

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all interested parties in accordance with the Texas Rules of Civil Procedure and TEX. INS. CODE ANN. § 443.007(d) this 15th day of June 2011.

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R-543

**Southern Star Title Company, LLC, in Receivership
Statement of Expenses**

**For Period Ending
05/31/11**

	Total March	Total April	Total May	Total Quarter
SDR				
Jennifer Ramsey, PC				
SDR	0.00	0.00	0.00	0.00
SDR	1,384.50	5,128.50	3,597.75	10,110.75
Paralegal	0.00	0.00	0.00	0.00
Attorney	0.00	0.00	0.00	0.00
Paralegal	180.00	202.50	525.00	907.50
Clerk	0.00	0.00	0.00	0.00
Expenses	32.60	26.04	256.84	315.48
Total SDR Billing	1,597.10	5,357.04	4,379.59	11,333.73
SDR Subcontractors - Legal				
Brian E Riewe, PC				
Attorney	0.00	1,755.00	315.00	2,070.00
Attorney	0.00	4,250.00	875.00	5,125.00
Paralegal	0.00	1,552.00	480.00	2,032.00
Paralegal	0.00	0.00	7.50	7.50
Attorney	0.00	0.00	0.00	0.00
Expenses		713.91	10.18	724.09
Total Billing	0.00	8,270.91	1,687.68	9,958.59
Legal Subcontractor Name				
Attorney	1,755.00	2,619.00	1,917.00	6,291.00
Attorney	1,755.00	2,619.00	135.00	4,509.00
Attorney	1,350.00	3,078.00	7,911.00	12,339.00
Attorney	450.00	0.00	945.00	1,395.00
Attorney	10,980.00	6,772.50	6,435.00	24,187.50
Paralegal	240.50	78.00	71.50	390.00
Paralegal	240.50	78.00	338.00	656.50
Expenses	0.00	10.91	651.82	662.73
Total Billing	14,775.50	12,558.41	18,404.32	50,430.73
Total Legal Subcontractors	14,775.50	20,829.32	20,092.00	60,389.32
SDR Subcontractors - Other				
Balboa Services, Ltd Co				
Accountant	773.50	1,462.00	1,198.50	3,434.00
Accountant	441.00	420.00	315.00	1,176.00
IT Administrator	100.00	100.00	100.00	300.00
Expenses	0.88	50.27	0.00	51.15
Total Billing	1,315.38	2,032.27	1,613.50	4,961.15

The Warren Group				
Accountant	0.00	675.00	0.00	675.00
Accountant	0.00	1,950.00	0.00	1,950.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	0.00	2,625.00	0.00	2,625.00
Total Other SDR Subcontractors	1,315.38	4,657.27	1,613.50	7,586.15
Receivership Service Providers				
USPS	28.00	0.00	0.00	28.00
Landtitle USA	0.00	0.00	2,500.00	2,500.00
Total Other	28.00	0.00	2,500.00	2,528.00
Liquidation Oversight Allocation				
RLO Allocation	1,265.93	1,440.91	2,128.19	4,835.03
Special Master's Fees	0.00	24.00	0.00	24.00
Total RLO & SM Expense	1,265.93	1,464.91	2,128.19	4,859.03
Total Expenses	18,981.91	32,308.54	30,713.28	86,696.23

Southern Star Title Company in Receivership - R543
Balance Sheet
As of May 31, 2011

Accrual Basis

	<u>May 31, 11</u>	
ASSETS		
Current Assets		
Checking/Savings		
Operating Account Wells Fargo	20,789.79	
Texas Treasury APF	6,128.18	
Texas Treasury Company	16,060.34	
Total Checking/Savings	<u>42,978.31</u>	
Other Current Assets		
A/R-Emp Loans Cynthia Garcia	582.00	
A/R-R Ibanez	483,816.17	1
A/R-R Ibanez (Allowance)	<u>(483,816.17)</u>	
Total Other Current Assets	<u>582.00</u>	
Total Current Assets	<u>43,560.31</u>	
Fixed Assets		
Computer Equipment	2,500.00	2
Total Fixed Assets	<u>2,500.00</u>	
TOTAL ASSETS	<u><u>46,060.31</u></u>	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable Administrative		
Liquidation Oversight	2,128.19	
SDR, Subcontractor Fees & Exp	41,858.69	
Total Accounts Payable Administrative	<u>43,986.88</u>	
LAE Other	50,426.66	
Loss Claims Guaranty Assns - 2	336,813.00	4
Other Creditors		
3 - Federal Govt Claims	128,725.99	
4 - Employee Claims	7,536.12	
5 - General Unsecured Creditors	31,551.01	
6 - State & Local Govt/Attnys	14,773.56	
7 - State/Local Govt Penalties	5,472.15	
8 - Late Filed Claims	7,253.85	
Total Other Creditors	<u>195,312.68</u>	5
Total Accounts Payable	<u>626,539.22</u>	
Other Current Liabilities		
Loan from Abandoned Prop Fund	403,000.00	3
Total Other Current Liabilities	<u>403,000.00</u>	
Total Current Liabilities	<u>1,029,539.22</u>	
Total Liabilities	<u>1,029,539.22</u>	

Equity	
Opening Balance Equity	(969,830.08)
Retained Earnings	(256,157.55)
Unassigned Funds	253,746.76
Net Income	(11,238.14)
Total Equity	<u>(983,479.01)</u>
TOTAL LIABILITIES & EQUITY	<u><u>46,060.21</u></u>

- This item represents a \$582.00 note to an employee Cynthia Garcia and a \$485,426.05 escrow shortage with the obligation going to Ibanez. An allowance has been set up for the \$485,426.05 owed by Ibanez. This amount is in litigation and
- 1 may reflect only a portion of the total due from him. This entry is based on the amount the company booked pre-receivership and the SDR is investigating the entry and the amount may subsequently be adjusted based on the results of that investigation.
 - 2 This item is an estimate of the value of computer equipment
 - 3 \$403,000 is balance of loans from abandoned property func
 - 4 This item represents payments by TTIGA on escrow Shortage These amounts relate to POC's filed and are currently being
 - 5 adjudicated They may, at this time, reflect liabilities greater than will be approved

R-543 Southern Star Title Company, LLC, in Receivership
Changes in Net Assets

For Period Ending
 05/31/11

		Qtr Ending 02/28/11	Qtr Ending 05/31/11	Change
Cash				
	Cash - Unrestricted	106,356	36,850	(69,506)
	APF Funds	6,127	6,128	1
Other Assets				
	Investments, Reinsurance, Receivables, Other Assets	3,082	3,082	0
Restricted Assets				
	Restricted Funds			0
	Total Assets	115,565	46,060	(69,505)

**R-543 Southern Star Title Company, LLC, in Receivership
Changes in Net Liabilities**

**For Period Ending
05/31/11**

		Qtr Ending 02/28/11	Qtr Ending 05/31/11	Change
	Secured Claims	24,320	24,320	0
	APF Loan	403,000	403,000	0
Administrative				
	Administrative Claims - State/Receiver	41,500	43,987	2,487
	Administrative Claims - Guaranty Assns	50,427	50,427	0
Loss Claims				
	Loss Claims & Reserves - Guaranty Assns	336,813	336,813	0
	Loss Claims & Reserves - Other			0
Other Creditors				
	Other Creditors	170,992	170,992	0
	Total Liabilities	1,027,052	1,029,539	2,487
	Total Equity/Deficit			0
	Total Liabilities & Equity	1,027,052	1,029,539	2,487

R-543 Southern Star Title Company, LLC, in Receivership
Sources & Uses of Cash

For Period Ending
05/31/11

Qtr Ending
May-11

Total Cash Receipts from Recoveries	10,010
Total Interest	2
Total Cash Receipts	10,012
Total Checks	79,517
Total Other Disbursements	0
Total Cash Distributions	79,517
Net Increase(Decrease) in Cash	(69,505)
<i>Cash at Beginning of Period</i>	112,483
<i>Cash at End of Period</i>	42,978