



QUARTERLY PLAN REPORT - 1ST QUARTER 2012

Quarter Ending: 03/31/2012

Checking Account Balance (at 12/31/2011)	\$	616,855
Money Market Account Balance (at 12/31/2011)		22,176,969
Cash Election Entitlement Segregated Account Balance (at 12/31/2011) ⁽¹⁾		-
TOPRS Holdback Reserve Account Balance (at 12/31/2011) ⁽¹⁾		-
CASH AT 12/31/2011	\$	22,793,824

EXPENSES OF THE ESTATE (01/01/2012 THRU 03/31/2012)

LESS Administrative Claims paid	(935,233)
LESS Distributions made during 1Q 2012	(1,031,807)
LESS expenses relating to Plan administration (includes litigation items)	(744,247)
LESS fees and expenses of Creditors' Designee	(15,000)
LESS fees and expenses of Debtor Designee	-
EXPENSES OF THE ESTATE	(2,726,287)

INCOME OF THE ESTATE (01/01/2012 THRU 03/31/2012)

PLUS cash proceeds from loan participation	557,685
PLUS cash proceeds from Causes of Action	-
PLUS cash proceeds from Litigation Trust	-
PLUS retainer and unused insurance premium reimbursements	47,759
PLUS interest earned on accounts held by Debtor	12,506
ADDITIONS TO ESTATE CASH	617,950
FREE CASH - SUBTOTAL	\$ 20,685,487

RESERVES AND OTHER REDUCTIONS TO ESTATE CASH (01/01/2012 THRU 03/31/2012):

Administrative Claims Outstanding	\$	-
Holdback to Administer and Implement Plan ⁽²⁾		(9,337,955)
Disputed Claims Reserve Account ⁽³⁾		-
TOPRS Holdback Reserve Total ⁽⁴⁾		(5,853,701)
Cash Election Entitlement Segregated Account ⁽⁵⁾		(185,871)
RESERVES AND OTHER REDUCTIONS TO ESTATE CASH	\$	(15,377,527)
FREE CASH AT 03/31/2012		5,307,960

EXPENSES ALLOCABLE TO EQUITY ELECTEES ONLY (01/01/2012 THRU 03/31/2012)

LESS miscellaneous business expenses ⁽⁴⁾	\$	(55,706)
EXPENSES ALLOCABLE TO EQUITY ELECTEES	\$	(55,706)

INCOME ALLOCABLE TO EQUITY ELECTEES ONLY (01/01/2012 THRU 03/31/2012)

PLUS interest earned and allocable to equity holders and misc. income	\$	10,205
INCOME ALLOCABLE TO EQUITY ELECTEES	\$	10,205
NET FREE CASH AT 03/31/2012		5,262,459
Total Cash Balance at 03/31/2012 (All Accounts)	\$	20,639,986



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- ⁽¹⁾ The TOPrS Holdback Reserve Account and the Cash Election Entitlement Segregated Account were opened and originally funded during the 1st Quarter of 2012. No balance was held in these accounts at 12/31/2011.
- ⁽²⁾ An amount determined to be necessary for the implementation and administration of the Plan was established and set aside at the effective date. Moving forward from the effective date the Holdback to Administer and Implement the Plan is reduced by expenses of the estate, which are any expenses relating to the implementation and administration of the Plan. The Administrative Claims do not act to reduce the Holdback to Administer and Implement the Plan as these claims were in place prior to the effective date, were budgeted for separately and are, therefore, not considered Plan implementation expenses.
- ⁽³⁾ All disputed claims were resolved prior to the end of the 4th Quarter 2011. Therefore, the Disputed Claims Reserve Account holds a zero (0) balance.
- ⁽⁴⁾ Once a Final Order is entered in the FDIC Causes of Action adjudicating the parties' respective rights to the disputed tax refunds that are the subject thereof, and once a Final Order is entered adjudicating whether or not any FDIC Non-Priority Claim, is such a Claim is Allowed, is contractually senior to the Allowed TOPrS Unsecured Claims pursuant to the TOPrS Indentures, then the funds in the Holdback Reserve shall be distributed to or for the benefit of various Holders of Allowed TOPrS Unsecured Claims and/or Allowed Other Unsecured Claims in accordance with the terms of such Final Order(s) and the Plan.
- ⁽⁵⁾ A pro-rata portion of "Additions to Estate Cash" is deposited into the Cash Election Entitlement Segregated Account ("CEESA") to be distributed to the TOPrS and General Unsecured Creditors that elected cash. The remainder flows into Net Free Cash. Interest earned on any balance held for distribution in the Cash Election Entitlement Segregated Account is allocable to cash electees only and cannot be considered as part of the Free Cash balance or Net Free Cash balance of the Estate. Therefore, the interest earned in the Cash Election Entitlement Segregated Account is not included in the reserve balance reported here. The Cash Election Entitlement Segregated Account earned \$.05 in interest during Q1 2012.



STATUS OF LITIGATION INVOLVING MATERIAL CAUSES OF ACTION

The Company is currently involved in two related cases pending before Chief Judge Holderman of the United States District Court of the Northern District of Illinois. The cases were previously pending before Judge Hibbler, who passed away unexpectedly earlier this year. The first case, Corus Bankshares, Inc. v. FDIC, Docket No. 10-5654, is a declaratory judgment action filed by the Company, which asks the Court to declare the Company, and not the FDIC, as the Receiver for Corus Bank, the owner of certain tax refunds that are currently being held in escrow. The amount of tax refunds in dispute is over \$265 million.

The FDIC has filed an answer to the Company's complaint, and the parties are currently engaged in fact discovery. The second case, Corus Bankshares, Inc. v. FDIC, Docket No. 11-53, is an appeal of the FDIC's denial of the Company's Proof of Claim the Company submitted in the FDIC's receivership of Corus Bank, N.A., which involves the same tax refunds at issue in Docket No. 10-5654, as described above.

The FDIC has also filed an answer to the Company's appeal in this matter, and the parties are currently engaged in fact discovery. The fact discovery period for both cases has been extended to November 2, 2012, and motions for summary judgment are due December 7, 2012.

The Company is also involved in a contested matter before Judge Hollis of the United States Bankruptcy Court. In this matter, the FDIC has argued that, even if the disputed tax refunds (discussed above) are property of the Company's bankruptcy estate, the majority of other unsecured creditors against the estate (made up primarily of the holders of certain trust originated preferred securities) are contractually subordinated to the claims of the FDIC. Thus, the FDIC contends that any claim it has in the disputed tax refund must be paid in full before any distribution can be made by the estate to the remaining unsecured creditors.

The FDIC has filed a motion in support of the position to which the Company has filed an initial response. The following schedule has been set for this matter: (i) fact discovery closed on June 1, 2012; (ii) disclosure of non-rebuttal experts and reports, June 25, 2012; (iii) disclosure of rebuttal experts and reports, July 11, 2012; (iv) supplemental expert reports, July 18, 2012; (v) close of expert discovery, August 8, 2012; (vi) parties exchange exhibits, August 20, 2012; (vii) pre-trial briefs and motions in limine, August 30, 2012; (viii) file exhibits and objections, September 6, 2012; (ix) hearing, September 13-14, 2012.