

STATE OF VERMONT

SUPERIOR COURT
WASHINGTON UNIT

COMMISSIONER OF THE
DEPARTMENT OF FINANCIAL
REGULATION
PLAINTIFF,

v.

DOCTORS AND SURGEONS
NATIONAL RISK RETENTION GROUP
IC, INC.
RESPONDENT.

CIVIL DIVISION
DOCKET NO. 559-916 Wncv

**LIQUIDATOR'S STATUS REPORT, ANNUAL ACCOUNTING,
AND SIXTH REPORT OF CLAIMS**

I, J. David Leslie, Special Deputy Liquidator, hereby submit this status report regarding the liquidation of Doctors and Surgeons National Risk Retention Group IC, Inc. ("DSNRRG" or the "Company") as well as the Sixth Report of Claims attached hereto as Exhibit A.

1. Background. DSNRRG was placed in rehabilitation by the Court's Order for Rehabilitation of Doctors and Surgeons National Risk Retention Group IC, Inc. ("Rehabilitation Order") entered on October 6, 2016. On August 10, 2017, the Court entered its Order of Liquidation ("Liquidation Order") that, among other things, appointed the Commissioner of the Department of Financial Regulation as Liquidator ("Liquidator"), authorized him to appoint a special deputy liquidator, and approved the Plan of Liquidation. See Order of Liquidation ¶¶ 1, 5, 6, and 7. The Liquidator appointed me to serve as Special Deputy Liquidator on August 17, 2017.

2. Annual Accountings. As required by the liquidation statutes and the Liquidation Order, I have submitted annual accountings to the Court. The first annual accounting was

approved by the Court on August 22, 2018, the second on September 5, 2019, and the third on September 8, 2020. The fourth annual accounting is presented, below, at ¶ 9.

3. Status Reports. In addition to annual accountings, the Liquidator has filed semiannual status reports with the Court beginning on May 9, 2018. After the Liquidator's first status report, subsequent reports have been submitted approximately six months after each annual accounting to keep the Court regularly apprised of the work performed and plans going forward. The Court has entered orders approving each such status report.

4. Reports of Claims. As the Liquidator has investigated and resolved the claims filed against DSNRRG, he has submitted claim reports to the Court in connection with each status report. These claim reports advise of finally determined proofs of claim ("POCs"), together with the Liquidator's recommendations, for approval. See 8 V.S.A. §§ 7082(a) ("[T]he liquidator shall present to the court a report... of the claims against the insurer with recommendations") and 7082(b) ("The court may approve, disapprove, or modify the report on claims [filed] by the liquidator.") The Liquidator's first five claim reports were submitted on January 31, 2019, August 29, 2019, February 28, 2020, September 4, 2020, and March 12, 2021. Each has been approved by the Court.

5. Interim Distribution. On August 29, 2019, the Liquidator also filed his Motion for an Order Authorizing Distributions on Allowed Priority Class 1 Claims and an Interim Distribution on Allowed Class 3 Claims ("Motion for Interim Distributions") which requested authority to make a 100% distribution on allowed priority class 1 claims and a 20% interim distribution on allowed priority class 3 claims. See 8 V.S.A. §§ 7081 (establishing statutory priorities) and 7083 (describing the circumstances under which a distribution may be ordered). The Court granted the motion, entering its Order Authorizing Distribution on Allowed Priority Class 1 Claims and an Interim Distribution on Allowed Class 3 Claims on September 5, 2019.

6. Priority class 1 claims have been paid in full. See, *infra*, ¶ 10 (regarding withdrawal of certain class 1 claims). With regard to interim distributions on priority class 3 claims, the Liquidator’s authorization to make payment was “[c]ontingent upon having first received a federal priority act release from the United States”.¹ *Id.*, ¶ iv. The Liquidator requested such a release in October of 2019 and one was provided by the United States in June of 2020.

7. Upon receipt of the federal priority act release, the Liquidator contacted claimants with allowed priority class 3 claims that would be entitled to receive disbursements in the 20% interim distribution.² At present, there are twenty-three claims on which creditors are entitled to receive a total of \$1,573,350.45. If the Court approves the Liquidator’s Sixth Report of Claims (see, *infra*, ¶ 11), three more claims will be eligible for distribution of an additional \$52,500.00. The Liquidator provided each claimant with an interim distribution calculation, requested payment instructions, sought confirmation as to the status of any liens, and issued checks for interim distribution payments upon receipt of the necessary information. The Liquidator will repeat that process if the Court approves the Sixth Report of Claims.

¹ As discussed in the Liquidator’s Motion for an Order Authorizing Distributions on Allowed Priority Class 1 Claims and an Interim Distribution on Allowed Class 3 Claims (filed August 29, 2019), the federal priority act renders the liquidator of an insolvent insurer personally liable to the extent of distributions from the estate if federal claims are not paid. See *id.*, ¶ 13; 31 U.S.C.A. § 3713. Federal courts have held, however, that claim filing deadlines established under State law are ineffective against the United States and that this means that the United States might assert a new claim at any time and attempt to hold a liquidator personally liable in the event that a distribution was previously made. See *id.* Federal courts have recognized that this is “simply terrible public policy” and means that liquidators “cannot ever pay off creditors with lower priorities” – i.e. those below priority class 1 – “unless [they] can wrangle a waiver from the United States.” Ruthardt v. United States, 303 F.3d 375, 385 (1st Cir. 2002) *cert. denied*, 538 U.S. 1031 (2003).

² As discussed in the Motion for Interim Distributions (see ¶¶ 9 and 20), during the course of rehabilitation, DSNRRG creditors with policy-related claims received payments that, in most cases, were equivalent to a 35% distribution. When making distributions in the liquidation proceeding, the estate is entitled to credit for such payments. Effectively, therefore, a claimant with an allowed priority class 3 claim that received a 35% distribution in rehabilitation will not receive further disbursements from the estate until the Court orders a class 3 distribution at a rate greater than 35%.

8. Liquidation website. All annual accountings, status reports, and reports of claims have been posted on the Company's former website (www.dsnrrg.com) to keep creditors and other interested parties apprised of progress in the liquidation proceeding. Other key liquidation records posted to the site include the Liquidation Order, POC form, instructions for filing, the Liquidator's Motion for Interim Distributions, and the Court's order approving that motion.

ANNUAL ACCOUNTING

9. The Liquidator is required to file an annual accounting with the Court including the assets and liabilities of DSNRRG and all funds received or disbursed during the current period. See 8 V.S.A. § 7057(e); Liquidator Order, ¶ 4. A ledger showing all funds received or disbursed by DSNRRG between entry of the Liquidation Order and August 31, 2021, is attached as Exhibit B. A simplified DSNRRG balance sheet is presented below in Table 1.

Table 1 -- Simplified DSNRRG Balance Sheet as of August 31, 2021

ASSETS

Cash & cash equivalents	\$ 2,613,400
Interest receivable	9
Credit for interim distribution in liquidation ³	602,443
Credit for payments in rehabilitation ⁴	750,000
Total Assets	\$ 3,965,852

LIABILITIES

Priority class 1	
POCs allowed	\$ 2,640
Reserve for administrative expense	478,073
Total class 1 claims	\$ 480,713
Priority class 3	
POCs allowed/presented for allowance	\$ 8,100,332
Undetermined/unliquidated	2,300,000
Total class 3 claims	\$ 10,400,332
Total Class 1 & Class 3 liabilities	\$ 10,881,045

³ The total amount of allowed priority 1 and priority class 3 claims are set forth as estate liabilities. The estate will be entitled to credit for interim distributions made on those claims when the time comes to make a final distribution.

⁴ As discussed above in note 2, when making distribution on certain priority class 3 claims, the estate will be entitled to credit for payments made during the course of DSNRRG's rehabilitation. The extent to which such credits can be applied in setoff depends upon the distributions made from the estate. The Liquidator had initially estimated that "the ultimate recovery on these claims will exceed \$275,000" and that figure has been revised upward as claims are determined. The Liquidator now projects that the figure may exceed \$750,000.

The asset figures presented in Table 1 reflect the balance of accounts controlled by the Liquidator (i.e. the marshalled assets of the estate) plus payments that DSNRRG made in rehabilitation or liquidation which may be applied in setoff. Liability figures are subject to greater uncertainty. Most importantly:

- Reserve for administrative expense -- The costs and expenses of administration fall in priority class 1. See 8 V.S.A. § 7081 (establishing priority classes). The Liquidator initially established a reserve of \$750,000 that was intended to be conservative and to reflect the significant potential for variability should claim litigation prove necessary. The current reserve of \$478,073 reflects the original reserve less actual expenditures through August 31, 2021. Given the small number of claims remaining to be determined, the risk of claim litigation is significantly diminished and the Liquidator is hopeful it will be possible to release the great majority of this reserve for use in payment of other claims.
- Estimate of undetermined/unliquidated claims: In prior reports, the Liquidator has offered an estimate of undetermined/unliquidated claims based on the claims adjudicator's "best estimate" as to the aggregate value of outstanding policy-related exposures (priority class 3). See *id.* At this time, however, there are only two incidents with outstanding policy-related exposures. See, *infra*, ¶ 16. Given the small number of claims, the Liquidator is concerned that making a public filing with his "best estimate" as to the value of those claims may unfairly prejudice the interests of insureds, insureds' co-defendants, third-party claimants, and others involved in the underlying medical malpractice litigation. The \$2.3 million figure presented above does not, therefore, reflect the Liquidator's judgment as to reasonable claim value but, instead, the combined limits of the implicated DSNRRG policies. This does not reflect any judgment as to

actual claim value but, instead, offers an outside bound (the most conservative possible scenario) regarding policy-related exposures.

Though the figures presented in Table 1 suggest a 33.5% distribution on priority class 3 claims, it remains the Liquidator's expectation that the final distribution on such claims is likely to be 35% or greater. See 8 V.S.A. §§ 7081 and 7083. Because estate assets will be insufficient to pay priority class 3 claims in full, no distribution will be possible on claims falling in priority classes 4-10 and the Liquidator has deferred making a determination as to the amount of such claims. See 8 V.S.A. § 7081.

SIXTH REPORT OF CLAIMS

10. Prior Reports of Claims. As discussed above (see ¶ 4), the Liquidator has filed five reports of claims that have been approved by the Court. Cumulatively, these reports included recommendations regarding 122 finally determined POCs. The Court's approval of these reports crystalized the value and priority classification of those POCs which, cumulatively, included one claim allowed in priority class 1 (a total value of \$2,640)⁵ and 74 claims allowed in priority class 3 (a total value of \$6,639,904.56). (The remaining 47 claims fall in priority classes 4-10 or were denied/withdrawn.)

11. Since the Fifth Report of Claims was filed on March 12, 2020, the Liquidator's determinations have become final with regard to twenty-five additional POCs. See 8 V.S.A. §§ 7078(a) ("Within 60 days from the mailing of the notice [of determination], the claimant may file objections with the liquidator" and "[i]f no such filing is made, the claimant may not further object to the determination") and 7082(a) ("[T]he liquidator shall present to the court a report...

⁵ In November of 2020, the Liquidator learned that seven of the allowed priority class 1 claims had been filed in error. Specifically, the claims sought payment of outstanding invoices from defense counsel for work performed in rehabilitation which counsel later discovered had been paid by the Company's former third-party administrator. Counsel has withdrawn the relevant claims and priority class 1 liabilities are now limited to a single allowed claim with a total value of \$2,640.

of the claims against the insurer with recommendations”). These twenty-five POCs are reported in the Liquidator’s Sixth Report of Claims, attached as Exhibit A hereto, together with the Liquidator’s recommendations. See 8 V.S.A. § 7082(a). By his Motion for Order Approving Liquidator’s Sixth Report of Claims (filed herewith), the Liquidator requests that the Court enter an order approving the Sixth Report of Claims. See 8 V.S.A. § 7082(b) (“The court may approve, disapprove, or modify the report on claims [filed] by the liquidator.”).

STATUS REPORT

12. Filing of Proofs of Claim. The Liquidator established February 12, 2018 as the claim filing deadline. See Liquidation Order, ¶ 6.B. The Liquidator received 114 POCs before the February 12, 2018 deadline and has since received thirty-three late-filed claims for a total of 147 POCs received in this proceeding.⁶

13. In the Annual Accounting & Status Report filed on August 20, 2018 (“2018 Annual Report”), the Liquidator noted that the proceeding was no longer at an early stage and the acceptance of late-filed claims will become increasingly difficult as the liquidation process continues. *Id.*, ¶ 4; see 8 V.S.A. § 7074(d) (“The Liquidator may consider any claim filed late” so long as doing so “does not prejudice the orderly administration of the estate.”). Two of the 147 POCs received to date were submitted after the 2018 Annual Report was filed. The Liquidator has included those POCs among the other claims being investigated and will periodically assess whether their consideration is prejudicing the orderly administration of the estate. This proceeding is now nearly completed and the time required to investigate a newly filed claim would substantially prejudice the orderly administration of the estate. Should any additional POCs be submitted, therefore, the Liquidator anticipates that they would be assigned

⁶ Some POCs have been subdivided – e.g. POC 43 into POC 43D and 43I – to accommodate assignments or for other administrative purposes. Ultimately, therefore, the Liquidator will issue more than 147 claim determinations.

to priority class 8 and a determination issued solely as to priority. See 8 V.S.A. § 7081 (Class 8 includes “[c]laims filed late”); Plan of Liquidation, ¶ 2.b (“If a claim falls within priority classes 4 through 10, the Liquidator may decline to make a determination as to the amount of such claim and instead issue a determination solely as to priority.”)

14. Work of the Claims Adjudicator. On October 24, 2017, as contemplated by ¶ 2.c of the Plan of Liquidation, the Liquidator engaged Mr. McGrath to serve as claims adjudicator. The Liquidator has referred all POCs potentially presenting questions of medical malpractice to Mr. McGrath for investigation and valuation. Mr. McGrath has reviewed each claim and presented the Special Deputy Liquidator with an initial report providing background, analysis, and recommendations.


15. The Special Deputy Liquidator reviews Mr. McGrath’s reports and takes such further action as may be appropriate. These actions may include asking that claimants/policyholders produce supplemental information, monitoring the progress of underlying medical malpractice litigation, authorizing Mr. McGrath to initiate settlement discussions, or issuing notices of determination where settlement either is agreed or proves impractical. Mr. McGrath updates his reports and analysis regularly as additional information is received. Mr. McGrath has also supported the Liquidator by producing estimates of undetermined/unliquidated policyholder-level claims which he updates on a periodic basis. Mr. McGrath is now assisting the Liquidator with the filing of reports with various regulatory and recordkeeping bodies regarding the receipt and handling of medical malpractice claims.

16. Claim Resolution Strategy. The Liquidator has now determined all but four of the POCs submitted in this proceeding. Three of those POCs assert claims under DSNRRG policies arising from two incidents of alleged medical malpractice. The Liquidator expects to issue notices of determination resolving those claims over the coming weeks such that the 60-day

statutory objection period will run before the end of the calendar year. See 8 V.S.A. § 7078(a).

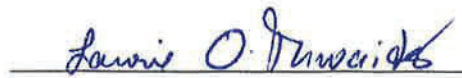
The final POC was submitted by the United States Department of Justice seeking “[r]ecovery of amount owed to the United States and/or any federal agency or entity.” The Liquidator is not aware of any such amounts and, when all other POCs have been finally determined, will verify that the United States has no specific claims to submit and issue a notice of determination.

17. Next Steps. The Liquidator anticipates issuing the final policy-related notices of determination in the coming weeks and verifying that claims of the United States have been fully addressed. The Liquidator will then submit a final report of claims to the Court with a recommendation for distribution on allowed claims and proposed plan for completing the liquidation and closing this proceeding. The Liquidator will file his next report no later than February of 2022.


J. David Leslie
Special Deputy Liquidator

Dated this 28th day of September, 2021.

Subscribed and sworn before me
this 28th day of September, 2021.


Notary Public

My commission expires:



EXHIBIT A

Liquidator's Fifth Report of Claims September __, 2021

Claims Recommended for Allowance in Priority Class 3

<u>POC No.</u>	<u>Claimant Name</u>	<u>Claimant Address</u>	<u>Priority Class</u>	<u>Amount Allowed</u>	<u>Prior Payments</u>
7	Estate of James McCullough	231 Mineola Blvd., Mineola, NY 11501	3	\$ 50,000.00	
34	Guirlaine Agnant, M.D.	100 Stevens Ave., 7 th Fl., Mt. Vernon, NY 10550	3	35,000.00	
50	Mark Green, M.D. & Jason Begue, M.D.	c/o Batson Nolan PLC, 121 S. 3 rd St., Clarksville, TN 37040	3	600,000.00	
87	Estate of Ilie Dragomir, M.D.	c/o Mark I. Rozell, Esq., 297 Virginia Ave., Oceanside, NY 11572	3	52,663.47	
88A	Estate of Ilie Dragomir, M.D.	c/o Mark I. Rozell, Esq., 297 Virginia Ave., Oceanside, NY 11572	3	25,207.61	
88B	Estate of Ilie Dragomir, M.D.	c/o Mark I. Rozell, Esq., 297 Virginia Ave., Oceanside, NY 11572	3	50,000.00	
89	Harvey Coopersmith, M.D.	2021 Ave. X, Brooklyn NY 11229	3	412,030.94	
90	Allen B. Zelman, M.D.	2021 Ave. X, Brooklyn NY 11235	3	29,530.94	
107A	Kenneth Richman, M.D.	352 N. Forest Ave., Rockville Centre, NY 11570	3	30,994.08	
107B	Kenneth Richman, M.D.	352 N. Forest Ave., Rockville Centre, NY 11570	3	50,000.00	
147	Robert Burke, M.D.	1 Oxford Rd., #200, New Hartford, NY 13413	3	125,000.00	
Recommended for Allowance (Sixth Report of Claims)					--
Previously Allowed (First through Fifth Reports of Claims)					\$ 912,710.56
Total: Priority Class 3					\$ 8,100,331.60
Total: Priority Class 3					\$ 912,710.56

Claims Denied or Withdrawn

<u>POC No.</u>	<u>Claimant Name</u>	<u>Claimant Address</u>	<u>Priority Class</u>	<u>Amount Allowed</u>	<u>Prior Payments</u>
12	Chaya Hirsch	5 Siggert Ct., Monroe, NY 10950	n/a	n/a	n/a
19	Carolyn Roman	2430 Morris Ave., Apt. 1EB, Bronx, NY 10468	n/a	n/a	n/a
37	Enida Cuni	66-08 Central Ave., 1 st Fl., Glendale, NY 11385	n/a	n/a	n/a
39	Estate of Jorge Villegas	1490 Boston Post Rd., Bronx, NY 10460	n/a	n/a	n/a

<u>POC No.</u>	<u>Claimant Name</u>	<u>Claimant Address</u>	<u>Priority Class</u>	<u>Amount Allowed</u>	<u>Prior Payments</u>
61	Ace Hunter	11472 Scott Mill Rd., Jacksonville, FL 32223	n/a	n/a	n/a
62	Inessa Gelman & Vladimir Akselrod	1453 Webster Ave., Bronx, NY 10456	n/a	n/a	n/a
96	Freya Dittrich, D.O.	9 Louis Pl., Brewster, NY 10509	n/a	n/a	n/a
103	Barry H. Habib, D.M.D.	103 Northwood Ln., Woodmere, NY 11598	n/a	n/a	n/a
105	Barry H. Habib, D.M.D.	103 Northwood Ln., Woodmere, NY 11598	n/a	n/a	n/a
124	Sandria Fearon-Hardy	897 Tanglewood Cir., Weston, FL 33327	n/a	n/a	n/a
132	Medical Malpractice Ins. Pool of N.Y. State	90 Merrick Ave., East Meadow, NY 11554	n/a	n/a	n/a
145	Gretchen Revere	811 Mapledale Rd., Cassville, NY 13315	n/a	n/a	n/a

EXHIBIT B

All Deposits and Distributions from DSNRRG's Accounts
between August 10, 2017 and July 31, 2021

Date	Payee/Payor	Description	Amount
9/8/2017	Abbi Smith	Vendor -- Credentialing Requests	\$ 300.00
9/8/2017	Compu-Tecs, LLC	IT/Communication Fees	\$ 1,390.99
9/8/2017	Merlinos & Associates, Inc.	Actuarial Services	\$ 1,428.75
9/8/2017	Rackemann Sawyer & Brewster	Professional Services	\$ 10,347.50
9/8/2017	Western Litigation	Indemnity Settlement (Mirvis Claim)	\$ 7,000.00
10/4/2017	Mark Barwick	Vendor -- Underwriting Support	\$ 1,225.00
10/30/2017	Abbi Smith	Vendor -- Credentialing Requests	\$ 400.00
10/30/2017	Abbi Smith	Vendor -- Credentialing Requests	\$ 487.50
10/30/2017	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
10/30/2017	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
10/30/2017	Rackemann Sawyer & Brewster	Professional Services	\$ 4,974.19
11/6/2017	Abbi Smith	Vendor -- Credentialing Requests	\$ 287.50
11/6/2017	Western Litigation	TPA Services	\$ 75,396.47
11/29/2017	Agee Fisher Barrett	Tax Preparation Services (2016)	\$ 8,052.00
11/29/2017	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
11/29/2017	Western Litigation	TPA Services	\$ 66,243.22
11/29/2017	Western Litigation	TPA Services	\$ 11,704.41
1/3/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 350.00
1/3/2018	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
1/3/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 5,675.00
1/3/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 6,060.83
1/3/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 4,602.78
1/3/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 6,723.86
1/3/2018	Western Litigation	TPA Services	\$ 49,853.84
1/17/2018	CT Corporation	Services of Process Fees	\$ 66.00
1/17/2018	CT Corporation	VT Registered Agent Service	\$ 439.00
1/17/2018	Western Litigation	TPA Services	\$ 20,000.00
1/24/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 937.50
1/24/2018	Western Litigation	TPA Services	\$ 52,462.86
1/25/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 50.00
1/31/2018	CT Corporation	Services of Process Fees	\$ 380.00
1/31/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 3,040.15
1/31/2018	Western Litigation	TPA Services	\$ 6,217.06
1/31/2018	Western Litigation	Administrative Services	\$ 1,000.00
1/31/2018	Western Litigation	Maine/Nevada Fees	\$ 489.25
2/6/2018	CT Corporation	Maine/Nevada State fees	\$ 489.25
2/6/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,237.50
3/20/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 200.00

Date	Payee/Payor	Description	Amount
3/20/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 225.00
3/20/2018	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
3/20/2018	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
3/20/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,225.00
3/20/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 2,669.33
3/20/2018	Western Litigation	ALAE -- 1.1.18 to 2.15.18	\$ 4,278.21
3/20/2018	Western Litigation	Administrative Services	\$ 1,000.00
4/20/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 200.00
4/20/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 4,775.00
4/20/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 8,418.51
4/20/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 11,781.61
4/20/2018	Western Litigation	ALAE -- 2.15.18 to 3.15.18	\$ 5,094.95
4/20/2018	Western Litigation	Administrative Services	\$ 1,000.00
6/13/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 9,737.50
6/15/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 375.00
6/15/2018	Alterna, LLC	Management Fees -- 2018	\$ 12,500.00
6/15/2018	Alterna, LLC	Management Fees -- 2017	\$ 12,500.00
6/15/2018	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
6/15/2018	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
6/15/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 3,843.98
6/15/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 2,258.25
6/15/2018	Western Litigation	Administrative Services	\$ 1,000.00
6/15/2018	Western Litigation	Administrative Services	\$ 1,000.00
7/23/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 150.00
7/23/2018	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
7/23/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,750.00
7/23/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 5,122.10
7/23/2018	Western Litigation	Administrative Services	\$ 1,000.00
Distributions 9/8/17 through 7/31/18			\$ 454,281.85

8/14/2018	Alterna, LLC	Management Fees -- 2018	\$ 12,500.00
8/14/2018	Compu-Tecs, LLC	IT/Communication	\$ 2,955.00
8/14/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 8,200.50
8/14/2018	Western Litigation	Administrative Services	\$ 1,000.00
9/20/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 412.50
9/20/2018	Compu-Tecs, LLC	IT/Communication	\$ 985.00
9/20/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,226.21
9/20/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 18,548.26
9/20/2018	Western Litigation	Administrative Services	\$ 1,000.00
10/18/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 250.00
10/18/2018	Compu-Tecs, LLC	IT/Communication	\$ 985.00
10/18/2018	Johnson Lambert & Co	Tax Return Preparation	\$ 4,500.00

Date	Payee/Payor	Description	Amount
10/18/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,175.00
10/18/2018	Western Litigation	Administrative Services	\$ 1,000.00
10/22/2018	Alterna, LLC	Management Fees – 2018	\$ 12,500.00
10/22/2018	Western Litigation	Administrative Services	\$ 1,000.00
11/20/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 175.00
11/20/2018	Compu-Tecs, LLC	IT/Communication	\$ 985.00
11/20/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,837.50
11/20/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 5,979.52
11/20/2018	Western Litigation	Administrative Services	\$ 1,000.00
12/21/2018	Abbi Smith	Vendor -- Credentialing Requests	\$ 250.00
12/21/2018	Compu-Tecs, LLC	IT/Communication	\$ 985.00
12/21/2018	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,000.00
12/21/2018	Rackemann Sawyer & Brewster	Professional Services	\$ 3,520.07
12/21/2018	Western Litigation	Administrative Services	\$ 1,000.00
1/8/2019	Alterna, LLC	Management Fees – 2018	\$ 12,500.00
1/8/2019	Compu-Tecs, LLC	IT/Communication	\$ 235.00
1/11/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 125.00
1/11/2019	Compu-Tecs, LLC	IT/Communication	\$ 750.00
1/11/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,088.50
2/12/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 150.00
2/12/2019	Compu-Tecs, LLC	IT/Communication	\$ 985.00
2/12/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,888.50
2/12/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 12,392.52
3/8/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 200.00
3/8/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 5,687.50
3/26/2019	Compu-Tecs, LLC	IT/Communication	\$ 985.00
3/26/2019	Rackemann Sawyer and Brewster	Professional Services	\$ 2,779.73
4/12/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 150.00
4/12/2019	Alterna, LLC	Management Fees – 2019	\$ 12,500.00
4/12/2019	Compu-Tecs, LLC	IT/Communication	\$ 985.00
4/12/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,950.00
5/13/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 137.50
5/13/2019	Compu-Tecs, LLC	IT/Communication	\$ 985.00
5/13/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 62.50
5/13/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 5,000.13
6/3/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 8,127.32
6/21/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,200.00
6/21/2019	Rackemann Sawyer and Brewster	Professional Services	\$ 3,888.10
6/24/2019	Compu-Tecs, LLC	IT/Communication	\$ 985.00
7/22/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 175.00
7/22/2019	Johnson Lambert & Co	Tax Return Preparation	\$ 4,600.00
7/22/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 4,800.00

Date	Payee/Payor	Description	Amount
7/22/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 6,406.20
7/29/2019	Compu-Tecs, LLC	IT/Communication	\$ 985.00
Distributions 8/1/18 to 7/31/19			\$ 186,673.06

8/21/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,775.00
8/21/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 11,641.10
8/23/2019	Alterna, LLC	Management Fee -- 2019	\$ 12,500.00
8/23/2019	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
9/23/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,712.50
9/23/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 8,801.50
9/26/2019	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
10/17/2019	Abbi Smith	Vendor -- Credentialing Requests	\$ 225.00
10/17/2019	Alterna, LLC	Management Fee -- 2020	\$ 12,500.00
10/17/2019	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
10/17/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 950.00
10/17/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 5,733.48
12/9/2019	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
12/9/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,237.50
12/9/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 14,749.65
12/23/2019	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
12/23/2019	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,125.00
12/23/2019	Rackemann Sawyer & Brewster	Professional Services	\$ 13,091.39
1/24/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
1/24/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,425.00
1/24/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 5,507.06
2/20/2020	Abbi Smith	Vendor -- Credentialing Requests	\$ 350.00
2/20/2020	Alterna, LLC	Management Fees -- 2020	\$ 1,181.25
2/20/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
2/20/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 4,412.50
2/20/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 6,152.38
3/9/2020	Leahy & Johnson, P.C.	Interim Distribution -- Class 1	\$ 2,640.00
3/30/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 985.00
3/30/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,687.50
3/30/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 6,196.38
4/15/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
4/15/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,762.50
4/15/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 2,538.20
5/21/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
5/21/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,750.00
5/21/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 8,283.10
6/18/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
6/18/2020	Johnson Lambert LLP	Tax Return Preparation	\$ 1,550.00

Date	Payee/Payor	Description	Amount
6/18/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 3,287.50
6/18/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 5,475.00
Distributions 8/1/19 to 7/31/20			\$ 158,295.49

8/4/2020	Alterna, LLC	Management Fees	\$ 810.00
8/4/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
8/4/2020	Johnson Lambert LLP	Tax Return Preparation	\$ 1,550.00
8/4/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,762.50
8/4/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 4,929.30
8/5/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,475.00
8/7/2020	Diana Glasser, MD	Interim Distribution -- Class 3	\$ 8,193.42
8/7/2020	Lubell & Rosen	Interim Distribution -- Class 3	\$ 3,962.53
8/7/2020	Manuel DelCharco, Jr., M.D.	Interim Distribution -- Class 3	\$ 42,017.08
8/7/2020	Mark Szaflarski, P.C.	Interim Distribution -- Class 3	\$ 55,000.00
8/7/2020	Morgan & Morgan	Interim Distribution -- Class 3	\$ 50,000.00
8/7/2020	Reynolds & Reynolds, P.L.	Interim Distribution -- Class 3	\$ 10,000.00
8/7/2020	Schuler, Halvorson, Weisser, Zoeller & Overbeck	Interim Distribution -- Class 3	\$ 50,000.00
8/7/2020	Silva & Silva, Esq	Interim Distribution -- Class 3	\$ 40,000.00
8/7/2020	SuSrap Song, MD	Interim Distribution -- Class 3	\$ 10,909.74
8/7/2020	Thomas M. Paris, P.C.	Interim Distribution -- Class 3	\$ 1,000.00
8/21/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
8/21/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 3,418.50
8/21/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
8/21/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 3,418.50
9/16/2020	Alterna, LLC	Management Fees	\$ 1,181.25
9/16/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
9/16/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 862.50
9/16/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 5,965.50
10/23/2020	Alterna, LLC	Management Fees	\$ 6,827.50
10/23/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
10/23/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,137.50
10/23/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 3,985.00
10/28/2020	Wells Fargo Bank	Wire Service Fee	\$ 15.00
11/16/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,212.50
11/16/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 1,779.50
12/15/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
12/15/2020	Compu-Tecs, LLC	IT/Communication Fees	\$ 725.00
12/15/2020	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 187.50
12/15/2020	Rackemann Sawyer & Brewster	Professional Services	\$ 1,292.50
2/2/2021	Alterna, LLC	Management Fees	\$ 2,500.00
2/2/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00

Date	Payee/Payor	Description	Amount
2/2/2021	Johnson Lambert LLP	Tax Return Preparation	\$ 1,600.00
2/2/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 887.50
2/2/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 732.50
2/19/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00
2/19/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 6,075.00
2/19/2021	Colling, Gilbert, Wright & Carter	Interim Distribution -- Class 3	\$ 30,000.00
2/19/2021	Driggers, Schultz & Herbst, P.C.	Interim Distribution -- Class 3	\$ 10,000.00
2/19/2021	Hesham El Mokadem, M.D.	Interim Distribution -- Class 3	\$ 38,291.51
3/25/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,212.50
3/25/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,253.75
3/25/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 7,045.50
4/30/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00
4/30/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00
4/30/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,400.00
4/30/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 5,113.11
5/21/2021	Johnson Lambert LLP	Tax Return Preparation	\$ 1,650.00
5/21/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 1,775.00
5/21/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 2,881.50
5/27/2021 ¹	Law Offices of Joseph M. Lichtenstein, P.C.	Interim Distribution -- Class 3	\$ 253,069.12
6/21/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00
6/21/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 2,787.50
6/21/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 13,650.50
6/23/2021	Wells Fargo Bank	Bank Fees	\$ 15.00
7/2/2021	NFP Management Corp.	Management Fees	\$ 2,500.00
7/2/2021	NFP Management Corp.	Management Fees	\$ 2,500.00
7/27/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 775.00
7/27/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 6,642.00
Distributions 8/1/20 to 7/31/21			\$ 716,074.81

8/12/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00
8/12/2021	Compu-Tecs, LLC	IT/Communication Fees	\$ 350.00
8/12/2021	McGrath Assoc. Claims & Risk Serv.	Claim Adjudicator Services	\$ 900.00
8/12/2021	Rackemann Sawyer & Brewster	Professional Services	\$ 2,346.55
8/12/2021	Medicare	Interim Distribution -- Class 3	\$ 8,979.10
Subsequent Activity – 8/1/21 to 8/31/21			\$ 12,925.65

¹ The Liquidator notes that this payment was shown in his last report to the Court as having been made on February 19, 2021. The change in dates is due to the operation of the Company's check writing system which withdraws funds from DSNRRG's accounts when a check is issued rather than when it is presented for payment. The system prevents overdrafts but can produce some confusion in the reporting of distributions. In this case, the February 19, 2021 check was cancelled and reissued on May 27, 2021.