May 28, 1996

The International Women's Insolvency
& Restructuring Confederation
c/o Selinda A. Melnick, Esq.

Re: Formal Proposal to be Chartered as an IWIRC Network

Dear IWIRC Board:

This letter constitutes the formal proposal for organization of the New York Network. We understand that the "Network" is simply the equivalent of a Local "chapter" of IWIRC.

1. The New York Network (the "Network") is committed to following each of the rules for IWIRC. The Network will:

   - comply with all the laws, standards of ethics, and will be nondiscriminatory in word and deed.

   - always act in compliance with the goals and purposes of IWIRC.

   - use the IWIRC Logo and the name IWIRC in its written materials as described in the IWIRC Handbook. Specifically, the Network will:

     (i) only use the IWIRC Logo or name followed by a reference to the Network; the Network will not use the IWIRC Logo or name alone;

     (ii) use the IWIRC Logo only with the Network's name directly below the Logo. For example, the Network would please under the Logo the words "New York Network"; and/or

     (iii) use the name IWIRC only with a dash followed by the Network's name. For example, IWIRC - New York Network.

- be operated on a not-for-profit basis.
- have at least seven (7) Network members who will remain IWIRC members in good standing.
- elect as ~~IWIRC~~ Network officers or leaders only IWIRC members in good standing.
- grant Network voting member status only to IWIRC members.
- hold at least three (3) Network Events per calendar year at least two (2) of which will be open to non-members as well as IWIRC members.
- ensure that the aggregate attendance at all Network Events in any calendar year will be at least 50 persons.
- price Network Events so as to provide reduced rates to members and to discount for Network overhead, administrative expenses, costs of soliciting members and promoting Network Events and other related costs.
- organize and price all Network Events to break even.
- obtain a tax I.D. number and establish a fiduciary bank account in New York's name or for the benefit of the New York Network. It will ensure that all funds resolved or paid by or on behalf of the Network will flow through this fiduciary bank account.
- provide IWIRC with a report showing an accounting of income and costs on a quarterly basis and designate the member who will be responsible for its preparation.
- obtain prior approval for New York Network Special Events which are described in the IWIRC handbook.

- provide IWIRC with an accounting of income and costs for Network Special Events within 30 days after such Network Special Event.

- encourage Network members to become IWIRC members.

- forward directly to the IWIRC secretariat all IWIRC membership forms or checks received and will not accept fees for IWIRC membership in the Network's name.

- send to the IWIRC secretariat after any Network event a list of each person attending that event, which list will include each person's name, corporate or other affiliation, full address, telephone number and facsimile number, if available.

2. The New York Network's activities will be limited to its designated geographic area which is proposed to be the New York tri-state area including New York, New Jersey and Connecticut.

3. Attachment A constitutes a list of current IWIRC members who have committed to join the Network:

4. The Network's Program Plan for the current twelve month period and the activities the Network hopes to pursue are as follows:

   a. The New York Network held an organizational meeting on April 4, 1995. For this meeting the Network:

      - prepared a mailing list of potential members and sent an invitation to the meeting. The Network attained its goal to attract at least 40 members.

      - communicated information received from IWIRC.

   b. The second New York Network program was held on November 15, 1995. For this networking event the Network:

- prepared a mailing list of potential members and sent an invitation to the meeting. The Network attained its goal to attract at least 40 members.

- communicated information received from IWIRC.

c. The third New York Network program will be held on June 26 or 27, 1996. For this networking event the Network:

- is preparing a mailing list of potential members and will be sending an invitation to the meeting. The Network expects to attain its goal to attract at least 40 members.

- communicate information received from IWIRC.

- propose the following IWIRC members in good standing to be the initial officers:

Laureen Ryan:	Kahn Consulting, Inc.
Pamela J. Green:	Price Waterhouse LLP
Nancy L. Lazar, Esq.:	Davis Polk & Wardwell
Debbie Smith:	Coopers & Lybrand LLP
Sandra E. Mayerson, Esq.:	McDermott Will & Emory
Gina Gutzeit:	Peterson Consulting Limited Partnership
Janice B. Grubin, Esq.:	Berlack, Israels & Liberman
Heather L. Barlow:	Alexander & Alexander

d. The fourth program will be held in September 1996 in which there will be a speaker and social component. For this program, the Network will:

- select a relevant speaker and topic (See attached proposed invitation).

- set a goal to attract least 60 members.

- communicate information received from IWIRC.

5. The purpose of the Network is to afford people the opportunity to meet at the local level in pursuit of IWIRC's purposes and goals (including those who, for any number of reasons, may determine not to become a member of IWIRC at the international level) by providing local educational and networking opportunities, by identifying potential IWIRC members and Network participants, by promoting Network participation and IWIRC membership, and by updating Network current and potential participants on IWIRC activities around the world.

6. The Network will not pursue "lobbying" type activities or otherwise take a position or promote or advocate a particular position.

7. If the Network determines that it needs to develop formal corporate or governing documents, including but not limited to bylaws, the Network will first obtain the IWIRC Board's prior written approval of such documents, and any amendments or revision thereto, before such documents may take effect.

8. The Network will advise the IWIRC Board if any of the persons it has identified as IWIRC members in good standing in order to fulfill Handbook requirements ceases to be a Network participant.

9. If the Network wishes to grant to itself powers or engage in activities beyond hosting educational and networking events or meetings and developing Network participants and IWIRC members, the Network will first obtain the prior written approval of the IWIRC Board. This would include, but not be limited to, such things as: "Special Event" (as more fully explained above); charging up-front participation dues or fees rather than per-event fees; publicly publishing or otherwise communicating ideas in the name of the Network (other than to its own Network participants); making loans or grants; contributing funds or services to any other organization; and joining or

otherwise becoming closely identified with another organization.

10. We understand that IWIRC will not be liable for the debts or obligations of the Network, nor will the Network be liable for debts or obligations of IWIRC or any other IWIRC Network.

On behalf of the IWIRC members who are committed to join the New York Network, we respectfully request that IWIRC's President immediately present this proposal to the IWIRC Board and respectfully further request a determination respecting the proposal for official chartering of the New York Network. The IWIRC members who are committed to join the New York Network are excited and enthusiastic about the Network and its possibilities.

If you should have any questions concerning this proposal or should further information be required, please call Laureen at (212) 841-9314 or Nancy at (212) 450-4940.

Sincerely,

Laureen Ryan

Pamela J. Green

Nancy L. Lazar, Esq.