

# **EXHIBIT N**

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December 20, 2010

Original Via Federal Express/Copy  
Via E-Mail

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Matthew Boos (on behalf of Paul Wood)  
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Re: Assured:	Western International Securities, Inc.
Policy:	Securities Broker/Dealer Professional Liability Insurance
Policy Period:	March 1, 2009/2010
Claim:	Currency Trading Fund Matters
Our File No.:	351-14716

Gentlemen:

As you all know, this law firm represents the Underwriters subscribing to the referenced professional liability policy in connection with civil litigation against the Oxford Private Client Group ("PCG"), Jason Beckman ("Beckman"), and others (Phillips), FINRA arbitrations and customer demands against Western International Securities, Inc. ("Western"), Beckman, Paul Wood ("Wood") and others (Sos, Woodbeck, Quiggle,

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Abrahamson, and the Stolpman demand), and an SEC investigation involving Beckman, PCG, Adam Edenborg ("Edenborg"), and others.

Please recall that Underwriters' investigation has been and is pursuant to a full and complete reservation of all rights and defenses under the Policy, applicable law, and at equity, and is entirely without prejudice to such rights and defenses.

We have previously advised you of, among other matters, the following limitation on Underwriters' duty to defend, which is set forth in Insuring Agreement I.C.2.:

3. It is agreed that the Limit of Liability available to pay Damages shall be reduced and may be completely exhausted by payment of Claim Expenses. Damages and Claim Expenses shall both be applied against the deductible.  
\* \* \*
6. In all events, the Underwriters shall not be obligated to settle any Claim, pay any Loss or undertake or continue defense of any Claim after the applicable Limit of Liability has been exhausted by settlement of a Claim(s) or payment of Loss. In each such case, the Underwriters shall have the right to withdraw from the further defense of the Claim by tendering control of the defense to the first Named Assured(s).

Emphasis added.

We also draw your attention again to Section IV, Limit of Liability, which provides, in part, as follows:

The amount shown in Item 3.A.1. of the Declarations shall be the maximum Limit of Liability of Underwriters for all Claims under Insuring Agreement A of this Policy arising from a single Wrongful Act or Interrelated Wrongful Acts, irrespective of the number of claimants.

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The amount shown in Item 3.B.1. of the Declarations shall be the maximum Limit of Liability of Underwriters for all Claims under Insuring Agreement B of this Policy arising from a single Wrongful Act or Interrelated Wrongful Acts, irrespective of the number of claimants.

\* \* \*

Neither the inclusion of more than one Assured nor the making of Claims by more than one person or entity shall increase any Limit of Liability.

\* \* \*

Claims Expenses in excess of the applicable Limit of Liability are not payable by the Underwriters. Claims Expenses are part of Loss and as such are subject to the applicable Limit of Liability stated in Item 3 of the Declarations.

\* \* \*

In the event of a Claim (or Claims alleging Interrelated Wrongful Acts) for which both the Limit of Liability set forth in Item 3A and Limit of Liability set forth in Item 3B of the Declarations are applicable, the maximum Limit of Liability shall not exceed the highest applicable single Limit of Liability amount.

Emphasis added.

As such, and pursuant to the foregoing, after the applicable Limit of Liability has been exhausted Underwriters have no further obligation to defend and may withdraw from the defense as set forth above. Underwriters' right to do so has, as you know, been fully reserved.

Please be advised that Underwriters have now paid their full \$1 million Limit of Liability. As such, their Policy limit is exhausted and they have no further obligation to defend. Thus, pursuant to and in accordance with Insuring Agreement I.C.2.6., Underwriters withdraw from the further defense of this Claim by tendering control of the defense to the Named Assured, which is Western.

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Any further communications regarding this matter should be directed to Western and/or to Everest Specialty Underwriters (copied hereon).

Thank you all for your assistance throughout this matter.

Very truly yours,

SEDGWICK, DETERT, MORAN & ARNOLD  
LLP



By

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Serena C. Stark

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