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TO 96251475

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# TROUTMAN SANDERS LLP

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April 18, 2007

*Fax to Office Agnew @  
412-2097*

**VIA FACSIMILE 625-1475**

Daniel R. Warman, Esq.  
101 West Main Street, Suite 810  
Norfolk, VA 23510

**Re: *AGM Development Corporation, et al. v. Resource Bank  
In Chancery No. CH05-2572***

Dear Mr. Warman:

As you requested, I am enclosing a copy of the following documents referenced in the Loan Agreement attached as Exhibit A to Resource Bank's Brief in Opposition to Motion for Trial by Jury:

1. Commercial Pledge and Security Agreement (referenced at ¶ 2(d) of the Loan Agreement); and
2. Commercial Security Agreement (referenced at ¶ 2(c) of the Loan Agreement).

Each of these documents set forth at page 3 the secured party's rights upon an event of default. It is these rights that Resource Bank exercised.

In response to your transmittal of this morning, Resource Bank will not agree to the proposal set forth therein.

Finally, since you asked, I will reiterate the extremely generous settlement offer that was previously tendered to your clients. It was simple. The parties would execute a general mutual release of all claims against each other, and Resource Bank would transfer the shares of Face International Corporation and Staged Vibration Corporation shares which were obtained by foreclosure in November, 1999 back to Mr. Agnew.

Received Fax : Apr 18 2007 3:54 PM From: Jonathan L. Hauser <Jonathan.L.Hauser@vkw.com> To: Daniel R. Warman, Esq. <DWarman@vkw.com> Subject: AGM Development Corporation, et al. v. Resource Bank

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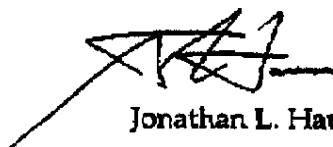
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These constitute 100,000 shares of Face International Corporation Class A stock and 50,000 shares of Staged Vibration Corporation Class A stock. Of course, the foregoing settlement offer was made expressly without prejudice to the rights of either party.

Very truly yours,



Jonathan L. Hauser

Encls.

cc. Resource Bank  
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