

## **INDEPENDENT TRUST CORPORATION INITIAL INVESTIGATION OF RECEIVER**

### **Summary Program**

As part of the Initial Investigation, the Receiver utilized the following program in performing limited inquiry into the existence and valuation of assets and liabilities reported in the Intrust TMAS system as of March 31, 2000.

#### **I. BONDS**

- A. Obtain TMAS reports indicating total bonds broken down into the following categories:
  - 1. U.S. Gov't and Agency Obligations
  - 2. Bonds – GNMA
  - 3. U.S. Treasury Bills
  - 4. U.S. Treasury Bonds
  - 5. U.S. Treasury Notes
  - 6. State County and Municipal Obligations
  - 7. Other Obligations – Other
  - 8. Convertible Bonds
  - 9. Corporate Bonds/Zero Coupon Debentures
  - 10. Miscellaneous Bonds
- B. Formulate sample of accounts to be analyzed from each category above
- C. Obtain 3<sup>rd</sup> party statements from files of Intrust agreeing CUSIP, Client, Brokerage/Money Manager, shares and market value.
- D. Utilize analysis from Vault inventory count.
- E. Obtain explanation for any variation in items analyzed in C.
- F. Quantify total coverage based upon dollars sampled to total in sample.

#### **II. STOCKS**

##### STOCKS

- A. Obtain TMAS report indicating total Stocks inclusive of the following categories:
  - 1. Common Stocks-Other
  - 2. N/A on Price - Stocks
  - 3. Automotive
  - 4. Beverages
  - 5. Chemicals
  - 6. Drugs
  - 7. Electrical
  - 8. Electronics
  - 9. Metal Products
  - 10. Oil, Gas and Coal
  - 11. Recreation

12. Tobacco
  13. Utility
  14. Closely Held Stocks
  15. Foreign Stocks
- B. Formulate sample of accounts to be analyzed from the total of the categories above
- C. See I., C. through F.

### **Mutual Funds**

#### Investment Advisor Accounts

- A. Obtain TMAS report indicating total brokerage accounts by money manager, fund name, account, investment manager, cusip, dollar amount and shares inclusive of the following categories:
1. Mutual Funds
  2. Mutual Funds – G&I
  3. Mutual Funds – Income Funds
  4. Mutual Funds REIT Funds/UIT
  5. Mutual Funds – Mutual Funds – Tax Exempt
  6. Mutual Funds – Money Market
- B. See II. B for Stocks.
- C. See I., C. through F.
- D. Trace balances shown on third party statements to balances shown in the TMAS system

#### Non Investment Advisor Accounts

- A. Obtain TMAS report indicating total brokerage accounts by money manager, fund name, account, investment manager, cusip, dollar amount and shares inclusive of the following categories:
1. Mutual Funds
  2. Mutual Funds – G&I
  3. Mutual Funds – Income Funds
  4. Mutual Funds REIT Funds/UIT
  5. Mutual Funds – Mutual Funds – Tax Exempt
  6. Mutual Funds – Money Market
- B. See II. B. for Stocks
- C. See I., C. through F.

### **Preferred Stock, Preferred Stock-convertible and Warrants/Rights**

- A. Obtain TMAS report indicating totals broken down into the following categories:
1. Preferred Stock
  2. Preferred Stock – Convertible

- 3. Warrants/Rights
- B. See II. B. for Stocks
- C. See I., C. through F.

**III. REAL ESTATE**

- A. Obtain TMAS report indicating total real estate holdings inclusive of the following accounts:
  - 1. Real Estate – Land Contracts
  - 2. Real Estate – Mortgages
  - 3. Real Estate – Second Mortgages
  - 4. Real Estate – Notes
  - 5. Real Estate – Property Owned
  - 6. Real Estate – Property Owned – Business
  - 7. Real Estate – Property Owned - Rental
- B. See II. B. for Stocks
- C. Obtain 3<sup>rd</sup> party valuations from files of Intrust noting value and date of valuation.
- D. See I., E. through F.

**IV. BANK ACCOUNTS**

- A. Obtain TMAS report indicating total brokerage accounts inclusive of the following asset types:
  - 1. Escrow Accounts
  - 2. Time Deposits – Certificates of Deposit
  - 3. Money Market Funds – Bank
  - 4. Brokerage Cash Account
- B. See II. B. for Stocks
- C. Obtain 3<sup>rd</sup> party statements from files of Intrust agreeing Client, Brokerage/Money Manager, shares and market value.
- D. See I., D. through F.

**V. MISCELLANEOUS**

Categories:

- 1. Annuity/Life Insurance
- 2. Limited Partnerships / Limited Liability Corporations
- 3. Futures/Commodities
- 4. Viaticals
- 5. Liabilities Payable
- 6. N/A on Price – Misc.
- 7. Miscellaneous
- 8. Tax Lien Certificates
- 9. Promissory Notes

- A. Obtain TMAS report indicating total account, broker (if applicable), dollar amount and shares (if applicable)
- B. Formulate sample of accounts to be tested
- C. Obtain 3<sup>rd</sup> party statements, corroborating documents or valuation from files of Intrust agreeing items such as CUSIP, Client, Brokerage/Money Manager, shares, valuation date and market value.
- D. See I., D. through F.

**VI. ALLOCATION OF ASSETS**

- A. Obtain TMAS report indicating individual asset holdings at March 31, 2000
- B. Choose five random assets
- C. Obtain 3<sup>rd</sup> party statements corroborating total individual asset holding across all applicable accounts at Intrust.
- D. See I., D. through F.

**VII. LIMITED ANALYSIS AT APRIL 30, 2000**

- A. Obtain all available third party statements for Futures, Brokerage and Mutual Funds received by Intrust relating to April 30, 2000 balances.
- B. Record CUSIP, number of shares held, asset name and market value from third party statement
- C. Compare recorded data to April 20, 2000 TMAS file generated by Intrust.
- D. Obtain explanation for any variation in items analyzed in C.
- E. Quantify total coverage