

Mallery & Zimmerman^{sc.}

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MAY 14 2015

DANE COUNTY CIRCUIT COURT

John M. Wirth
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May 14, 2015

The Honorable Peter C. Anderson
Circuit Court Judge, Branch 17
Dane County Courthouse
215 South Hamilton Street, Room 6103
Madison, Wisconsin 53703-3290

Dear Judge Anderson:

RE: RECEIVER'S FINAL REPORT
In re WFT Liquidating Trust,
Case No. 12-CX-44

I am submitting this as my final report as receiver for WFT Liquidating Trust f/k/a Wisconsin Funeral Trust (the "Trust").

As the Court is aware, I was appointed receiver on September 14, 2012 on an interim basis by petition of the Wisconsin Department of Financial Institutions (the "WDFI") pursuant to Wisconsin Statutes Section 551.603(2)(b)1. On October 24, 2012, the Court entered permanent injunctions and appointed me as receiver over the Trust and certain rights and assets of the Wisconsin Funeral Directors Association, Inc. (the "WFDA"). The Court is well-aware of the procedural history of this case, so I will not devote much of this report to reciting the basis for the receivership or the history of the various hearings and court proceedings.

One goal guided each decision I made as receiver: ensuring that every consumer-depositor receives the full benefit of his or her burial contract. Wisconsin's burial agreement statute, Wisconsin Statutes Section 445.125, was created to achieve that goal, and that goal was the foundation upon which the state commenced this receivership. In working to achieve that goal, however, I was always mindful that funeral homes are the beneficiaries of the Trust, and I needed to be mindful of the ramifications of my decisions on participating beneficiary funeral homes. Not only are the participating funeral homes the legal beneficiaries of the Trust, but I could not protect consumer-depositors unless I also ensured that the Trust's financial problems did not destabilize or bankrupt the participating beneficiary funeral homes.

STRATEGY

Much of the public attention in this case has focused on the need for, and activities related to, recovering funds from the people and entities responsible for the Trust's problems. Although those efforts were vitally important, if my efforts stopped there, this process would have been a failure. The Trust needed an overhaul so that the problems that plagued it did not result in its total failure, and so that the receivership process itself did not create more problems.

From the beginning, I realized that my team and I needed to focus on the following activities if I was to make the Trust a viable vehicle to protect consumer-depositors and beneficiary funeral homes:

1. Obtain complete control and master the facts and the law related to the Trust and burial agreements;
2. Create calm and confidence among both funeral homes and trust depositors;
3. Establish a trustworthy, professional team for the receivership and the future;
4. Stop the bleeding from runaway costs and imprudent investments;
5. Settle with beneficiary funeral homes;
6. Recover as much of the losses as possible in a cost-effective manner;
7. Create and implement a sound investment strategy; and
8. Reorganize the Trust for the future.

For my strategy to succeed, we needed to keep our focus on all eight activities throughout the case. These activities could not occur in some a lineal sequence. However, for the purposes of this report, I am describing them in three parts: the beginning of the case; the recovery period; and the final plan.

BEGINNING OF THE CASE

1. Obtain Complete Control and Master the Facts and the Law Related to the Trust and Burial Agreements.

In order to reorganize the Trust and pursue claims, my staff and I took a crash course in the legal issues we were likely to encounter throughout these proceedings. I also took possession of all electronic and hard copy documents and information related to the Trust. These steps, together with the experience and knowledge we already had, ensured that we could stay a step ahead of the people and entities against whom I would make claims, and would provide a foundation for the various negotiations and motions in which I would become involved.

The WDFI and I also successfully negotiated to ensure that, as receiver of the Trust, I retained all of the claims the WFDA could bring against alleged wrongdoers. By placing all of the claims in the receiver's hands, we minimized the number of potential claimants, and the possibility of related and potentially counterproductive litigation. The agreement we reached strengthened my ability to collect dollars and, as importantly, to reorganize the Trust.

2. Create Calm and Confidence Among Both Funeral Homes and Trust Depositors.

From the outset, I recognized that panic would be the biggest threat to a successful receivership. The Trust had over 10,800 consumer-depositors and 170 registered, participating beneficiary funeral homes. A "run on the bank" would be disastrous, as would duplicative legal actions by beneficiary funeral homes and consumer-depositors. Moreover, the task would be made exponentially more difficult if these stakeholders did not believe I was working in their best interests. They did not have to like all of the positions I took, but hopefully they would understand that I was not working against them.

Moreover, everyone else involved with the Trust – the WFDA and its employees, the trustee, the investment advisors, the administrators, accountants, lawyers and others – all knew, or suspected, that they were potential targets of claims. Nevertheless, my job would be easier if I could develop a working relationship with some of those people and entities.

One of my first tasks was to engage a public relations firm. This is not ordinary in receiverships. In fact, I have never before hired a public relations firm in connection with one of my cases. I decided, however, that the cost was outweighed by the need to ensure good communications. I wanted to make sure that the process was as transparent and open as possible.

I engaged Evan Zeppos of Laughlin Constable. Evan and his team assisted me in establishing a website, a toll-free telephone number, a system for handling large volumes of incoming email, and a program for sending semi-regular email blasts to funeral directors. They also helped me coordinate press inquiries. Most importantly, they advised me and my team in ways to formulate my message so that stakeholders would not panic.

Laughlin Constable, the rest of my team and I exerted a great deal of effort on communications, particularly early in the case. We sent emails to key audiences, returned calls and emails from funeral home operators, consumers and media, met with stakeholders, sent press releases and took other steps to manage the situation. Once we established some calm, and some confidence in the process, we were better able to concentrate on the other tasks before us.

I believe that our communication efforts were successful. Despite freezing the Trust for about a year with the exception of partial reimbursement of beneficiary funeral homes, not one

lawsuit has been filed by or against any beneficiary funeral home, and no consumer-depositor or beneficiary funeral home has sued any of the parties against whom I asserted claims. Unlike other states, no class action suits were filed. The Court has not received many objections by parties in interest. Most motions were brought with the consensus of the parties. Because we clearly communicated, we were able to ensure the entire process remained transparent and reassuring to all affected stakeholders.

3. Establish a Trustworthy, Professional Team for the Receivership and the Future.

One of the first tasks in any receivership is to sort through who to trust. Replacing everyone is usually not an option. People and affiliates have institutional knowledge and skills necessary to maintain operations. However, in most instances, replacing or eliminating some people and affiliated entities is necessary because they cannot be trusted, their presence poses unacceptable risks or they are not needed.

(a) Termination of Certain Advisors and Agents. Early in this case, I recognized that a few people involved with the Trust should not be retained. Due to the confidentiality provisions of certain settlements, I cannot comment about who was terminated or why they were terminated. However, the terminations proved to be appropriate, and decisions made in this regard ultimately helped create the necessary calm and confidence described above.

(b) Retention of Some Preexisting Advisors and Agents. Determining who to retain and trust was as important as the decisions on who to terminate. After a considerable review, I decided to work with three service providers previously affiliated with the Trust. They were:

(i) *Kevin Seubert.* Mr. Seubert was employed by an affiliate of the Trust to handle the accounting for Requia Life Insurance Company, a subsidiary of the Trust. He was relatively new to Requia and the Trust, so he was not involved in any of the decisions leading to the receivership, and was not in a decision-making role. Nevertheless, he was there long enough to have a good understanding of operations, and was instrumental in assisting me in selling Requia. He assisted me for about 10 months at the beginning of the case.

(ii) *Fiduciary Partners.* Fiduciary Partners maintained the burial agreements, processed claims and otherwise handled most of the administrative duties for the Trust. I retained it in that role. Fiduciary Partners was the named trustee of the Trust prior to my appointment; therefore, I initially intended to replace it. However, I overcame my initial reluctance toward retaining it for the following reasons:

- [1] Fiduciary Partners is extremely competent and has a sterling reputation in the industry.

- [2] Fiduciary Partners was and continues to be extraordinarily cooperative.
- [3] Although Fiduciary Partners was the trustee, it served as the trustee in name only. Others exercised total control and decision-making over the Trust. Fiduciary Partners' primary transgression was its failure to whistle blow or resign.
- [4] Replacing Fiduciary Partners would have been expensive.

Fiduciary Partners proved to be the right administrator for the Trust. Richard Gamble of Fiduciary Partners has been, and continues to be, an invaluable member of my team.

(iii) *The Newport Group*. The Newport Group maintained a computer program that allowed beneficiary funeral homes to access the balance of their accounts at any time. The Newport Group's services were reliable. Ultimately, I transferred their responsibilities to Fiduciary Partners.

(c) Establishment of Team. I also put together a team early in the case that allowed me to fulfill the responsibilities described in this report. In addition to my law firm, Mallery & Zimmerman, S.C., and the retained advisors described above, the team included:

(i) *Patrick Caracciolo*. Mr. Caracciolo, a consultant with Wadsworth Whitestar Consultants, assisted with the management of the WFDA while I was its receiver, the sale of Requia Life Insurance Company, the engagement of investment advisors, and the organization and preparation of financial reports.

(ii) *Komisar Brady & Co., LLP*. The accounting firm of Komisar Brady & Co., LLP, led by Robin Martin, prepared an initial audit of the Trust, provided tax and financial reporting advice, and compiled annual financial statements.

(iii) *Laughlin Constable*. The public relations firm of Laughlin Constable provided communications and public relations assistance. See Section 2 above.

(iv) *Kravit, Hovel & Krawczyk, s.c.* The law firm of Kravit, Hovel & Krawczyk, s.c., and particularly Steve Kravit and C.J. Krawczyk, served as co-counsel with my own firm. See Section 6 below.

(v) *Ziegler Capital Management, LLC*. Ziegler provided investment advisory services and assisted in analyzing the prior performance of the Trust. See Sections 4 and 7 below.

(vi) *Guenther Ruch and Noreen Parrett*. Mr. Ruch managed Requia Life Insurance Company. Ms. Parrett served as counsel in connection with the sale of that company.

(vii) *Milliman, Inc.* Milliman, Inc. provided actuarial services. See Section 8(c) below.

4. Stop the Bleeding from Runaway Costs and Imprudent Investments.

The Trust was hemorrhaging from the costs it was incurring. We promptly eliminated between \$50,000 and \$100,000 per year in administrative costs, \$125,000 per year in investment advisor fees and \$240,000 per year in payments to the WFDA and its affiliate. We also eliminated a large amount of other fees that did not appear on the Trust's records but that were built into securities transactions.

Moreover, and more importantly, we stopped the imprudent trading in the Trust. The investment strategy employed by the Trust prior to my appointment was inappropriate, both under good practices and under applicable law. It included private equity funds, hedge funds and an insurance company owned by the Trust. The Trust was highly leveraged and engaged in a pattern of trades that were tantamount to day trading.

Initially, with the assistance of Ziegler, we froze the Trust's investments and cautiously liquidated inappropriate investments. Our investment strategy is more specifically described below.

RECOVERY PERIOD

5. Settle with Beneficiary Funeral Homes.

In my opinion, the most important thing I did was to enter into a settlement agreement with each and every beneficiary funeral home.

The settlement agreement ensures that consumer-depositors will receive the goods and services required under their burial agreements. Each beneficiary funeral home became contractually bound to the Trust to timely pay for and provide all of the contracted goods and services, and fully perform all of its obligations, under the terms of each existing burial agreement to which it is a party with a consumer-depositor. The settlement agreement sets forth reimbursement protocols for beneficiary funeral homes that live up to their obligations, and clarifies the arrangements if consumer-depositors want to withdraw funds, change beneficiary funeral homes or change their funeral arrangements.

Secondarily, but as essentially, each beneficiary funeral home transferred to the Trust all of its rights to pursue the people and entities who were responsible for the Trust's problems. Without that assignment, I would not have been able to recover the settlement payments I received from those people and entities. Potential defendants were unwilling to pay money to the Trust without an assurance that they would not be sued by beneficiary funeral homes for the same alleged wrongdoing.

In exchange for entering into the settlement agreement, beneficiary funeral homes were protected from future lawsuits and prosecution for allegedly selling unregistered securities and for their role in the events that lead to the receivership.

Beneficiary funeral homes were not required to enter into the settlement agreement. However, if they did not, they would not receive the above-described protections. Beneficiary funeral homes had approximately three months to enter into the settlement agreement. With a considerable amount of work, my counsel and I were able to convince every beneficiary funeral home to sign the settlement agreement.

6. Recover as Much of the Losses as Possible in a Cost-Effective Manner.

(a) Summary of Recoveries. I am pleased to report that, as a result of the work described below, we reached the following settlements:

(i) *Wisconsin beneficiary funeral homes.* See Section 5 above.

(ii) *Other Parties Responsible for Losses.* We entered into settlements with 10 other prospective or actual defendants in the aggregate amount of \$10,905,114 in cash, plus an estimated \$850,000 in future services to be provided to the Trust through 2017, for a total of **\$11,755,114.**

The actual cash settlement recoveries, net of the costs of the recovery, actually exceed the principal deposits missing as of the date of my appointment.

(b) Kravit Hovel & Krawczyk, s.c. My firm, Mallery & Zimmerman, S.C., and the law firm of Kravit Hovel & Krawczyk, s.c. worked together to recover the funds that would have been in the Trust had it been appropriately created, managed and invested. After interviewing several firms, I engaged Steve Kravit and C.J. Krawczyk of the Kravit firm to serve as co-counsel in recovering the Trust's losses. My firm and I have a considerable amount of experience in receivership and creditors' rights law and in general civil litigation; however, Messrs. Kravit and Krawczyk have expertise in securities litigation, class action lawsuits and other disciplines that I

anticipated would be necessary to recover funds for the Trust. My firm and I worked closely with Messrs. Kravit and Krawczyk and their colleagues in this pursuit.

Engaging Kravit Hovel & Krawczyk, s.c. as co-counsel also proved to be an excellent decision. Most importantly, they were superb strategists and negotiators who brought incredible skill and expertise to this engagement. Moreover, other firms who interviewed to assist with these claims wanted to work on contingent fees of 35% to 40% (exclusive of fees paid to my firm, Mallery & Zimmerman, S.C.). If I had selected one of those firms, the cost to the Trust would have been \$2 million to \$3 million more than what the Trust paid to Kravit Hovel & Krawczyk, s.c. The Trust was provided with superior representation at a much lower cost.

(c) Recovery Strategy. To recover the funds:

(i) We issued 39 discovery subpoenas, interviewed witnesses and analyzed over 150,000 pages of materials obtained by subpoena or other means.

(ii) Based on our investigation, we prepared a confidential, preliminary 108-page draft complaint, containing 14 causes of action. The draft complaint was accompanied by extensive exhibits.

(iii) We identified prospective defendants, notified them by demand letter of the potential claims, and allowed them to confidentially review the draft complaint as settlement communications protected by Wisconsin Statutes Section 904.08.

(iv) We entered into settlement negotiations with those prospective defendants who reviewed the draft complaint.

(v) We prepared and issued separate demand letters to service professionals, including lawyers and accountants, and entered into settlement agreements with them.

(vi) Based on the claims assigned to me through the beneficiary funeral home settlement agreements, we filed a lawsuit against the WFDA and its insurer. This lawsuit also resulted in settlement negotiations and, ultimately, a settlement agreement.

(d) Settlement Considerations. We applied the general considerations of settling aggravated litigation. We weighed many factors including: (i) the cost of pursuing certain defendants compared to the settlement offered, both in time and resources; (ii) the forum that may have been required to pursue claims (arbitration or court proceedings); (iii) whether statutes of limitation could limit a prospective defendant's exposure; (iv) potential substantive defenses; (v) limitations of insurance coverage (including applicable reducing policies, where costs of defense are subtracted

from policy limits); (vi) coordination with the plaintiff WDFI's interests in this case, and the state's overall regulatory policy with respect to some prospective defendants; and (vii) variability in theories of damages suffered.

If we had filed and tried all of these lawsuits, the Trust would likely have incurred an additional \$2 million or more in legal fees and costs.

Additionally, we needed to take into consideration third party claims that could be asserted against settling defendants. In order to maximize recovery from those settling defendants, in several instances we were required to protect those settling defendants from third party claims by waiving claims against those third parties. We only did so when the recovery from the settling defendant was sufficient to warrant waiving such claims.

(e) Confidentiality. Confidentiality was an important element of almost all of the settlements. Confidentiality was extremely significant to prospective defendants, and we determined that confidentiality was essential in order to obtain the maximum amount of settlement money available. We agreed not to identify who offered or paid what amount.

(f) Results of Strategy. Our pre-litigation strategy proved highly effective. We put together such a strong and compelling case that, without litigation, almost all defendants engaged in serious negotiations resulting in settlements. We were forced to file a suit against only one defendant and were then able to settle that case.

We have now successfully completed all negotiations. I am confident that we maximized the Trust's recovery.

7. Create and Implement a Sound Investment Strategy. When I was appointed, the Trust did not comply with the Uniform Prudent Investor Act, yet alone the Wisconsin burial agreement statute. The order appointing me as receiver allowed me to "[m]aintain current investments and assets until such time as the Receiver determines it is prudent to liquidate . . . such investments and assets."

(a) Requia Life Insurance Company. When I was appointed, I quickly realized that the Trust needed to sell Requia Life Insurance Company. Requia required regular infusions of capital and was unlikely to generate a positive return. Not to mention, it was, by any analysis, an improper investment for the Trust, and the Office of the Commissioner of Insurance required its sale. I engaged Guenther Ruch to serve as the new executive director of Requia, and Noreen Parrett as insurance counsel. Mr. Ruch, under my supervision and with my approval, and with the assistance of Patrick Caracciolo and others, conducted a wide-ranging marketing effort to sell Requia. Within about six months, we entered into agreements for the sale of Requia. Unfortunately, despite the \$4.2

million invested by the Trust, the ultimate amount realized by the Trust from the sale was about \$1.82 million.

(b) Ziegler Capital Management LLC. I interviewed a variety of investment professionals to assist me in analyzing and, to the extent prudent, liquidating the balance of the Trust's assets. Ultimately, I engaged Ziegler Capital Management LLC f/k/a Ziegler Lotsoff Capital Management, LLC. Ziegler has vast experience in working with investment funds similar to the Trust, and it was willing to do so for a fraction of the amount other investment professionals wanted to charge. Ziegler was my first choice in investment professionals regardless of cost. The fact that it was the low-cost provider made the choice even easier.

(c) Liquidation of Inappropriate Assets. Over the several months after engaging Ziegler, we liquidated inappropriate investments to the extent we deemed it prudent. Ultimately, we were able to liquidate all inappropriate investments other than some private equities for which there is no ready market and which will mature over time. So far, those remaining private equities have proven to be sound. The Trust will liquidate them when prudent.

(d) Reinvestment of Funds. The order appointing me as receiver did not permit me to reinvest the proceeds of sold assets and investments. Instead, it provided that and I was to "maintain the proceeds . . . in cash or its equivalent until the Court enters an order approving its reinvestment."

I had two choices: to immediately liquidate the Trust and establish separate trusts for each trust account, or to establish a new investment policy. I determined that, considering the losses the Trust had suffered, it made little sense to immediately liquidate the Trust. Doing so would have locked-in the Trust's losses, prevented the accounts from accruing the interest promised to consumer-depositors, and eliminated any hope of restoring accounts, at least in part, through reinvestment. Moreover, such an immediate liquidation would have eliminated any ability to hold beneficiary funeral homes accountable, or to fulfill and enforce the funeral home settlement agreement.

Due to the potential litigation facing the Trust, we were not prepared to seek court approval of a policy for reinvesting the Trust's assets until August of 2013. Doing so earlier would have sent mixed messages to potential defendants.

With the advice and assistance of Ziegler, Mr. Caracciolo and others, and after discussions with the WDFI and the Wisconsin Department of Justice, we established a sensible, diversified, conservative investment policy. The primary goal of the investment policy is the preservation of principal; however, there is hope of growth.

The Court approved the new investment policy on October 14, 2013.

The Trust has increased in value by in excess of \$3.2 million from interest, dividends, realized and unrealized gains and losses from the sale of investments and accrued income.

(e) Adjustment of Accrued Interest. Commencing in 2008, the Trust inappropriately credited interest to accounts at a rate higher than the contractually-obligated rate promised to consumer-depositors. This over-accrual of interest exacerbated the Trust's financial problems by approximately \$1.83 million. With my tax advisors and the administrator, I formulated a plan that reduced the balances of these accounts by temporarily offsetting future interest accruals. The Court approved this plan on September 25, 2014.

FINAL PLAN

8. Reorganize the Trust for the Future.

A considerable effort has been devoted to ensure that, when the receivership ends, the Trust will be appropriately structured to maximize the return to its beneficiary funeral homes safely and conservatively, while fully protecting consumer-depositors.

(a) Proposed Trust Agreement. The proposed Trust Agreement is carefully structured to ensure transparency, accountability, oversight and prudence. It contains adequate flexibility to allow changes when necessary, but all material changes require multiple layers of review by stakeholders. Parties aggrieved by any decision have notice and recourse. It mandates appropriate investments.

The proposed Trust Agreement incorporates and clarifies the decisions and agreements made throughout these receivership proceedings, including the settlement agreements that protect consumer-depositors.

The Trust Agreement will require the ongoing public dissemination of the Trust's performance and operations. The Trust Agreement allows for a funeral director representative to observe, but not participate in, meetings at which primary decisions will be made.

(b) Management of the Trust. The Trust Agreement ensures that the Trust is professionally managed by a professional administrator and a qualified investment advisor, but vests primary decision-making authority in a trustee and board of directors. A trustee will be responsible for the day-to-day decision-making for the Trust. The trustee is a member of three-person board that oversees the Trust. The board will provide oversight of the trustee, the administrator, and the investment advisor.

I reviewed the qualifications of many prospective trustee's and board members. I interviewed a variety of prospects, and decided to nominate the following individuals.

(i) *Edward M. Brady*. As the initial trustee, who will concurrently serve on the board, I am nominating Edward Brady, a certified public accountant with 38 years of experience. Mr. Brady formerly was a name partner with the firm of Komisar Brady & Co., LLP. Mr. Brady has a widespread reputation as an intelligent, considerate, conservative and diligent professional.

(ii) *John P. Devine*. As one of the other board members, I am nominating John Devine. Mr. Devine also is an accountant by training, having spent five years with Touche Ross. He then spent 15 years with Associated Bank and First Financial Bank. Since 1998, Mr. Devine has been with Milwaukee Capital, Inc., a private equity company that specializes in investments in thrifts. He has been the President of Milwaukee Capital, Inc. since 2013.

(iii) *William R. Walker*. As the final board member, I am nominating William Walker. Mr. Walker has an MBA and spent 30 years as an equity analyst and portfolio manager. He spent most of his career working for an investment arm of Northwestern Mutual Life Insurance Company. He now teaches investment at the Marquette University Business School.

I am pleased to nominate these three individuals. Each has an impeccable reputation and will provide honest, professional and conservative management of the Trust over the next several years.

(c) Increases in Reimbursement of Beneficiary Funeral Beneficiaries.

Throughout the receivership, beneficiary funeral homes have been reimbursed 60% of their claims upon providing funeral goods and services. With the improved financial condition of the Trust, it makes sense to increase the reimbursement rate. However, any increase needs to ensure that the Trust retains adequate reserves for a downturn in the market, failed funeral homes and other impacts on the Trust's condition.

My team and I have worked with the actuarial firm of Milliman, Inc., perhaps the leading national actuarial firm, to refine the reimbursement structure for beneficiary funeral homes. We balanced the needs of beneficiary funeral homes and the current and future needs of the Trust. We kept in mind that, although a higher reimbursement rate benefits funeral home beneficiaries, those same beneficiaries would suffer even more greatly if the Trust has future problems that create more uncertainties and greater losses. Likewise, the safety we ensured for consumer-depositors would be jeopardized.

I am proposing an increase in the initial reimbursement rate of 5% (from 60% to 65%). Remainder claims resulting from funerals that have already occurred would similarly be paid 12.5% of their current balances, bringing those claims to 65% reimbursement. Milliman has indicated that this change is extremely conservative but appropriate under the circumstances.

The proposed Trust Agreement requires that these rates be examined again in 2016 and every three years thereafter.

Additionally, we built a provision into the proposed Trust Agreement that gives beneficiary funeral homes an option to retire their remainder claims in exchange for a payment that is greater than the amount to which they are currently entitled but discounted from the potential ultimate payment on those claims. Milliman, Inc. has assisted us in ensuring that this retirement provision is attractive to beneficiary funeral homes with cash needs while improving the Trust's long-term financial condition. The retirement of claims should both reduce the Trust's operating costs and provide greater Trust reserves.

FINANCIAL REPORTS

I attach the Trust's financial statements to this report, including a Statement of Assets and Liabilities, a Cash Flow Report and a current investment performance report. I will be prepared to update these numbers at the hearing on this final report.

COSTS

Through March 31, 2015, the Trust paid \$1,525,787.59 of costs that would not have otherwise been incurred if there were no receivership. The following summarizes those costs:

RECEIVERSHIP-SPECIFIC COSTS

LITIGATION		
Legal Fees	\$1,219,497.27	
Litigation Out-of-Pocket Costs	\$77,672.97	
TOTAL LITIGATION-RELATED COSTS		\$1,297,170.24
MANAGEMENT		
Professional Fees Paid for Management	\$226,958.76	
Management Out-of-Pocket Costs	\$1,658.59	
TOTAL MANAGEMENT COSTS		\$228,617.35
TOTAL RECEIVERSHIP-SPECIFIC COSTS		\$1,525,787.59

Additionally, the Trust paid \$976,188.92 of costs that would have been incurred if there never had been a receivership. These costs include management fees, taxes and so forth. As explained above, I reduced the management costs of the Trust by about \$1 million, or \$400,000 per year.

The Trust's expenditures are detailed on the last page of the attached Financial Report.

As noted above, we recovered approximately \$11.75 million. The total litigation-related costs of \$1.3 million equal approximately 11.1% of the recoveries. The litigation-related legal fees spent were about 30% of what they would have been had I used a contingent fee law firm.

The receivership-specific legal fees were paid to Mallery & Zimmerman, S.C. and Kravit, Hovel & Krawczyk, s.c., The receivership-specific management fees were paid to Wadsworth Whitestar Consultants, Milliman, Inc., Laughlin Constable and Komisar Brady & Co, LLP.

I estimate that there will be an additional \$75,000 of accrued and accruing receivership-specific costs to close this case. That brings the total paid by the Trust of receivership-specific costs to approximately \$1.6 million. The WFDA also paid approximately one month of the fees and costs of the receivership

SUMMARY

I am pleased to submit this final report. The Trust is stronger and far better protected than it was at the commencement of these proceedings. Beneficiary funeral homes and consumer-depositors have benefitted from these proceedings.

I am most pleased to report that, of the nearly 3,000 consumer-depositors who have died since the start of the receivership, I know of no consumer-depositor who has not received the burial goods or services promised when he or she entered into his or her burial agreement. Moreover, the remaining consumer-depositors are protected to ensure that they will receive what was promised to them. Wisconsin funeral directors deserve a great deal of credit.

If the Trust had been liquidated when the receivership started, only about 65% of each burial agreement would have been paid. If it were to be liquidated today, there would be sufficient funds to pay 81.2% on account of every burial agreement, including claims resulting from consumer-depositors who have died since the beginning of this case. The Trust will now have adequate and responsible reserves to protect against future market downturns and other events that could cause the Trust to go backward. Hopefully, every beneficiary funeral home will ultimately receive these reserves in reimbursements when the reserves are no longer necessary.

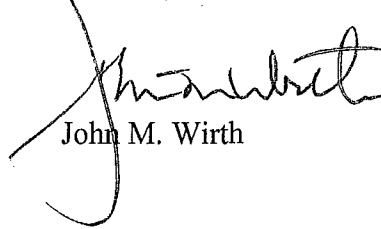
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Despite having paid out approximately \$12.9 million on account of burial agreements since the beginning of the case, and the continued accrual of interest, total Trust assets have increased by about \$4.7 million.

At the beginning of the receivership, there were 10,828 living Trust consumer-depositors. As of March 31, 2015, 2,969 consumer-depositors had died since the start of the receivership. Today, there are 7,859 consumer-depositors who we understand to be still living.

Finally, the Trust is reorganized to ensure that the improvements made throughout these proceedings continue through the termination of the Trust. With the approval of the Trust Agreement, I am confident these receivership proceedings will no longer be necessary and beneficiary funeral homes and consumer-depositors will be protected.

Sincerely,



John M. Wirth

JMW:dw

Enclosure

cc: Lewis W. Beilin, Esq. (via e-mail)
Christopher J. Stroebe, Esq. (via e-mail)

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	October 31, 2013	November 30, 2013
Checking Account	\$ 17,351.37	\$ 131,125.17
Money Market Account - Fiduciary	\$ 143,053.05	\$ 252,132.09
Money Market Account - Investment Advisor	\$ 13,316,564.94	\$ 3,976,789.39
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 17,215,720.68	\$ 26,008,937.29
Common Stock	\$ 6,835,678.88	\$ 6,981,381.46
Private Equities	\$ 3,351,263.63	\$ 3,404,766.63
 Total Assets	 \$ 40,879,632.55	 \$ 40,755,132.03

Liabilities

<u>Contracts In Trust:</u>	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 61,631,100.97	9,400	\$ 61,071,696.43	9,317
40% Balance Accounts	\$ 4,223,995.88	1,428	\$ 4,489,307.33	<u>1,511</u>
Total Accounts	\$ 65,855,096.85	10,828	\$ 65,561,003.76	10,828
 Deficiency	 \$ (24,975,464.30)		 \$ (24,805,871.73)	
 PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO PAY TO HOLDERS OF 100% BALANCE ACCOUNTS (CONTRACTS FOR LIVING DEPOSITORS)	 65.40%		 65.69%	
 PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS	 13.51%		 14.22%	

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	December 31, 2013	January 31, 2014
Checking Account .	\$ 60,050.70	\$ 51,744.66
Money Market Account - Fiduciary	\$ 166,544.29	\$ 324,471.58
Money Market Account - Investment Advisor	\$ 7,249,368.11	\$ 6,476,027.67
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 25,110,449.52	\$ 30,609,863.18
Common Stock	\$ 7,129,094.08	\$ 7,663,030.69
Private Equities	\$ 3,268,999.89	\$ 3,334,389.76
 Total Assets	 \$ 42,984,506.59	 \$ 48,459,527.54

Liabilities

<u>Contracts In Trust:</u>	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 60,485,884.83	9,221	\$ 59,804,334.95	9,115
40% Balance Accounts	\$ 4,767,117.67	1,607	\$ 5,084,894.03	1,712
Total Accounts	\$ 65,253,002.50	10,828	\$ 64,889,228.98	10,827
 Deficiency	 \$ (22,268,495.91)		 \$ (16,429,701.44)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO PAY TO HOLDERS OF 100% BALANCE ACCOUNTS (CONTRACTS FOR LIVING DEPOSITORS)	69.24%	77.34%
 PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS	 23.11%	 43.36%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	February 28, 2014	March 31, 2014
Checking Account	\$ 15,643.20	\$ 6,480.41
Money Market Account - Fiduciary	\$ 204,378.31	\$ 107,412.02
Money Market Account - Investment Advisor	\$ 6,542,971.34	\$ 5,819,805.22
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 30,399,182.19	\$ 30,796,214.96
Common Stock	\$ 7,965,239.91	\$ 8,152,264.16
Private Equities	\$ 3,286,357.33	\$ 3,152,849.61
Total Assets	\$ 48,414,772.28	\$ 48,035,026.38

Liabilities

Contracts In Trust:

	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 59,159,118.20	9,018	\$ 58,429,670.08	8,917
40% Balance Accounts	\$ 5,377,297.10	1,808	\$ 5,718,818.52	1,909
Total Accounts	\$ 64,536,415.30	10,826	\$ 64,148,488.60	10,826
 Deficiency	 \$ (16,121,643.02)		 \$ (16,113,462.22)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

77.79%

77.84%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

44.49%

44.61%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	April 30, 2014	May 31, 2014
Checking Account	\$ 81,060.14	\$ 66,524.83
Money Market Account - Fiduciary	\$ 179,560.54	\$ 260,017.55
Money Market Account - Investment Advisor	\$ 5,395,740.32	\$ 5,229,339.64
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 30,751,160.29	\$ 30,612,408.30
Common Stock	\$ 8,194,801.11	\$ 8,341,790.31
Private Equities	\$ 3,161,254.36	\$ 3,161,254.36
Total Assets	\$ 47,763,576.76	\$ 47,671,334.99

Liabilities

Contracts In Trust:

	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 57,851,944.39	8,824	\$ 57,251,719.90	8,729
40% Balance Accounts	\$ 5,988,665.40	2,000	\$ 6,269,193.80	2,094
Total Accounts	\$ 63,840,609.79	10,824	\$ 63,520,913.70	10,823

Deficiency	\$ (16,077,033.03)	\$ (15,849,578.71)
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PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

77.92%

78.27%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

44.81%

45.66%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	June 30, 2014	July 31, 2014
Checking Account	\$ 27,744.53	\$ 99,719.65
Money Market Account - Fiduciary	\$ 138,094.06	\$ 166,939.74
Money Market Account - Investment Advisor	\$ 5,672,463.34	\$ 5,139,373.27
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 30,046,892.16	\$ 29,913,793.61
Common Stock	\$ 8,504,104.96	\$ 8,405,178.64
Private Equities	\$ 3,284,395.69	\$ 3,335,115.87
Total Assets	\$ 47,629,694.74	\$ 47,060,120.78

Liabilities

Contracts In Trust:

	Balance	# of Accounts	Balance	# of Accounts
100 % Balance Accounts (Living Depositors)	\$ 56,806,422.72	8,655	\$ 56,333,616.09	8,578
40% Balance Accounts	\$ 6,489,070.57	2,168	\$ 6,689,781.21	2,245
Total Accounts	\$ 63,295,493.29	10,823	\$ 63,023,397.30	10,823
 Deficiency	 \$ (15,665,798.55)		 \$ (15,963,276.52)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

78.55%

78.15%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

46.37%

45.37%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	August 31, 2014	September 30, 2014
Checking Account	\$ 152,976.22	\$ 130,117.83
Money Market Account - Fiduciary	\$ 164,654.28	\$ 152,197.26
Money Market Account - Investment Advisor	\$ 5,556,753.71	\$ 5,367,411.59
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 29,867,304.96	\$ 29,600,576.23
Common Stock	\$ 8,668,208.84	\$ 8,455,114.57
Private Equities	\$ 3,427,525.00	\$ 3,439,773.41
Total Assets	\$ 47,837,423.01	\$ 47,145,190.89

Liabilities

Contracts In Trust:

	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 55,922,298.83	8,509	\$ 55,323,883.60	8,405
40% Balance Accounts	\$ 6,897,642.38	2,314	\$ 7,179,005.75	2,418
Total Accounts	\$ 62,819,941.21	10,823	\$ 62,502,889.35	10,823
 <i>Deficiency</i>	 \$ (14,982,518.20)		 \$ (15,357,698.46)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

79.52%

79.04%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

48.81%

47.60%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	October 31, 2014	November 30, 2014
Checking Account	\$ 48,208.95	\$ 5,501.95
Money Market Account - Fiduciary	\$ 179,295.37	\$ 202,501.48
Money Market Account - Investment Advisor	\$ 5,052,170.91	\$ 6,663,783.43
Receivable Due to Trust	\$ -	\$ -
Fixed Income	\$ 20,666,872.47	\$ 27,965,274.11
Common Stock	\$ 8,715,073.57	\$ 8,945,153.78
Private Equities	\$ 3,494,616.81	\$ 3,431,807.97
Total Assets	\$ 47,156,238.08	\$ 47,214,022.72

Liabilities

	Balance	# of Accounts	Balance	# of Accounts
Contracts In Trust:	(See Note 41)			
100 % Balance Accounts (Living Depositors)	\$ 53,618,167.49	8,316	\$ 53,251,839.49	8,246
40% Balance Accounts	\$ 7,085,022.40	2,507	\$ 7,272,497.93	2,577
Total Accounts	\$ 60,703,189.89	10,823	\$ 60,524,337.42	10,823
 Deficiency	 \$ (13,546,951.81)		 \$ (13,310,314.70)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

81.01%

81.37%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

52.52%

53.42%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	December 31, 2014	January 31, 2015
Checking Account	\$ 66,243.49	\$ 61,990.91
Money Market Account - Fiduciary	\$ 71,030.47	\$ 216,018.65
Money Market Account - Investment Advisor	\$ 6,515,770.28	\$ 4,825,398.44
Receivable Due to Trust	\$ -	\$ 405,075.00
Fixed Income	\$ 27,821,485.08	\$ 28,856,558.93
Common Stock	\$ 8,915,607.22	\$ 8,712,834.87
Private Equities	\$ 3,227,304.44	\$ 3,222,912.99
 Total Assets	 \$ 46,617,440.98	 \$ 46,300,789.79

Liabilities

<u>Contracts In Trust:</u>	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 52,636,197.01	8,152	\$ 51,955,362.62	8,054
40% Balance Accounts	\$ 7,561,124.89	2,671	\$ 7,875,888.35	2,769
Total Accounts	\$ 60,197,321.90	10,823	\$ 59,831,250.97	10,823
 Deficiency	 \$ (13,579,880.92)		 \$ (13,530,461.18)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

81.02%

81.11%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

52.54%

52.79%

WISCONSIN FUNERAL TRUST
Schedule of Assets and Liabilities

	February 28, 2015	March 31, 2015
Checking Account	\$ 60,792.25	\$ 59,077.68
Money Market Account - Fiduciary	\$ 183,423.16	\$ 166,506.70
Money Market Account - Investment Advisor	\$ 2,998,971.00	\$ 3,818,078.30
Receivable Due to Trust	\$ 405,075.00	\$ 253,990.00
Fixed Income	\$ 30,127,352.04	\$ 29,218,874.32
Common Stock	\$ 9,086,947.08	\$ 8,942,714.32
Private Equities	\$ 3,222,912.99	\$ 3,222,912.99
Total Assets	\$ 46,085,473.52	\$ 45,682,154.31

Liabilities

<u>Contracts In Trust:</u>	<u>Balance</u>	<u># of Accounts</u>	<u>Balance</u>	<u># of Accounts</u>
100 % Balance Accounts (Living Depositors)	\$ 51,331,325.80	7,954	\$ 50,736,680.51	7,859
40% Balance Accounts	\$ 8,163,883.99	2,869	\$ 8,444,296.53	2,964
Total Accounts	\$ 59,495,209.79	10,823	\$ 59,180,977.04	10,823
 <i>Deficiency</i>	 \$ (13,409,736.27)		 \$ (13,498,822.73)	

PERCENTAGE AVAILABLE, ASSUMING A LIQUIDATION, TO
 PAY TO HOLDERS OF 100% BALANCE ACCOUNTS
 (CONTRACTS FOR LIVING DEPOSITORS)

81.31%

81.21%

PERCENTAGE AVAILABLE FOR 40% BALANCE ACCOUNTS

53.27%

53.03%

**Wisconsin Funeral Trust
Income and Disbursements**

	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13
Settlements/Requiem Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000.00	\$ -
Interest and Dividends	\$ - 1	\$ 4.67 1	\$ 2,997.40 1	\$ 11,432.28	\$ 16,567.14	\$ 18,235.12	\$ 20,862.10	\$ 11,319.84	\$ 18,557.94
Voided Checks per Receiver	\$ -	\$ 26,520.07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refund from Madison Investment	\$ -	\$ 1,804.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Checks Received from Withdrawals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Realized Gains (Losses) from Sale of Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrealized Gains (Losses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase (Decrease) in Accrued Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL RECEIPTS AND ACCRUED INCOME	\$ -	\$ 28,329.63	\$ 2,997.40	\$ 11,432.28	\$ 16,567.14	\$ 18,235.12	\$ 20,862.10	\$ 611,319.84	\$ 18,557.94
<u>DISBURSEMENTS</u>									
<u>Payments on Contracts</u>									
Partial Payments	\$ -	\$ 546,737.16	\$ 579,242.35	\$ 481,826.15	\$ 773,353.66	\$ 478,829.61	\$ 509,152.09	\$ 416,465.45	\$ 462,626.01
100% Payments for Out of State Participants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Partial Withdrawals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payments on Contracts	\$ -	\$ 546,737.16	\$ 579,242.35	\$ 481,826.15	\$ 773,353.66	\$ 478,829.61	\$ 509,152.09	\$ 416,465.45	\$ 462,626.01
<u>Trust Operating Expenses</u>									
Fiduciary Partners Fees	\$ -	\$ -	\$ -	\$ 30,587.51 3	\$ -	\$ 19,709.65 4	\$ 9,659.86 5	\$ 9,369.84 6	\$ 9,208.10 7
Newport Fees	\$ -	\$ -	\$ -	\$ 36,562.00 3	\$ -	\$ 37,416.00 4	\$ -	\$ -	\$ 52,068.15 7
J8 Investment Management	\$ -	\$ -	\$ -	\$ 3,057.02	\$ 1,775.59	\$ -	\$ -	\$ -	\$ -
Federal and State Tax Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit/Accounting Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Advisor (Ziegler Lotsoff)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trading and Custodial Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Trust Operating Expenses	\$ -	\$ -	\$ -	\$ 70,206.53	\$ 1,775.59	\$ 57,125.65	\$ 9,659.86	\$ 9,369.84	\$ 61,276.25
<u>Administrative Expenses</u>									
Legal Counsel & Receiver (Mallery & Zimmerman)	\$ -	\$ -	\$ -	\$ 142,042.00	\$ -	\$ -	\$ -	\$ 47,535.00	\$ 48,496.00
Legal Counsel (Kravit Hovel & Krawczyk)	\$ -	\$ -	\$ 95,935.00	\$ 63,485.00	\$ 32,325.00	\$ 80,395.00	\$ 75,595.00	\$ 61,710.00	\$ -
Financial Advisor (Wadsworth Whitestar)	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mediation Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actuary (Milliman)	\$ -	\$ -	\$ 9,813.75	\$ 15,186.25	\$ -	\$ -	\$ -	\$ -	\$ -
Public Relations (Laughlin Constable)	\$ -	\$ 2,282.50	\$ 6,325.00	\$ 6,050.00	\$ -	\$ 3,582.50	\$ 3,765.00	\$ 3,790.00	\$ -
Modus - Litigation Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,540.97
Expert - Litigation Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Kwik Kopy - Notices and Mailings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Counsel M&Z - Out-of-Pocket Expenses	\$ -	\$ -	\$ -	\$ 1,395.55	\$ -	\$ -	\$ -	\$ 838.60	\$ 0.92
Legal Counsel KHK - Out-of-Pocket Expenses	\$ -	\$ -	\$ 819.09	\$ 3,880.58	\$ 1,597.92	\$ 2,383.69	\$ 2,141.01	\$ 386.46	\$ -
Public Relations LC - Out-of-Pocket Expenses	\$ -	\$ 649.75	\$ 108.88	\$ 110.46	\$ -	\$ 141.12	\$ 61.36	\$ 34.50	\$ -
Advisory Services (SNL Financial)	\$ -	\$ 1,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WFDS Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
US Treasury - 941 3rd Quarter Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Form 1041 US Department of Treasury 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wisconsin Department of Revenue Due for 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Site	\$ -	\$ 135.43	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Fees	\$ -	\$ -	\$ 135.80	\$ 15.00	\$ -	\$ 15.00	\$ -	\$ 30.00	\$ -
Total Administrative Expenses	\$ - 2	\$ 24,567.68	\$ 113,137.52	\$ 232,164.84	\$ 33,922.92	\$ 86,517.31	\$ 81,562.37	\$ 114,324.56	\$ 58,037.89
TOTAL DISBURSEMENTS	\$ -	\$ 571,304.84	\$ 692,379.87	\$ 784,197.52	\$ 809,052.17	\$ 622,472.57	\$ 600,374.32	\$ 540,159.85	\$ 581,940.15

**Wisconsin Funeral Trust
Income and Disbursements**

	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
Settlements/Requiem Receipts	\$ -	\$ 1,821,913.55	\$ 585,080.00	\$ 91.45	\$ 170.84	\$ 210,080.00	\$ 2,790,347.58	\$ 5,951,080.00
Interest and Dividends	\$ 10,677.10	\$ 16,252.34	\$ 18,963.46	\$ 20,081.00	\$ 99.09	\$ 107,951.80	\$ 73,747.00	\$ 76,616.02
Voided Checks per Receiver	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refund from Madison Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Checks Received from Withdrawals	\$ -	\$ -	\$ -	\$ 5,600.00	\$ -	\$ -	\$ -	\$ -
Realized Gains (Losses) from Sale of Investments	\$ -	\$ -	\$ -	\$ -	\$ 7,970.38	\$ (24,257.00)	\$ 14,396.00	\$ (36,420.00)
Unrealized Gains (Losses)	\$ -	\$ -	\$ -	\$ -	\$ (10,845.00)	\$ 51,281.00	\$ (41,288.00)	\$ (102,951.00)
Increase (Decrease) in Accrued Income	\$ -	\$ -	\$ -	\$ -	\$ 148,765.00	\$ 33,337.00	\$ (576.00)	\$ 82,934.00
TOTAL RECEIPTS AND ACCRUED INCOME	\$ 10,677.10	\$ 1,838,165.89	\$ 604,043.46	\$ 25,772.45	\$ 146,160.31	\$ 378,392.80	\$ 2,836,626.58	\$ 5,971,259.02
<u>DISBURSEMENTS</u>								
<u>Payments on Contracts</u>								
Partial Payments	\$ 305,909.97	\$ 303,800.07	\$ 470,215.40	\$ 403,663.71	\$ 483,055.15	\$ 388,850.46	\$ 404,000.12	\$ 448,778.23
100% Payments for Out of State Participants	\$ -	\$ -	\$ 11,576.11	\$ -	\$ 4,411.80	\$ -	\$ -	\$ 9,695.23
Partial Withdrawals	\$ -	\$ -	\$ -	\$ 8,400.00	\$ 4,800.00	\$ -	\$ 1,440.00	\$ 3,600.00
Total Payments on Contracts	\$ 305,909.97	\$ 303,800.07	\$ 481,791.51	\$ 412,063.71	\$ 492,266.95	\$ 388,850.46	\$ 405,440.12	\$ 462,073.46
<u>Trust Operating Expenses</u>								
Fiduciary Partners Fees	\$ -	\$ 18,337.35 ⁸	\$ -	\$ 4,179.16 ⁹	\$ 2,030.69 ¹²	\$ 2,072.30 ¹⁴	\$ 5,149.68 ¹⁵	\$ 5,000.27 ¹⁶
Newport Fees	\$ -	\$ -	\$ -	\$ -	\$ 87,602.07 ¹³	\$ -	\$ -	\$ -
JB Investment Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal and State Tax Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit/Accounting Fees	\$ 46,720.00	\$ -	\$ -	\$ -	\$ 27,750.00	\$ -	\$ -	\$ -
Investment Advisor (Ziegler Lotsoff)	\$ 33,248.00	\$ -	\$ 19,818.00	\$ -	\$ -	\$ 14,682.00	\$ -	\$ 17,898.94 ¹⁷
Trading and Custodial Fees	\$ -	\$ -	\$ -	\$ -	\$ 5,090.00	\$ 800.00	\$ 240.00	\$ 1,879.18 ¹⁸
Total Trust Operating Expenses	\$ 79,968.00	\$ 18,337.35	\$ 19,818.00	\$ 4,179.16	\$ 122,472.76	\$ 17,554.30	\$ 5,389.68	\$ 24,778.39
<u>Administrative Expenses</u>								
Legal Counsel & Receiver (Mallery & Zimmerman)	\$ -	\$ 12,188.00	\$ -	\$ 11,217.00	\$ -	\$ 5,175.00	\$ 158,972.50	\$ -
Legal Counsel (Kravit Hovel & Krawczyk)	\$ 116,690.00	\$ 38,675.00	\$ 70,362.00	\$ 29,267.50	\$ -	\$ 64,012.50	\$ 22,549.52	\$ 6,035.00
Financial Advisor (Wadsworth Whitestar)	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -
Mediation Expense	\$ -	\$ -	\$ -	\$ -	\$ 4,989.47	\$ -	\$ -	\$ -
Actuary (Milliman)	\$ -	\$ -	\$ 3,575.00	\$ -	\$ 16,480.00	\$ -	\$ 12,920.00	\$ 2,732.50
Public Relations (Laughlin Constable)	\$ 885.00	\$ -	\$ 905.00	\$ -	\$ 5,021.12	\$ 1,571.14	\$ -	\$ 618.54
Modus - Litigation Support	\$ 1,970.00	\$ 1,970.00	\$ -	\$ 985.00	\$ 1,468.31	\$ -	\$ 985.00	\$ -
Expert - Litigation Support	\$ 6,665.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Kwik Kopy - Notices and Mailings	\$ 6,379.22	\$ 5,260.99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Counsel M&Z - Out-of-Pocket Expenses	\$ -	\$ 697.93	\$ -	\$ 2,198.00	\$ -	\$ 1,952.34	\$ 47.75	\$ -
Legal Counsel KHK - Out-of-Pocket Expenses	\$ 1,579.41	\$ 1,167.62	\$ 1,576.49	\$ 276.58	\$ -	\$ 776.32	\$ 947.28	\$ -
Public Relations LC - Out-of-Pocket Expenses	\$ 142.74	\$ -	\$ 221.14	\$ -	\$ -	\$ -	\$ -	\$ -
Advisory Services (SNL Financial)	\$ -	\$ -	\$ -	\$ -	\$ 6,000.00	\$ -	\$ -	\$ -
WFDS Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
US Treasury - 941 3rd Quarter Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Form 1041 US Department of Treasury 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wisconsin Department of Revenue Due for 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Fees	\$ -	\$ 15.00	\$ 15.00	\$ -	\$ -	\$ -	\$ -	\$ -
Total Administrative Expenses	\$ 139,311.87	\$ 59,974.54	\$ 81,654.63	\$ 43,944.08	\$ 33,958.90	\$ 78,487.30	\$ 196,422.05	\$ 9,386.04
TOTAL DISBURSEMENTS	\$ 525,189.84	\$ 382,111.96	\$ 583,264.14	\$ 460,186.95	\$ 648,698.61	\$ 484,892.06	\$ 607,251.85	\$ 496,237.89

**Wisconsin Funeral Trust
Income and Disbursements**

	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
Settlements/Requiem Receipts	\$ 80.00	\$ 80.00	\$ 80.00	\$ -	\$ -	\$ -	\$ 650,000.00	\$ -
Interest and Dividends	\$ 98,657.00	\$ 172,483.74	\$ 94,703.74	\$ 134,838.85	\$ 228,659.00	\$ 128,401.00	\$ 110,718.18	\$ 171,256.84
Voided Checks per Receiver	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refund from Madison Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Refund	\$ -	\$ -	\$ 2,895.51	\$ -	\$ -	\$ -	\$ -	\$ -
Checks Received from Withdrawals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Realized Gains (Losses) from Sale of Investments	\$ (8,424.00)	\$ (8,252.00)	\$ 14,400.00	\$ (37,747.00)	\$ (22,137.00)	\$ 2,596.00	\$ (19,692.00)	\$ (43,257.00)
Unrealized Gains (Losses)	\$ 329,255.00	\$ 17,152.00	\$ 61,222.00	\$ 284,379.00	\$ 112,989.00	\$ (323,516.00)	\$ 323,043.00	\$ (408,332.00)
Increase (Decrease) in Accrued Income	\$ 16,429.00	\$ (53,630.00)	\$ 11,954.00	\$ (16,854.00)	\$ (41.00)	\$ 22,575.00	\$ (8,610.00)	\$ (65,065.00)
TOTAL RECEIPTS AND ACCRUED INCOME	\$ 435,997.00	\$ 127,833.74	\$ 185,255.25	\$ 364,616.85	\$ 319,470.00	\$ (169,944.00)	\$ 1,055,459.18	\$ (345,397.16)
<u>DISBURSEMENTS</u>								
<u>Payments on Contracts</u>								
Partial Payments	\$ 428,362.73	\$ 477,824.60	\$ 392,431.71	\$ 407,517.86	\$ 316,353.24	\$ 365,672.50	\$ 294,016.88	\$ 406,929.02
100% Payments for Out of State Participants	\$ 11,583.26	\$ -	\$ 7,715.97	\$ 6,519.50	\$ -	\$ -	\$ -	\$ -
Partial Withdrawals	\$ -	\$ 5,951.17	\$ -	\$ -	\$ -	\$ -	\$ 2,700.45	\$ -
Total Payments on Contracts	\$ 439,945.99	\$ 483,775.77	\$ 400,147.68	\$ 414,037.36	\$ 316,353.24	\$ 365,672.50	\$ 296,717.33	\$ 406,929.02
<u>Trust Operating Expenses</u>								
Fiduciary Partners Fees	\$ 5,148.83	\$ 5,356.43	\$ 5,600.05	\$ 5,506.48	\$ 5,571.82	\$ 5,483.57	\$ 5,569.31	\$ 5,529.84
Newport Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125.00
JB Investment Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal and State Tax Payments	\$ -	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Audit/Accounting Fees	\$ -	\$ 7,835.83	\$ -	\$ -	\$ -	\$ -	\$ 21,545.00	\$ -
Investment Advisor (Ziegler Lotsoff)	\$ -	\$ -	\$ -	\$ 21,510.00	\$ -	\$ -	\$ 21,341.29	\$ -
Trading and Custodial Fees	\$ 478.33	\$ 369.33	\$ 458.53	\$ 541.00	\$ 406.71	\$ 643.48	\$ 215.47	\$ 1,041.57
Total Trust Operating Expenses	\$ 5,627.16	\$ 13,561.59	\$ 31,058.58	\$ 27,557.48	\$ 5,978.53	\$ 6,127.05	\$ 48,671.07	\$ 6,696.41
<u>Administrative Expenses</u>								
Legal Counsel & Receiver (Mallery & Zimmerman)	\$ 14,757.04	\$ 2,548.69	\$ 21,495.27	\$ -	\$ 28,753.46	\$ 1,707.38	\$ -	\$ -
Legal Counsel (Kravit Hovel & Krawczyk)	\$ 17,270.46	\$ 6,659.22	\$ 4,005.00	\$ 7,497.05	\$ 9,964.98	\$ 15,395.00	\$ -	\$ 6,998.40
Financial Advisor (Wadsworth Whitestar)	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 2,500.00
Mediation Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actuary (Milliman)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,036.25	\$ 11,182.50
Public Relations (Laughlin Constable)	\$ 996.14	\$ 1,034.88	\$ -	\$ -	\$ 61.86	\$ 1,469.76	\$ -	\$ 1,068.36
Modus - Litigation Support	\$ 1,969.18	\$ -	\$ -	\$ 1,968.26	\$ -	\$ 2,952.74	\$ 1,968.27	\$ -
Expert - Litigation Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 984.13
Kwik Kopy - Notices and Mailings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Counsel M&Z - Out-of-Pocket Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Counsel KHK - Out-of-Pocket Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Relations LC - Out-of-Pocket Expenses	\$ 188.64	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advisory Services (SNL Financial)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,500.00	\$ -	\$ -
WFDS Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,193.92	\$ -
US Treasury - 941 3rd Quarter Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Form 1041 US Department of Treasury 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wisconsin Department of Revenue Due for 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Administrative Expenses	\$ 35,181.46	\$ 10,242.79	\$ 25,500.27	\$ 14,465.31	\$ 38,780.30	\$ 28,024.88	\$ 25,198.44	\$ 22,733.39
TOTAL DISBURSEMENTS	\$ 480,754.61	\$ 507,580.15	\$ 456,706.53	\$ 456,060.15	\$ 361,112.07	\$ 399,824.43	\$ 370,586.84	\$ 436,358.82

**Wisconsin Funeral Trust
Income and Disbursements**

	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Running Total
Settlements/Requiem Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,609,003.42
Interest and Dividends	\$ 157,316.27	\$ 131,227.06	\$ 68,666.21	\$ 49,000.22	\$ 112,876.95	\$ 151,794.86	\$ 2,234,964.22
Voided Checks per Receiver	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,520.07
Refund from Madison Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,804.89
Tax Refund	\$ -	\$ 504.00	\$ -	\$ -	\$ -	\$ -	\$ 3,399.51
Checks Received from Withdrawals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,600.00
Realized Gains (Losses) from Sale of Investments	\$ (1,913.00)	\$ 64,557.00	\$ 56,040.00	\$ (21,478.00)	\$ (66,144.00)	\$ (18,438.00)	\$ (148,199.62)
Unrealized Gains (Losses)	\$ 568,075.00	\$ 186,842.00	\$ (249,841.00)	\$ 111,070.00	\$ 186,544.00	\$ (70,706.00)	\$ 1,024,373.00
Increase (Decrease) in Accrued Income	\$ 7,099.00	\$ (4,303.00)	\$ (1.00)	\$ 25,460.00	\$ (14,150.00)	\$ (46,803.00)	\$ 138,520.00
TOTAL RECEIPTS AND ACCRUED INCOME	\$ 730,577.27	\$ 378,827.06	\$ (125,135.79)	\$ 164,052.22	\$ 219,126.95	\$ 15,847.86	\$ 15,895,985.49

DISBURSEMENTS

Payments on Contracts

Partial Payments	\$ 368,403.16	\$ 265,767.70	\$ 416,442.85	\$ 455,013.04	\$ 415,675.74	\$ 402,157.01	\$ 12,869,073.63
100% Payments for Out of State Participants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,501.87
Partial Withdrawals	\$ 1,200.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,091.62
Total Payments on Contracts	\$ 369,603.16	\$ 265,767.70	\$ 416,442.85	\$ 455,013.04	\$ 415,675.74	\$ 402,157.01	\$ 12,948,667.12

Trust Operating Expenses

Fiduciary Partners Fees	\$ -	\$ 11,027.25	45 \$ 5,454.83	46 \$ -	\$ 11,060.74	50 \$ 5,278.92	53 \$ 191,892.48
Newport Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 213,773.22
JB Investment Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,832.61
Federal and State Tax Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00
Audit/Accounting Fees	\$ 3,300.00	40 \$ -	\$ 10,000.00	\$ -	\$ 5,615.00	51 \$ -	\$ 122,765.83
Investment Advisor (Ziegler Lotsoff)	\$ 21,281.32	42 \$ -	\$ -	\$ 20,756.00	49 \$ -	\$ -	\$ 170,535.55
Trading and Custodial Fees	\$ 661.87	\$ 728.47	43 \$ 715.07	47 \$ 682.21	48 \$ 646.61	52 \$ 535.63	54 \$ 16,133.46
Total Trust Operating Expenses	\$ 25,243.19	\$ 11,755.72	\$ 16,169.90	\$ 21,438.21	\$ 17,322.35	\$ 5,814.55	\$ 744,933.15

Administrative Expenses

Legal Counsel & Receiver (Mallery & Zimmerman)	\$ 81,420.22	\$ -	\$ 16,252.32	\$ -	\$ -	\$ -	\$ 592,559.88
Legal Counsel (Kravit Hovel & Krawczyk)	\$ 100.76	\$ 937.50	\$ 682.50	\$ 165.00	\$ 225.00	\$ -	\$ 826,937.39
Financial Advisor (Wadsworth Whitestar)	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ 47,500.00
Mediation Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,989.47
Actuary (Milliman)	\$ -	\$ 26,141.25	\$ 9,371.25	\$ -	\$ -	\$ 718.75	\$ 111,157.50
Public Relations (Laughlin Constable)	\$ 387.90	\$ 2,429.50	\$ -	\$ 4,087.58	\$ 973.66	\$ 995.82	\$ 48,301.26
Modus - Litigation Support	\$ -	\$ -	\$ 2,952.39	\$ -	\$ -	\$ -	\$ 28,730.12
Expert - Litigation Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,649.63
Kwik Kopy - Notices and Mailings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,640.21
Legal Counsel M&Z - Out-of-Pocket Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,131.09
Legal Counsel KHK - Out-of-Pocket Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,532.45
Public Relations LC - Out-of-Pocket Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,658.59
Advisory Services (SNL Financial)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,000.00
WFDS Employee Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,193.92
US Treasury - 941 3rd Quarter Employee Settlement	\$ -	\$ 7,126.08	44 \$ -	\$ -	\$ -	\$ -	\$ 7,126.08
Form 1041 US Department of Treasury 2012	\$ -	\$ -	\$ 6,151.54	\$ -	\$ -	\$ -	\$ 6,151.54
Wisconsin Department of Revenue Due for 2012	\$ -	\$ -	\$ 3,423.00	\$ -	\$ -	\$ -	\$ 3,423.00
Web Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135.43
Bank Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225.80
Total Administrative Expenses	\$ 81,908.88	\$ 41,634.33	\$ 38,833.00	\$ 4,252.58	\$ 1,198.66	\$ 1,714.57	\$ 1,757,043.36
TOTAL DISBURSEMENTS	\$ 476,755.23	\$ 319,157.75	\$ 471,445.75	\$ 480,703.83	\$ 434,196.75	\$ 409,686.13	\$ 15,450,643.63

Receivership Expenditures Through March 31, 2015

RECEIVERSHIP-SPECIFIC COSTS

LITIGATION

Legal Fees

Legal Counsel & Receiver (Mallery & Zimmerman)	\$392,559.88	
Legal Counsel (Kravitz Hovel & Krawczyk)	\$826,937.39	
TOTAL LEGAL FEES		\$1,219,497.27

Litigation Out-of-Pocket Expenses

Kwik Kopy - Notices and Mailings	\$11,640.21	
Legal Counsel M&Z - Out-of-Pocket Expenses	\$7,131.09	
Legal Counsel KHK - Out-of-Pocket Expenses	\$17,532.45	
Mediation Expense	\$4,989.47	
Modus - Litigation Support	\$28,730.12	
Expert - Litigation Support	\$7,649.63	
TOTAL LITIGATION OUT-OF-POCKET COSTS		\$77,672.97

TOTAL LITIGATION-RELATED COSTS	\$1,297,170.24
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MANAGEMENT

Professional Fees Paid for Management

Financial Advisor (Wadsworth Whitestar)	\$47,500.00	
Actuary (Milliman)	\$71,157.50	
Audit/Accounting Fees	\$60,000.00	
Public Relations (Laughlin Constable)	\$48,301.26	
TOTAL PROFESSIONAL FEES PAID FOR MANAGEMENT		\$226,958.76

Management Out-of-Pocket Costs

Public Relations LC - Out-of-Pocket Expenses	\$1,658.59	
TOTAL MANAGEMENT OUT-OF-POCKET COSTS		\$1,658.59

TOTAL MANAGEMENT COSTS	\$228,617.35
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TOTAL RECEIVERSHIP-SPECIFIC COSTS	\$1,525,787.59
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COSTS THAT WOULD HAVE BEEN PROPERLY INCURRED OUTSIDE OF RECEIVERSHIP

Professional Fees Paid for Management

Management Fees - Mallery & Zimmerman, S.C.	\$200,000.00	
Fiduciary Partners Fees	\$191,892.48	
Newport Fees	\$213,773.22	
JB Investment Management	\$4,832.61	
Audit/Accounting Fees	\$62,765.83	
Investment Advisor (Ziegler Lotsoff)	\$170,535.55	
Actuary (Milliman)	\$40,000.00	
TOTAL PROFESSIONAL FEES PAID FOR MANAGEMENT		\$883,799.69

EMPLOYEE OBLIGATION INCURRED PRE-RECEIVERSHIP	\$20,193.92
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Taxes

Federal and State Tax Payments	\$25,000.00	
US Treasury - 941 3rd Quarter Employee Settlement	\$7,126.08	
Form 1041 US Department of Treasury 2012	\$6,151.54	
Wisconsin Department of Revenue Due for 2012	\$3,423.00	
TOTAL TAXES		\$41,700.62

Other Costs

Trading and Custodial Fees	\$16,133.46	
Web Site	\$135.43	
Bank Fees	\$225.80	
Advisory Services (SNL Financial)	\$14,000.00	
TOTAL OTHER COSTS		\$30,494.69

TOTAL COSTS THAT WOULD HAVE BEEN PROPERLY BEEN INCURRED OUTSIDE OF RECEIVERSHIP	\$976,188.92
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TOTAL EXPENDITURES	\$2,501,976.51
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