

**BRUCE S. KRAMER RECEIVER TRADE PARTNERS, INC.**

**CASH ACTIVITY REPORT (COMPILED)**

**FOR THREE AND EIGHTY-ONE MONTHS ENDED JANUARY 15, 2010**





ACCOUNTANT'S COMPILATION REPORT

January 25, 2010

Bruce S. Kramer Receiver  
Trade Partners, Inc.  
Memphis, Tennessee

We have compiled the special-purpose Cash Activity Report for Bruce S. Kramer Receiver Trade Partners, Inc. for the three and eighty-one months ended January 15, 2010 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of Bruce S. Kramer Receiver Trade Partners, Inc. We have not audited or reviewed the accompanying special-purpose financial statement and, accordingly, do not express an opinion or any other form of assurance on it.

The accompanying special-purpose financial statement was prepared for the purpose of complying with information requested by Bruce S. Kramer Receiver Trade Partners, Inc. and the United States District Court for the Western District of Michigan Southern Division, and is not intended to be a presentation in conformity with generally accepted accounting principles in the United States of America.

We are not independent with respect to Trade Partners, Inc. or Bruce S. Kramer Receiver Trade Partners, Inc.

This report is intended solely for the information and use of Bruce S. Kramer Receiver Trade Partners, Inc., its creditors, and The United States District Court for the Western District of Michigan Southern Division and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

*Echelbarger, Himebaugh, Tamm & Co., P.C.*  
Echelbarger, Himebaugh, Tamm & Co., P.C.

	Current Quarter 10/16/09-01/15/10	From Inception of Receivership 4/15/03-01/15/10
<b>Beginning Cash Balance</b>		
Checking - Receiver Operating	15,992	(593,582)
Checking - Receiver Operating #2	1,299,885	-
Checking - Receiver Operating #3	100	-
Savings #1 - Receiver	2,773,433	48,161
Savings #2 - Receiver	240,822	-
Savings #3 - Policy Sales	24,191	-
Savings #4 - General	53,538	-
Savings #5 - General	156,259	-
Savings #6 - General	-	-
Claims Sweep	-	-
<b>Total</b>	<b>4,564,220</b>	<b>\$ (545,421)</b>
<b>Cash Receipts:</b>		
Checks Volded By Receiver	-	749,855
Death Proceeds (Net of Refunds)	139,749	34,223,977
Initial Deposit on Portfolio Sale	-	-
Interest and Dividends	11,195	3,975,921
Miscellaneous	1,745	62,334
Notes Receivable - Principal	-	95,845
Policy Sales	-	40,140,507
<b>Pooled Funds:</b>		
Excess Premium Escrow	-	353,279
Maturity Escrow	-	5,328
Premium Escrow	-	299,552
Purchaser Escrow	-	303,241
Purchaser Escrow Funds - Undesignated	-	204,237
Real Estate Proceeds	-	7,078,177
Restitution - Tom Smith	25	49,461
Restitution - Chris Zmudka	-	56,561
Settlement Proceeds - New Era & Greenville	-	595,000
Payment from Ellis Management	-	5,000
<b>Subtotal</b>	<b>152,714</b>	<b>\$ 88,188,275</b>
<b>Cash Disbursements:</b>		
Advertising	-	2,770
Background Investigation	-	-
Bank Charges	31	15,533
Claims Payments	8,782	57,334,576
Commissions Paid - Associates	-	180,481
Commissions Paid - Trade Partners	-	1,000
Death Proceeds paid to Universal Settlements Inc	-	1,972,640
Interest Expense	-	90,410
<b>Legal and Professional Services:</b>		
Borod & Kramer, PLC	70,668	3,828,386
Echelbarger, Himebaugh, Tamm & Co., P.C.	87,547	1,811,729
EMS Engineered Management Solutions	1,000	185,751
Litzler, Segner, Shaw & McKenney LLP	-	423,588
Munsch, Hardt, Kopf & Harr, P.C.	26,946	2,569,378
National Viatcal Inc.	-	180,000
Quilling, Selander, Cummskoy, Lownds	13,878	2,632,522
Other	3,753	309,744
<b>Licenses &amp; Fees</b>		
Meals & Entertainment	48	8,174
Miscellaneous	-	10,470
Office Expense	1,448	218,985
Outside Labor	76	44,487
Parking	-	9,525
Penalties from IRS	-	-
Postage and Shipping	536	878,041
Premiums (Not of Refunds)	4,767	9,050,282
Printing	-	56,087
Purchaser Escrow Refunds	-	291,166
Real Estate Expenses	-	74,021
Rent	9,000	221,969
Salaries - Officers	-	30,800
Salaries - Other	-	144,560
<b>Taxes:</b>		
Payroll	-	14,751
State	-	38,485
Travel	3,112	428,658
Utilities	14	51,243
<b>Subtotal</b>	<b>\$ 231,606</b>	<b>\$ 83,157,525</b>
<b>Net Change In Cash Balance</b>	<b>(78,891)</b>	<b>\$ 5,030,750</b>
<b>Ending Cash Balance</b>		
Checking - Receiver Operating #1	-	-
Checking - Receiver Operating #2	1,320,701	1,320,701
Checking - Receiver Operating #3	6,197	6,197
Savings #1 - Receiver	2,921,169	2,921,169
Savings #2 - Receiver	-	-
Savings #3 - Policy Sales	24,191	24,191
Savings #4 - General	56,516	56,516
Savings #5 - General	156,554	156,554
<b>Subtotal</b>	<b>\$ 4,485,329</b>	<b>\$ 4,485,329</b>

**Bruce S. Kramer Receiver Trade Partners, Inc.**

**Notes to Selected Information – Basis of Presentation (Compiled)**

**Three and Eighty-One Months Ended January 15, 2010**

The following items are considered significant when reading the cash activity report.

**Cash Accounts**

The Receiver has established various bank accounts to maximize the return on investment and protect the cash assets held by the Receivership. All savings are invested at money market and overnight repo rates.

During the course of the Receivership, various funds have been collected but not deposited in the Receiver's bank accounts because the ownership of the funds is being disputed or because a deposit has been made on a potential sale that has not yet closed. The total cash balance reported in the Cash Activity Report does not include any escrow funds held by the Court or any other third party. The possibility exists that the Court may rule that all or some of these funds do not belong to the Receiver. Some of the funds are deposited in interest bearing accounts as prescribed by the Court.

Death proceeds in the amount of \$139,749.04 were released by the Court to the Receiver during the quarter.

**Death Proceeds**

Death Proceeds represents collections of the face amount of matured life insurance policies. A maturity check may include interest or dividend income, interest expense, and/or premium refund. These components have been accounted for separately.

**Legal and Professional**

Legal and professional expenses are listed by each professional and include only the fee portion of the professional's bill. Often a professional's bill will include other expenses such as travel, delivery charges, etc. incurred on behalf of the Receivership. These have been reported separately. Legal and professional expenses are paid based on a Court-approved procedure.

**Premiums (Net of Refunds)**

Premiums represent premiums paid on life insurance policies owned by Trade Partners, Inc. or any related entities. Premiums are also paid for any policy in which Trade Partners, Inc. or any related entity had a beneficial interest. Premiums paid are shown net of premiums refunded and do not include premiums paid by using available cash surrender value of policies or available escrow account funds administered by the law firm of an investor.

**Income Taxes**

The Receivership is a taxable settlement fund. Accordingly, federal and state income, franchise and excise taxes are paid as required. A cash reserve for taxes may be necessary in the future.

See Accountant's Compilation Report