

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

MICHAEL J. QUILLING, Receiver  
for Advanced Financial Services, Inc.,

Plaintiff,

vs.

TRADE PARTNERS, INC., MACATAWA  
BANK CORPORATION, successor by  
merger to GRAND BANK, THOMAS J.  
SMITH and CHRISTINE M. ZMUDKA,

Defendants.

Civil Action No. 1:03CV-0236

**ORDER REGARDING REQUIRED MINIMUM  
DISTRIBUTIONS FROM IRA ACCOUNTS**

The Receiver's Motion to Determine Issues Regarding Minimum Required Distributions from IRA Accounts came on for hearing before the Court on February 3, 2004, after Notice to all interested parties, and after consideration of the Motion, the pleadings and papers on file in this proceeding, the applicable legal authorities and principles of equity, and statements of counsel, the Court finds that the motion should be granted.

In connection with making the rulings set forth below, the Court specifically finds that (1) the value of any investment held in an IRA account attributable to an investment program offered by Trade Partners, whether it be viaticals, Sokjara, monthly income programs or otherwise ("Trade Partners Investment") is incapable of being calculated at this time and will probably remain so for a significant period of time; (2) any definite dollar valuation attributed to a Trade Partners Investment for the period ending December 31, 2002, is now incorrect given events which have transpired since

the initiation of these proceedings and, therefore, those valuations should be amended to reflect the current unknown value of the given Trade Partners Investment; and (3) the relief granted by virtue of this Order is necessary to prevent adverse consequences to IRA account holders resulting from circumstances beyond their control. Accordingly,

IT IS ORDERED that the Receiver shall request Retirement Accounts, Inc. ("RAI") to forthwith issue an Amended Form 5498 for the reporting period ending December 31, 2002, for each IRA account administered by RAI which holds a Trade Partners Investment to reflect that the value of the Trade Partners Investment is unknown (which would be reflected on the Form 5498 as "zero"). The Receiver shall be authorized to pay RAI a fee in the amount of \$20.00 for each Amended Form 5498 upon completion of the entire amendment process by RAI. In the event there are any penalties assessed, the Court authorizes the Receiver to reimburse RAI for any amounts owed to the IRS as a result of RAI's taking actions consistent with this Order. Any minimum distributions normally required by IRA holders based upon the previous December 31, 2002, valuations reported by RAI shall not be required.

IT IS FURTHER ORDERED that the Receiver shall request RAI to issue a Form 5498 for the reporting period ending December 31, 2003, for each IRA account administered by RAI which holds a Trade Partners Investment to reflect that the value of the Trade Partners Investment is unknown as of that date (which will be reported on the Form 5498 as zero value).

/s/ Ellen S. Carmody  
Ellen S. Carmody  
United States Magistrate Judge

February 13, 2004