

Report for Special Master's Status Conference

July 30, 2019

R-558 Millennium Closing Services, L.L.C. d/b/a Millennium Title

SDR: CANTILO & BENNETT, L.L.P.
Primary Responsible Person: Susan E. Salch
Estate Counsel: Christopher Fuller
Receiver's Counsel: Kimberly M. Hammer
RLO Analyst: Vicente Aguillon

Background on Receivership

- Date of Permanent Injunction (Liquidation): January 25, 2016
- Date of Appointment of SDR: January 26, 2016
- Claims Filing Deadline: November 15, 2016
- States Where Licensed: Texas
- Lines of Business: Title Agency
- Texas Guaranty Association Triggered: Texas Title Insurance Guaranty Association ("TTIGA")
- Date of Impairment: January 25, 2016
- Early Access Distribution: March 5, 2018 \$2,794,967 interim distribution to TTIGA

Statement of Assets and Liabilities as of June 30, 2019

Total Assets:	\$1,030,479
Cash Assets:	\$ 846,113
Escrow Funds:	\$ 184,366
Non-Cash Assets:	\$ 0
Total Liabilities:	\$5,445,904
Negative Equity:	(\$4,415,425)

Asset Recovery through June 30, 2019

Premium Collected:	\$ N/A
Subrogation/Salvage:	\$ N/A
Reinsurance Collected:	\$ N/A
FF&E Sold:	\$ 11,664

Status and Activity Since Last Status Conference

Nancy Carroll Matters: Ms. Carroll continues to serve her ten-year sentence.

401(k) Plan: Dissolution documents were completed, and the 401(k) plan has been terminated. A small residual distribution will be made to one former employee and then the final Form 5500 will be filed to conclude this matter.

Tax Returns: All tax returns have been filed. The SDR anticipates filing the 2019 return at closing.

Asset Recovery Activity

Cost Sharing with TTIGA: The SDR and TTIGA continue to work under a cost-sharing agreement similar to the agreements reached in prior title agency estates.

Claims Activities

Filing Deadline: The deadline for creditors to file claims with both the SDR and TTIGA was November 15, 2016. No new claims were filed in the last quarter.

SDR Claims:

Unclaimed Escrow Funds: The SDR filed an Application to Determine Disposition of Unclaimed Escrow Funds on July 17, 2019. It is set for submission on August 5, 2019. The motion will resolve the status of \$113,071 in escrow funds for which no claim was filed with either the estate or TTIGA.

POCs: As of the date of this report, there are five unadjudicated POCs, each of which involve claims to funds held in escrow. However, the claimants have not submitted sufficient documentation of their claims and/or releases to enable the SDR to distribute the money. The SDR anticipates filing an interpleader action to resolve the claims. The funds in question are not part of the “Unclaimed Escrow Funds,” described above.

General Legal Activities

Litigation Report: There are no active lawsuits involving the SDR or Millennium Title.

Conclusion

Summary of Major Achievements:

- Filed Application to Determine Disposition of Unclaimed Escrow Funds and Bar Claims.
- Finished retirement plan distribution and dissolution documents.

Estate Goals to achieve prior to next Status Conference:

- File interpleader action to resolve remaining POCs.
- File Report of Claims.
- Federal Waiver of Claims.

Estimated Closing Date of Receivership: Fall 2019

Identification of Factors Affecting Closing Date and Final Distribution:

- Interpleader of Remaining POCs
- Resolving any POC Appeals
- 2019 Tax Return
- Federal Waiver of Claims