

*Sonnet R. Kapila*

Federal Bankruptcy Trustee  
Southern District of Florida

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Post Office Box 14213  
Fort Lauderdale, Florida 33302

## **STATUS UPDATE #7**

**August 28, 2007**

Re: **Louis J. Pearlman, Debtor**  
– **Case No. 6-07-bk-00761-ABB**  
**Trans Continental Airlines, Inc., Debtor**  
– **Case No. 6:07-bk-00762-ABB**  
**United States Bankruptcy Court**  
**Middle District of Florida**  
**Orlando Division**

Dear Investors and Potential Creditors:

This is an interim update to my previous communiqués, all of which can be viewed at [www.pearlmantranscon.com](http://www.pearlmantranscon.com) – click on Status Reports.

### **Second Auction Held on August 25, 2007**

A second auction was held August 25, 2007 which included personal property of Lou Pearlman that the Trustee had recovered. Auctioneer Bob Ewald of Ewald Enterprises, Inc., started the auction at 10 a.m. and concluded at 7:20 p.m.

Some of the items sold included:

- A Cadillac Escalade
- Two Baseballs signed by World Series winners Boston Red Sox
- Versace China
- Rat Pack Picture collage signed by Frank Sinatra, Dean Martin, Sammy Davis, Jr. Joey Bishop and Peter Lawford.
- Framed business cards of famous people in history including Einstein, Tchaikovsky, Lindbergh, Hughes, Wright, Lincoln, Ford, Edison, etc.
- Home electronics systems
- Memorabilia

Several additional items of particular interest including Star Wars memorabilia, a Yoda statue, a framed print titled "Lavender Nebula" by artist Mark Rickerson were reserved for future sale.

It is estimated that the August 25 auction grossed \$283,000 to the estate.

### **Claims Bar Date Extended**

The claims bar date has been extended to JANUARY 30, 2008. Your claim must be filed with the Bankruptcy Court by that deadline.

### **Appointments of Chapter 11 Trustee**

To date, I have been appointed as Chapter 11 Trustee in the following (Pearlman) cases:

Louis J. Pearlman, Debtor  
Trans Continental Airlines, Inc., Debtor  
Trans Continental Studios, Inc., Debtor  
Trans Continental Records, Inc., Debtor  
Louis J. Pearlman Enterprises, Inc., Debtor  
Louis J. Pearlman Enterprises, LLC., Debtor  
Trans Continental Television Productions, Inc.  
Trans Continental Management, Inc.

### **Information Relating to Assets**

We continue to gather information and recover assets. If you believe you have information or leads which would be of help to the Trustee to investigate for potential asset recovery, please forward these facts via email to: [Pearlman@kapilaco.com](mailto:Pearlman@kapilaco.com).

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Please feel free to visit the website at <http://www.pearlmantranscon.com>.

Yours sincerely,

*Soneet R. Kapila*

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Chapter 11 Trustee

SRK:cdm