

*Sonnet R. Kapila*

Federal Bankruptcy Trustee  
Southern District of Florida

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Post Office Box 14213  
Fort Lauderdale, Florida 33302

## **STATUS UPDATE #11**

**March 7, 2008**

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**.

### **Court Accepts Pearlman's Plea Agreement**

Louis J. Pearlman has agreed to a plea agreement with the U.S. Government. A Plea Agreement was signed on February 26, 2008 by the defendant Pearlman, his counsel and the United States Attorneys' Office. The [Plea Agreement](#), [First Superseding Information](#), and [Waiver of Indictment](#) can be accessed by clicking on these links.

The Federal District Court approved the Plea Agreement at a hearing on March 6, 2008. Pearlman's sentencing hearing is set for May 21, 2008.

Pearlman entered guilty pleas on four charges including conspiracy to commit an offense against the United States, money laundering and presenting or using a false claim in a bankruptcy proceeding.

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**Auction of Pearlman Estate**

The Bankruptcy Court approved the retention of Fisher Auction Co., Inc. to handle the auction of Pearlman's residence located at 12488 Park Avenue in Windemere, Florida. Fisher Auction is aggressively marketing this estate home and the auction date is Saturday, March 8, 2008 at 1 p.m. Go to [www.kapilatrustee.com](http://www.kapilatrustee.com) and click on the photographs of the home to navigate to the Fisher Auction website.

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Yours sincerely,

*Soneet R. Kapila*

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Chapter 11 Trustee

*Kapila*

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