

Message

From: Parker Lewis [PL@haymancapital.com]
Sent: 6/3/2016 4:17:04 AM
To: J. Kyle Bass [k@haymancapital.com]
Cc: Chris Kirkpatrick [CK@haymancapital.com]; Dan Babich [DB@haymancapital.com]; Davis Hostetter [dh@haymancapital.com]; Steele Schottenheimer [ss@haymancapital.com]; Kathryn E. Mueller [KM@haymancapital.com]; Brandon Osmon [bo@haymancapital.com]
Subject: Re: Nasdaq Moved to Delist UDF

The Russell list should come out next Friday

It appears based on the deed records that only 2 of the deals has actually gone through (of 6 or 7); ultimately it is unclear if the others have closed or if they ever will. I'm going based on what I have been able to find in the county deed records (which are not always timely filed but in most cases are). We know they were trying to sell enough assets to repay all their creditors and they clearly have not done that given we know that a majority of the waterfall debt was still outstanding as of last week (based on the 8-k disclosing the forbearance agreement).

Sent from my iPhone

On Jun 2, 2016, at 11:11 PM, J. Kyle Bass <k@haymancapital.com<mailto:k@haymancapital.com>> wrote:

Chris,

If they don't delist them for whatever reason, we should contact NASDAQ and request that trading in the shares resume at the very least.

Parker, when does the Russell get redetermined and made public?

Have the property sales taken place and closed that we were hearing about?

J. Kyle Bass
Chief Investment Officer
Hayman Capital Management

On Jun 2, 2016, at 5:28 PM, Parker Lewis <PL@haymancapital.com<mailto:PL@haymancapital.com>> wrote:

See below on Nasdaq's determination to delist. To be clear, UDF has requested a hearing before the Nasdaq panel which resulted in an automatic 15-day stay of the delisting. Regarding the timeline on May 16th, UDF submitted its plan to regain compliance with Nasdaq's listing requirements; on May 26th, UDF received notice that Nasdaq determined to delist the Nasdaq staff "indicated that because the Trust's plan is predicated on the engagement of a new audit firm, the Staff believed the Trust's plan was not sufficiently definitive and may not be completed within the discretionary period available to the Staff."

United Development Funding IV Receives Nasdaq Staff Determination Letter; Requests Hearing Before Listing Qualifications Panel

GRAPEVINE, Texas, June 02, 2016 (GLOBE NEWSWIRE) -- United Development Funding IV ("UDF IV" or the "Trust") (NASDAQ:UDF) announced today that it received notice on May 26, 2016 from the Listing Qualifications Staff (the "Staff") of The NASDAQ Stock Market LLC ("Nasdaq") that the Staff had determined to delist the Trust's securities unless the Trust timely requests a hearing before the Nasdaq Listing Qualifications Panel (the "Panel"). The Staff's determination was based upon the Trust's non-compliance with Nasdaq Listing Rule 5250(c)(1), which requires the timely filing of all required periodic reports with the Securities and Exchange Commission (the "SEC"). As previously reported, the Trust has not yet filed its Form 10-K for the fiscal year ended December 31, 2015 and Form 10-Q for quarter ended March 31, 2016.

On May 16, 2016, the Trust submitted its plan to regain compliance with the filing requirement for the Staff's review. In its May 26, 2016 response, the Staff indicated that because the Trust's plan is predicated on the engagement of a new audit firm, the Staff believed the Trust's plan was not sufficiently definitive and may not be completed within the discretionary period available to the Staff. Although not cited by the Staff as a separate basis for delisting, the Staff noted its concern regarding the existence of separate investigations by the SEC and the Federal Bureau of Investigation into the