

CHAPTER 7 CASE STATUS REPORTS

Affirmative Insurance Holdings:

These cases are jointly administered under Case No. 15-12136 pursuant to the Bankruptcy Court's Order dated October 19, 2015 (DI 38). Pursuant to the Order dated July 11, 2016 (DI 439), the Trustee released any interest in the funds held in the DACA Account 2 in exchange for JC Flowers' and related entities' ("JCF") release of their security interest in all other assets of the estate including, without limitation, the Hallberg judgment, the DACA 1 Account and the professional fee retainers, plus payment from the proceeds of JCF's litigation recovery from the DACA 2 Account, if any, equal to \$250,000.00 plus 1% of the net recovery. The Trustee is investigating the status of all assets as of the conversion date and potential litigation claims.

For the Reporting period ending December 31, 2016, the Trustee is continuing to investigate the status of all assets as of the conversion date and potential litigation claims. The Trustee is in the process of retaining special counsel with respect to potential litigation claims.

E. Car Auctions:

The Order for Relief in this involuntary case was entered on November 23, 2015 (DI 9).

The Trustee has completed the sale of substantially all of the hard assets of the Debtor's business, including vehicle inventory and equipment. The Trustee is no longer incurring administrative expenses for rent. The Trustee is in the process of negotiating buyouts of the vehicle rent-to-own contracts with the customer/contract counterparties. The Trustee is researching and investigating assets including, without limitation, potential causes of action.

For the Reporting Period ending June 30, 2016, the Trustee has completed the process of rent-to-own vehicle buyouts. The Trustee is attempting to negotiate a resolution of disputes with a secured lender. The Trustee is continuing to research assets, including without limitation, accounts receivables and potential causes of action. To date, Schedules and Statement of Financial Affairs have not been filed. The Trustee obtained an Order dated March 18, 2016 (DI 75) directing the Debtor or the Debtor's principal, Ed Stevenson, to prepare and file such documents. The Trustee anticipates that such documents will be completed and filed during the next reporting period. The Trustee may become aware of additional assets and potential litigation claims as a result thereof.

For the Reporting period ending December 31, 2016, the Debtor filed Schedules and Statement of Financial Affairs on December 30, 2016. The Trustee is in the process of finalizing an agreement with the Debtor's secured lender, after approval of which the Trustee believes he will be in a position to prepare his TFR.

Pennysaver USA Publishing:

This is the lead case under the Joint Administration Order entered on July 8, 2015 for affiliated cases: Pennysaver USA, LLC, Case No. 15-11196, Pennysaver USA Printing, LLC, Case No. 15-11197, Monthly Mailer, LLC, Case No. 15-11199 and Orbiter Properties, LLC, Case No. 15-11200.

The Trustee is researching/reviewing assets, including potential causes of action. The Trustee has obtained entry of an order approving the retention of a professional to collect accounts receivables, which is in process, and has filed with the Court a motion to approve the retention of professionals to sell the assets of the estate. The Trustee is continuing to pay insurance, rent and security services on behalf of the estate during the sale process pursuant to a cash collateral order entered by the Court on July 23, 2015.

On Form 1, Columns 3 and 6 incorrectly list the scheduled values for all assets. The Column 3 value for each asset should be five (5%) percent of the scheduled value. This value is an estimate based on the fact that (1) the Debtors' senior lender, Capital One Bank ("Capital One"), has a duly and properly perfected first priority security interest in substantially all of the assets of the Debtors, (2) the amount of the debt owed to Capital One exceeds the aggregate value of the assets of the Debtors' estates and (3) the Trustee and Capital One reached an agreement that was approved by the Bankruptcy Court by its order entered on July 23, 2015 [Docket No. 79] (the "Cash Collateral Order") that provides, among other things, for the division of the net proceeds of the liquidation of the assets of the Debtors' estates, after payment of all administrative and other claims in accordance with the Cash Collateral Order, ninety (90%) percent to Capital One and ten (10%) to the Debtors' estates. Because the assets have not yet been fully liquidated, and the total amount of administrative and other claims to be paid in accordance with the Cash Collateral Order are not yet determined, the Trustee cannot yet determine the value of any asset to this Debtor's estate with precision, but it is clear that the value will be less than ten (10%) percent of the scheduled value. Accordingly, the Trustee estimates that the value of each asset for purposes of Column 3 may reasonably be expected to be approximately five (5%) percent of the scheduled value, subject to further investigation, review and analysis. Column 6 will be updated on my next TIR.

During the July 1, 2015 through December 31, 2015 reporting period, the Trustee through his Court appointed auctioneer completed the sale of substantially all the assets of the Debtors. The Trustee is no longer incurring administrative claims for rent, insurance, security services, and related expenses. The Trustee through his Court approved collection agent, is continuing to collect accounts receivables. The Trustee is continuing to research and review potential assets, including potential causes of action. The Trustee intends to meet with the secured lender with regard to a budget for investigating and pursuing causes of action including, without limitation Chapter 5 causes of action, D&O claims, collection actions regarding accounts receivables, and related causes of action.

For the Reporting Period ending June 30, 2016, the Trustee, through his Court appointed collection agent, is continuing to collect A/R and identifying certain accounts regarding which collection litigation should be commenced. The Trustee has obtained the secured lender's agreement to a limited budget for preliminary investigation regarding potential causes of action including, without limitation, Chapter 5 causes of action, D&O claims, collection actions regarding A/R, and related causes of action. The Trustee is investigating such potential claims. To date, the Trustee has paid Capital One \$2,660,000.00 pursuant to the Bankruptcy Court's Order dated July 23, 2015 (DI 79).

For the Reporting period ending December 31, 2016, the Trustee, through his Court appointed collection agent, is continuing to collect A/R and identifying certain accounts regarding which collection litigation should be commenced. The Trustee anticipates commencing such collection litigation during the next reporting period. The Trustee is continuing his investigation of potential causes of action including, without limitation, Chapter 5 causes of action, D&O claims, collection actions regarding A/R, and related causes of action. The Trustee has obtained an Order from the Court (DI 235, entered January 25, 2017) regarding Rule 2004 examination of OpenGate Capital, the Debtors' parent company, that is significant to the Trustee's evaluation of such claims. To date, the Trustee has paid Capital One \$2,660,000.00 pursuant to the Bankruptcy Court's Order dated July 23, 2015 (DI 79).

Nuclea Biotechnologies:

For the Reporting period ending December 31, 2016, the Trustee secured the corporate assets and books and records of the Debtor. The Trustee investigated the value of the debtor's IP assets and obtained a Court Order (DI 43) regarding the sale of such assets. The Trustee is investigating potential causes of action. The Debtor's parent company asserts a senior secured lien on all the assets of the debtor and the Trustee disputes such lien. The Trustee has retained professionals with respect to the foregoing. A motion to transfer venue is pending before the Court.

Ocimum Biosolutions:

CONSISTENT WITH THE COURT'S ORDER ENTERED NOVEMBER 13, 2015 (DI 326), THE TRUSTEE SOLD THE ESTATE'S INTEREST IN CERTAIN PATENTS TO THE DEBTOR'S PARENT COMPANY, OCIMUM BIOSOLUTIONS (INDIA) LIMITED IN EXCHANGE FOR 40% OF THE NET PROCEEDS OF CERTAIN LITIGATION COMMENCED BY THE PARENT COMPANY WITH RESPECT TO THE PATENTS IN WHICH DAMAGES IN EXCESS OF \$30 MILLION ARE CLAIMED. THE TRUSTEE IS MONITORING THE LITIGATION. THE TRUSTEE IS INVESTIGATING THE VALUE OF THE PATENTS THAT WERE NOT SOLD TO THE PARENT COMPANY.

FOR THE REPORTING PERIOD ENDING JUNE 30, 2016, THE TRUSTEE IS CONTINUING TO MONITOR THE PENDING LITIGATION AND IS INVESTIGATING THE POTENTIAL VALUE OF UNSOLD PATENTS THAT THE TRUSTEE IS INFORMED MAY HAVE BEEN ABANDONED AND/OR LAPSED. ALL ASSETS OF THE ESTATE ARE SUBJECT TO SENIOR LIEN OF SUNTRUST BANK IN THE AMOUNT NO LESS THAN \$2.57 MILLION AND THE JUNIOR LIEN OF KUBERA CROSS-BORDER FUND L.P. IN THE AMOUNT NO LESS THAN \$2.8 MILLION. REGARDING THE PENDING LITIGATION, ORAL ARGUMENT WAS HELD ON A MOTION TO DISMISS ON JULY 22, 2016 AND THE MATTER IS UNDER ADVISEMENT.

FOR THE REPORTING PERIOD ENDING DECEMBER 30, 2016, THE TRUSTEE IS CONTINUING TO MONITOR THE PENDING LITIGATION AND IS INVESTIGATING THE POTENTIAL VALUE OF UNSOLD PATENTS THAT THE TRUSTEE IS INFORMED MAY HAVE BEEN ABANDONED AND/OR LAPSED. THE COURT RULED ON THE MOTION TO DISMISS GRANTING THE MOTION IN PART AND DENYING THE MOTION IN PART. DISCOVERY IS ONGOING.

Paris Precision/Shark Rack:

For the Reporting period ending December 31, 2016, the Trustee is investigating the value of accounts receivables and potential causes of action. The Trustee has retained professionals with respect to the same. The Debtors' senior secured lender holds a lien on all assets with the exception of the potential causes of action.

River City Recycling:

At the commencement of the case, Materials Management & Recycling ("MMR") was operating the business of the Debtor on the Debtor's leasehold. The Trustee sought and obtained a TRO with respect to MMR's business operations. Thereafter, the Trustee and MMR entered into a settlement agreement pursuant to which the Trustee sold to MMR certain operating assets of the Debtor for \$100,000.00 and obtained a complete release of any and all landlord claims against the estate, among other agreements. See Order dated 4/11/16 at DI 30. As of June 30, 2016, the Trustee has collected \$32,500.00. The Agreement provides for monthly payments of \$7,500.00 through February, 2017. In addition to collecting such payments, the Trustee is investigating accounts receivables and potential claims including, without limitation, claims under Article 9 of the UCC and/or Chapter 5 of the Bankruptcy Code against affiliates of the Debtor and a secured equipment lender.

For the Reporting period ending December 31, 2016, the Trustee is continuing to collect payments pursuant to agreement with MMR. To date the Trustee has collected \$70,000.00. The Trustee is continuing to investigate accounts receivable and potential litigation claims.

SLJ Trucking:

For the Reporting period ending December 31, 2016, the Trustee secured the debtor's corporate assets and books and records. The Trustee obtained an Order to sell the 2007 Peterbilt Truck (DI 37). The Trustee is investigating the value of potential assets and causes of action. The Trustee has retained professionals with respect to the same.