpatrick <CK@haymancapital.com>; Juneau Lee <JL@haymancapital.com>; Debby LaMoy <dl@haymancapital.com>

Cc: Hayman Investor Relations <ir@haymancapital.com>

Subject: United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

United Development Funding IV Appoints EisnerAmper LLP as New Independent Registered Accounting Firm

GRAPEVINE, Texas, June 08, 2016 (GLOBE NEWSWIRE) -- United Development Funding IV ("UDF IV" or the "Trust") (NASDAQ:UDF) today announced the appointment of EisnerAmper LLP ("EisnerAmper") as the Trust's new independent registered public accounting firm.

EisnerAmper is a full-service accounting and advisory firm that is PCAOB-registered and provides audit and non-audit services to more than 200 public companies. EisnerAmper was the 18th largest accounting firm in the United States according to the Accounting Today 2016 Top 100 Firms and Regional Leaders report.

About United Development Funding IV

United Development Funding IV is a public Maryland real estate investment trust formed primarily to generate current interest income by investing in secured loans and producing profits from investments in residential real estate. Additional information about UDF IV can be found on its website at www.udfiv.com. UDF IV may disseminate important information regarding its operations, including financial information, through social media platforms such as Twitter, Facebook and LinkedIn.

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