

April 19, 2017

e-mail: gberman@dsi.biz

To the Creditors and Shareholders of:

WARDLOW 1, LLC, a Delaware limited liability company
WARDLOW 2, L.P., a Delaware limited partnership
WARDLOW 3, LLC, a Delaware limited liability company
PACIFIC MARINE MAINTENANCE COMPANY, LLC, a California limited liability company
MGP, LLC, a Washington limited liability company

Re: Notice of Commencement of Assignment for the Benefit of Creditors

Dear Sir or Madam:

Please be advised that the above companies (collectively the “Assignors”) made an assignment for the benefit of creditors pursuant to California law, in favor of Development Specialists, Inc. (the “Assignee”) on April 18, 2017 (the “Assignment”). This action was taken by the directors of the Assignors and consent of a majority of their respective equity interest holders.

The Assignee is informed that the Assignors entered into an Asset Purchase Agreement with a third party purchaser on September 29, 2016 (the “Asset Sale”) with the consent of its secured creditors (the “Secured Creditors”). Antares Capital acts, and for the Asset Sale acted, as the agent for the Secured Creditors. The Asset Sale resulted in the sale of substantially all of the Assignor’s assets, but did not retire in full the first-lien debt owed to the Secured Creditors. Those few assets not purchased through the Asset Sale, primarily consisting of a limited amount of cash, have been transferred to the Assignee in conjunction with the general assignments.

The Assignee has retained Janet Shapiro, Esq. to represent it in the administration of this assignment estate. Ms. Shapiro has reviewed the loan and security agreements associated with the debt owed to the Secured Creditors and has confirmed that the lien of the Secured Creditors was properly perfected as against all of the Assignors’ assets and that the Secured Creditors were entitled to the proceeds of the Asset Sale. The Secured Creditors have consented to the Assignee retaining the transferred cash so as to be able to administer the Assignment estate.

For those of you unfamiliar with general assignments, the process is similar to liquidations administered under Chapter 7 of the Bankruptcy Code. However, in this instance, California law rather than federal law (bankruptcy) controls. Experience has proven that in circumstances such as those in this instance, estates administered through general assignments typically return a greater recovery for creditors, quicker and more economically than the bankruptcy process.

LOS ANGELES

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This notice is being sent to all known creditors of the Assignors including all taxing authorities and all representatives of creditors. Attached is a Proof of Claim form that must be completed and returned to the Assignee no later than September 25, 2017, along with any documents substantiating the claim. Creditors who fail to file their proofs of claim by that date will not be entitled to share in any distribution arising out of the liquidation of the Company's assets. The fact that the Assignee is providing a proof of claim form is not a guaranty that there will be a recovery by unsecured creditors. Additional information regarding this matter can be found on the Assignee's website, www.dsiassignments.com/Wardlow.

Please do not hesitate to contact the undersigned, or Matthew Sorenson (msorenson@dsi.biz) by e-mail or by telephone at (213) 617-2717 should you have any questions about this matter.

Thank you for your consideration and cooperation in this matter.

Very truly yours,

Development Specialists, Inc.

Solely as Assignee for the Benefit of Creditors of

WARDLOW 1, LLC, a Delaware limited liability company

WARDLOW 2, L.P., a Delaware limited partnership

WARDLOW 3, LLC, a Delaware limited liability company

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By

Geoffrey L. Berman

Enclosure (Proof of Claim)