

Report for Special Master's Status Conference

August 4, 2023

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: David Carbajal

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: March 5, 2018, \$2,794,967 interim distribution to TTIGA
- Order Granting SDR's Application to Make Final Distribution and Destroy Records ("Distribution Order"): February 16, 2022

Statement of Assets and Liabilities as of June 30, 2023

Total Assets:	\$ 750,247
Cash Assets:	\$ 734,443
Segregated Funds:	\$ 15,804
Total Liabilities:	\$5,273,890
Negative Equity:	(\$4,523,643)

Asset Recovery through June 30, 2023

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

Status and Activity Since Last Status Conference

Estate Termination and Closing: In mid-July 2023, the IRS finally confirmed that it had “accepted” the estate’s 2016 return. The SDR anticipates submitting the Closing Application and exhibits for the Receiver’s consideration during the first week of August.

Nancy Carroll: Ms. Carroll remains in prison. In early May, the SDR was notified that the annual parole review process for Ms. Carroll will begin soon. The SDR wrote to the Texas Department of Criminal Justice once again opposing her release based on a complete lack of remorse and total failure to pay a cent of the required restitution that was part of her plea agreement. The Department’s web site states that she will be reviewed for parole in September 2023. The SDR believes that TTIGA has also submitted a letter opposing her release. If not paroled from state prison, her release date remains November 28, 2027.

Closing Document Handling: With the exception of the records that go to TDI at closing and the materials needed to close the estate, the SDR has caused the destruction of all other documents, materials, and data pursuant to the authorization in the Distribution Order. All hard drives have been recovered from the estate’s IT vendor, Willowbend, and have been destroyed.

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. As of the date of this report, TTIGA is current with its obligations.

Claims Activities

Unclaimed Escrow Funds: Pursuant to the Distribution Order, all funds remaining in the escrow account have been distributed to TTIGA or transferred to the Commissioner as unclaimed funds. The escrow account was closed at the end of July 2023.

General Legal Activities

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

Conclusion

Summary of Major Achievements:

- IRS acceptance of 2016 federal tax return.

Estate Goals to Achieve Prior to next Status Conference:

- File 2023 federal tax return.
- File for prompt assessments of the 2016, 2020, 2021, 2022, and stub 2023 returns.

- File Closing Application.

Estimated Closing Date of Receivership: Subject to IRS action, late 2023.

Factors Affecting Closing Date and Final Distribution:

- Timing of submission and approval of Closing Application.
- Filing final tax return and requests for prompt assessment.