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IN THE CHANCERY COURT OF THE STATE OF TENNESSEE  
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY Dav. Co. Chancery Court

LESLIE A. NEWMAN, )  
Commissioner of the Tennessee )  
Department of Commerce and Insurance, )  
 )  
Petitioner, )  
 )  
v. )  
 )  
NATIONAL FOUNDATION OF )  
AMERICA, a Tennessee corporation, )  
RICHARD K. OLIVE, an individual, )  
SUSAN L. OLIVE, an individual, )  
BREANNA MCINTYRE, an individual, )  
 )  
Respondents. )

*NE*  
No. 07-1163-IV

*[Signature]*  
DAVIDSON CO. CHANCERY CT  
CLERK & MASTER  
2008 NOV 24 AM 10:30  
FILED  
D.C.M.

**ORDER APPROVING SECOND PARTIAL INTERIM DISTRIBUTION TO CLASS 2 CLAIMANTS**

Leslie A. Newman, Commissioner of the Department of Commerce and Insurance and Liquidator for National Foundation of America ("NFOA"), by her Special Deputy Liquidator Paul Eggers, filed a Motion for an Order approving a second partial interim distribution to Class 2 claimants on November 7, 2008. There has been no filing of opposition to this motion pursuant to Rule 26.04 (d) and (e) of the Local Rules of Practice. Based upon the Court's review of the Motion and Affidavit of Paul Eggers and its accompanying exhibits, the Court finds that:

1. As of October 31, 2008, the NFOA estate has \$3,798,596.24 available in cash assets for distribution.
2. The total amount of all remaining, unpaid Class 2 claims after the first partial interim distribution is approximately \$6,796,443.29.

3. The Liquidator's request, pursuant to Tenn. Code Ann. § 56-9-332, to distribute \$2,718,577.30 to Class 2 claimants by making a pro rata partial interim distribution at the rate of an additional 14% of the approved total claim amount as set forth in Exhibit 1 to the Special Deputy Liquidator's Affidavit, which is attached hereto and incorporated by reference herein, should be approved. Upon receipt of the proposed second partial interim distribution, each Class 2 claimant will have received a 79% pro rata payment of the total approved claim amount.

4. The proposed second partial interim distribution ensures that each Class 2 claimant will receive the same pro rata distribution and that no subclasses will be created within Class 2 as required by Tenn. Code Ann. § 56-9-330.

5. After making the second partial interim distribution, NFOA will have remaining cash assets totaling approximately \$1,080,018.94.

6. The Liquidator's request to stay the second partial interim distribution in the amount of \$6,826.83 on the Baconrind claim and to maintain this amount as a separate entry on the NFOA financial reports until the Liquidator's demand for disgorgement of commissions improperly paid to Thomas S. Baconrind is resolved should be approved.

7. In the future, when the Liquidator determines that either all of the available estate assets have been marshaled or that the costs of continuing to marshal any additional assets are greater than any additional assets that might be recovered, the Liquidator will seek an order to make a final distribution from the estate assets.

Accordingly, the instant Motion is hereby APPROVED and the Court hereby ORDERS the following:

1. Pursuant to Tenn. Code Ann. § 56-9-332, the Liquidator shall distribute \$2,718,577.30 of NFOA's assets to pay remaining Class 2 claims totaling \$6,796,443.29, by

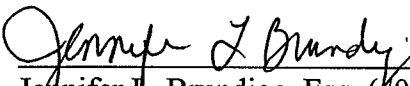
making a pro rata partial interim distribution at the rate of an additional 14% of the approved total claim amount as set forth in the column "Proposed Second Interim Distribution at 14%" of Exhibit 1 to the Special Deputy Liquidator's Affidavit.

2. The Liquidator is authorized to stay the second partial interim distribution in the amount of \$6,826.83 on the Baconrind claim and to maintain this amount as a separate entry on the NFOA financial reports, not to be included in the amount of cash assets available for future distribution, until the Liquidator's demand for disgorgement of commissions improperly paid to Thomas S. Baconrind is resolved.

IT IS SO ORDERED, this the 24<sup>th</sup> day of November 2008.

  
\_\_\_\_\_  
CHANCELLOR RUSSELL PERKINS

Approved for entry by:

  
\_\_\_\_\_  
Jennifer L. Brundige, Esq. (#020673)  
FARMER & LUNA, PLLC  
333 Union Street, Suite 300  
Nashville, TN 37201  
(615) 254-9146  
*Special Counsel to Liquidator*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and exact copy of the foregoing has been forwarded via U.S. Mail, postage pre-paid, to the parties and interested entities listed below on this the 18th day of November, 2008.

Sarah Hiestand, Esq.  
Lyndsay Fuller, Esq.  
Laura T. Kidwell, Esq.  
Office of the Attorney General and Reporter  
P.O. Box 20207

Nashville, TN 37202-0207

Robert M. Garfinkle, Esq.  
Garfinkle, McLemore & Walker, PLLC  
2000 Richard Jones Rd., Suite 250  
Nashville, TN 37215-8249  
*Special Counsel to Liquidator*

H. Richard Bisbee (Class 5 Claimant)  
Bill Reeves  
H. Richard Bisbee, P.A.  
1882 Capitol Circle N.E., Suite 206  
Tallahassee, FL 32308  
*Attorneys for Creditor H. Richard Bisbee, P.A.*

David H. King  
King, Turnbow and Brisby  
203 Third Avenue South  
Franklin, TN 37064  
*Attorney for Richard and Susan Olive and King, Turnbow, and Brisby*

Phillip G. Young, Jr.  
T. Stephen C. Taylor  
Bass, Berry & Sims, PLC  
315 Deaderick Street, Suite 2700  
Nashville, TN 37238-3001  
*Attorneys for American Equity Investment Life Insurance Company*

Thomas Baconrind (agent)  
1212 Davis Court  
El Dorado, KS 67042

Breanna McIntyre (Class 4 Claimant)  
8658 Gauphin Place  
Nashville, TN 37211

Kenneth Marks (Class 4 Claimant)  
439 Essex Park Circle  
Franklin, TN 37069

American Equity Investment Life Insurance Company (Class 5 Claimant)  
5000 Westown Parkway, Suite 440  
West Des Moines, IA 50266-3589

CIT Technology Financing Service, Inc. (Class 5 Claimant)  
c/o Weltman Weinberg & Reis Co.

175 S. Third Street, Suite 900  
Columbus, OH 43215

Kaufman & Canoles, P.C. (Class 5 Claimant)  
P.O. Box 3037  
Norfolk, VA 23514-3037

Locke Lord Bissell & Liddell LLP (Class 5 Claimant)  
111 South Wacker Drive  
Chicago, IL 60606

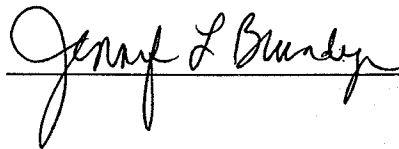
Mercedes Benz Financial (Class 5 Claimant)  
4600 Touchton Rd., Bldg. 200  
Suite 400  
Jacksonville, FL 32246

Summit Business Media, LLC (Class 5 Claimant)  
6000 Lombardo Ctr., Suite 420  
Seven Hills, OH 44131

Toyota Financial Services (Class 5 Claimant)  
P.O. Box 5236  
Carol Stream, IL 60197-5236

City of Franklin, TN (Class 6 Claimant)  
109 Third Ave. S., Suite 143  
Franklin, TN 37064

And all of the Class 2 Claimants Listed on Exhibit 1 to P. Eggers' Affidavit whose addresses are filed with the Court under seal.

  
\_\_\_\_\_

National Foundation of America in Liquidation  
Exhibit 1 - Schedule of Proposed Second Interim Distribution to only Class 2 claimants

Claimant	Address	City, State Zip	Total claim	First Interim Distribution at 65%	Total claim less First Interim Distribution	Proposed Second Interim Distribution at 14%	Balance of Total claim less First and Second Interim Distribution
Agnes J. Burns			\$316,706.63	\$205,859.31	\$110,847.32	\$44,338.93	\$66,508.39
Alethea S. Landin			\$81,312.40	\$52,853.06	\$28,459.34	\$11,383.74	\$17,075.60
Alexander & Helen Klimash			\$98,727.68	\$64,172.99	\$34,554.69	\$13,821.88	\$20,732.81
Alfred H. Kruse			\$73,156.29	\$47,551.59	\$25,604.70	\$10,241.88	\$15,362.82
Alice Whitehead			\$157,041.98	\$102,077.29	\$54,954.69	\$21,985.88	\$32,978.81
Allen Kerr			\$25,574.83	\$16,623.64	\$8,951.19	\$3,580.48	\$5,370.71
Ambrose H. Hellmann			\$15,068.20	\$9,794.33	\$5,273.87	\$2,109.55	\$3,164.32
Arnie D. Johnson			\$64,213.43	\$41,738.73	\$22,474.70	\$8,989.88	\$13,484.82
Asher & Mildred Schanck			\$55,911.02	\$36,342.16	\$19,568.86	\$7,827.54	\$11,741.32
Audrey D. Sivula			\$90,359.34	\$58,733.57	\$31,625.77	\$12,650.31	\$18,975.46
Audrey J. Piel Revocable Trust			\$20,992.82	\$13,645.33	\$7,347.49	\$2,938.99	\$4,408.50
Beatrice K. Harpt			\$25,018.73	\$16,262.17	\$8,756.56	\$3,502.62	\$5,253.94
Bernard J. Boudreau			\$20,000.00	\$13,000.00	\$7,000.00	\$2,800.00	\$4,200.00
Bernice Cooper			\$228,284.44	\$122,922.39	\$62,963.99	\$49,168.96	\$73,753.43
Betselane W. Sullivan			\$85,453.65	\$55,546.17	\$29,909.48	\$11,963.79	\$17,945.69
Boyd W. Werner			\$86,584.24	\$56,279.76	\$30,304.48	\$12,121.79	\$18,182.69
Bruce K. Bakalan			\$35,908.21	\$23,340.34	\$12,567.87	\$5,027.15	\$7,540.72
Carl J. & Karan K. Mefford			\$48,660.70	\$31,629.48	\$17,031.24	\$6,812.50	\$10,218.74
Carol E. Johnson			\$14,999.56	\$9,749.71	\$5,249.85	\$2,099.94	\$3,149.91
Catherine M. Chardon			\$326,541.95	\$212,252.27	\$114,289.68	\$45,715.87	\$68,573.81
Cathy Carter			\$59,730.99	\$38,825.14	\$20,905.85	\$8,362.34	\$12,543.51
Cecile A. Maltels			\$94,080.59	\$61,152.38	\$32,928.21	\$13,171.28	\$19,756.93
Charles M. Martinaitis			\$210,556.17	\$136,861.51	\$73,694.66	\$29,477.86	\$44,216.80
Clarence Walters			\$44,103.84	\$28,687.50	\$15,436.34	\$6,174.54	\$9,261.80
Curtis H. Wilson			\$16,978.08	\$11,035.75	\$5,942.33	\$2,376.93	\$3,565.40
Daina J. Mahar			\$175,632.36	\$114,161.03	\$61,471.33	\$24,588.53	\$36,882.80
Daniel Olin Atkinson			\$371,522.05	\$241,489.33	\$130,032.72	\$52,013.09	\$78,019.63
Darlene Boisen			\$13,384.38	\$8,699.85	\$4,684.53	\$1,873.81	\$2,810.72
Darlene Zimmerli			\$58,621.70	\$38,104.11	\$20,517.59	\$8,207.04	\$12,310.55
David W. Walker			\$34,344.90	\$22,324.19	\$12,020.71	\$4,808.29	\$7,212.42
Dhea Margo Tilton			\$151,544.81	\$98,504.13	\$53,040.68	\$21,216.27	\$31,824.41
Diane K. Hammerl			\$45,936.41	\$29,858.67	\$16,077.74	\$6,431.10	\$9,646.64
Dolores Sklodowski			\$67,638.91	\$43,965.29	\$23,673.62	\$9,469.45	\$14,204.17
Donald A. Demmer			\$5,613.44	\$3,648.74	\$1,964.70	\$785.88	\$1,178.82
Donald A. Steffensmeier			\$36,484.30	\$23,721.30	\$12,773.00	\$5,109.20	\$7,663.80
Donna D. Lovett			\$13,218.98	\$8,592.34	\$4,626.64	\$1,850.66	\$2,775.98
Edith Shear			\$315,059.81	\$204,788.88	\$110,270.93	\$44,108.37	\$66,162.56
Eileen G. Neave			\$65,440.82	\$42,556.53	\$22,904.29	\$9,161.71	\$13,742.58
Eileen V. and Grant R. Allen			\$85,190.90	\$55,374.09	\$29,816.81	\$11,926.73	\$17,890.08
Einar S. Thomsen			\$51,577.53	\$33,525.39	\$18,052.14	\$7,220.85	\$10,831.29
Elaine C. Steffensmeier			\$13,448.08	\$8,741.25	\$4,706.83	\$1,882.73	\$2,824.10
Elmor E. Creswell			\$429,913.60	\$279,443.84	\$150,489.76	\$60,187.90	\$90,281.86
Elizabeth Buchanan			\$142,445.60	\$92,589.64	\$49,855.96	\$19,942.38	\$29,913.58
Elizabeth J. Finley			\$5,371.93	\$3,491.75	\$1,880.18	\$752.07	\$1,128.11
Elizabeth Sandy			\$21,534.17	\$13,997.21	\$7,556.96	\$3,014.78	\$4,522.18
Emilien Couture			\$55,664.45	\$36,181.89	\$19,482.56	\$7,793.02	\$11,689.54
Emma L. Kale			\$167,379.66	\$108,796.78	\$58,582.88	\$23,433.15	\$35,149.73
Enoch Swanson			\$10,285.58	\$6,685.63	\$3,599.95	\$1,439.98	\$2,159.97
Esther L. Hueneke			\$142,000.00	\$92,300.00	\$49,700.00	\$19,860.00	\$29,820.00
Eva Hainos			\$32,242.82	\$20,957.83	\$11,284.99	\$4,513.99	\$6,771.00
Eva M. Nelson			\$77,204.48	\$50,182.91	\$27,021.57	\$10,808.63	\$16,212.94
Evelyn McHenry			\$30,042.62	\$19,527.70	\$10,514.92	\$4,205.97	\$6,308.95
Fairy Jean Boyd-Ross			\$116,836.13	\$75,943.48	\$40,892.65	\$16,357.06	\$24,536.59

National Foundation of America in Liquidation  
 Exhibit 1 - Schedule of Proposed Second Interim Distribution to only Class 2 claimants

Claimant	Address	City, State, Zip	Total claim	First Interim Distribution at 65%	Total claim less First Interim Distribution	Proposed Second Interim Distribution at 14%	Balance of Total claim less First and Second Interim Distribution
Fannie Trust			\$28,380.57	\$18,447.37	\$9,933.20	\$3,973.28	\$5,959.92
Fay A. Clark			\$200,000.00	\$130,000.00	\$70,000.00	\$28,000.00	\$42,000.00
Francine Vienne			\$50,000.00	\$32,500.00	\$17,500.00	\$7,000.00	\$10,500.00
Fred Louis & Phyllis E. Moser			\$10,000.00	\$6,500.00	\$3,500.00	\$1,400.00	\$2,100.00
Freida B. Stewart			\$18,241.39	\$11,856.90	\$6,384.49	\$2,553.79	\$3,830.70
Genevieve J. McCann			\$19,190.19	\$12,473.62	\$6,716.57	\$2,686.63	\$4,029.94
George P. Theobald			\$50,000.00	\$32,500.00	\$17,500.00	\$7,000.00	\$10,500.00
Geraldine E. Hicks			\$229,243.21	\$149,008.09	\$80,235.12	\$32,094.05	\$48,141.07
Geraldine Rose			\$164,094.83	\$106,661.64	\$57,433.19	\$22,973.28	\$34,459.91
Gerry R. Dunlap			\$67,878.35	\$44,120.93	\$23,757.42	\$9,502.97	\$14,254.45
Gladys U. Sabin			\$68,455.53	\$44,496.09	\$23,959.44	\$9,583.77	\$14,375.67
H. Kirby Smith			\$336,529.13	\$218,743.93	\$117,785.20	\$47,114.08	\$70,671.12
Harry G. Watkins			\$140,874.44	\$91,568.39	\$49,306.05	\$19,722.42	\$29,583.63
Helen M. Martin			\$292,322.88	\$190,009.87	\$102,313.01	\$40,925.20	\$61,387.81
Helen M. Sering			\$36,136.43	\$23,488.68	\$12,647.75	\$5,059.10	\$7,588.65
Henry J. Van Balen			\$88,648.75	\$57,621.69	\$31,027.06	\$12,410.83	\$18,618.23
Herbert G. Owens			\$48,635.12	\$32,262.83	\$17,372.29	\$6,948.92	\$10,423.37
Herbert Juernemann			\$35,182.31	\$22,868.50	\$12,313.81	\$4,925.52	\$7,388.29
Hilda Hanvil			\$143,213.30	\$93,088.68	\$50,124.65	\$20,049.86	\$30,074.79
Honora E. Bamberg			\$223,740.08	\$145,431.05	\$78,309.03	\$31,323.61	\$46,986.42
Idella B. Bailey			\$84,733.60	\$55,076.84	\$29,656.76	\$11,862.70	\$17,794.06
Iw M. Raibourn			\$40,785.36	\$26,510.48	\$14,274.88	\$5,709.95	\$8,564.93
Jack E. Mendenhall			\$244,597.56	\$158,988.41	\$85,609.15	\$34,243.66	\$51,365.49
Jack W. Woodruff			\$239,448.45	\$155,641.49	\$83,806.96	\$33,522.78	\$50,284.18
Jacob H. Bisch			\$45,221.51	\$29,393.98	\$15,827.53	\$6,331.01	\$9,496.52
James G. Stimpson			\$281,908.71	\$183,240.66	\$98,688.05	\$39,467.22	\$59,200.83
Janet M. Summeret			\$100,496.58	\$65,322.78	\$35,173.80	\$14,069.52	\$21,104.28
Janice Wallthers			\$180,180.96	\$117,104.62	\$63,056.34	\$25,222.53	\$37,833.81
Jean A. Schneideman			\$21,278.16	\$13,830.80	\$7,447.36	\$2,978.94	\$4,468.42
Jeffrey E. and Bonita J. Foster			\$60,391.16	\$39,254.25	\$21,136.91	\$8,454.76	\$12,682.15
Jerome J. Jacoby			\$42,767.82	\$27,799.08	\$14,968.74	\$5,987.49	\$8,981.25
Jerry R. Perry			\$123,654.61	\$80,375.50	\$43,279.11	\$17,311.65	\$25,967.46
Jean A. Hoelscher			\$119,994.83	\$77,996.64	\$41,988.19	\$16,799.28	\$25,198.91
John W. Heyrend			\$62,557.04	\$40,662.08	\$21,894.96	\$8,757.99	\$13,136.97
Joseph C. and Gaihor L. Bennett			\$416,069.25	\$270,445.01	\$145,624.24	\$58,249.70	\$87,374.54
Joseph P. & Mary Krulwicz			\$189,341.35	\$123,071.88	\$66,269.47	\$26,507.79	\$39,761.68
Joseph P. Braud			\$180,920.59	\$117,598.38	\$63,322.21	\$25,328.88	\$37,993.33
Julie A. Rambousek			\$25,886.57	\$16,826.27	\$9,060.30	\$3,624.12	\$5,436.18
Katherine H. Couch			\$23,067.83	\$14,994.09	\$8,073.74	\$3,229.50	\$4,844.24
L. Kristofer Manke			\$16,484.19	\$10,701.72	\$5,762.47	\$2,304.99	\$3,457.48
Lauretta A. Tucker			\$50,000.00	\$32,500.00	\$17,500.00	\$7,000.00	\$10,500.00
Lillian J. Leitz			\$25,074.66	\$16,298.53	\$8,776.13	\$3,510.45	\$5,265.68
Lloyd Franklin McDonnell			\$404,836.96	\$263,144.02	\$141,692.94	\$56,677.17	\$85,015.77
Lois Studemann			\$3,747.03	\$2,435.57	\$1,311.46	\$524.58	\$786.88
Louis F. and Barbara P. Hajdik, Jr.			\$113,000.00	\$73,450.00	\$39,550.00	\$15,820.00	\$23,730.00
Louis F. Hajdik, Jr.			\$139,575.84	\$90,724.30	\$48,851.54	\$19,540.62	\$29,310.92
Mabel S. Matthews			\$166,439.44	\$108,185.64	\$58,253.80	\$23,301.52	\$34,952.28
Marcel L. Herbert			\$146,597.95	\$95,288.67	\$51,309.28	\$20,523.71	\$30,785.57
Marcheta J. Vaughn			\$47,690.19	\$30,998.62	\$16,691.57	\$6,676.63	\$10,014.94
Margaret C. Conner			\$75,126.69	\$48,832.35	\$26,294.34	\$10,517.74	\$15,776.60
Marian L. Kalensky			\$80,905.92	\$52,588.85	\$28,317.07	\$11,326.83	\$16,990.24
Marie B. Milne			\$333,027.89	\$216,468.13	\$116,599.76	\$46,623.90	\$69,938.66
Marie L. Phillips			\$25,397.36	\$16,508.28	\$8,899.08	\$3,555.63	\$5,335.45
Marie L. Ruzich			\$189,552.01	\$123,208.81	\$66,343.20	\$26,537.28	\$39,805.92
Marie Myer			\$33,955.54	\$22,071.10	\$11,884.44	\$4,753.78	\$7,130.66

National Foundation of America in Liquidation  
Exhibit 1 - Schedule of Proposed Second Interim Distribution to only Class 2 claimants

Claimant	Address	City, State Zip	Total claim	First Interim Distribution at 65%	Total claim less First Interim Distribution	Proposed Second Interim Distribution at 14%	Balance of Total claim less First and Second Interim Distribution
Marjorie M. Duffy			\$265,542.38	\$172,602.55	\$ 92,939.83	\$ 37,175.93	\$ 55,763.90
Mariene Myers			\$109,616.90	\$71,250.99	\$ 38,365.91	\$ 15,346.37	\$ 23,019.54
Mary A. Mason			\$50,304.78	\$19,698.11	\$ 10,606.67	\$ 4,242.67	\$ 6,364.00
Mary Ann Nicholson			\$24,993.10	\$16,245.52	\$ 8,747.58	\$ 3,499.03	\$ 5,248.55
Mary Ann Siesener			\$93,648.21	\$15,371.34	\$ 8,276.87	\$ 3,310.75	\$ 4,966.12
Mary Bingham Treace			\$60,990.29	\$32,840.93	\$ 13,196.37	\$ 13,196.37	\$ 19,704.56
Mary D. Manternach			\$104,210.07	\$67,736.55	\$ 36,473.52	\$ 14,589.41	\$ 21,894.11
Mary E. Hossack			\$312,215.65	\$202,940.17	\$ 109,275.48	\$ 43,710.19	\$ 65,565.29
Mary Jane Cook			\$20,000.00	\$13,000.00	\$ 7,000.00	\$ 2,800.00	\$ 4,200.00
Mary June Hesemann			\$31,505.88	\$20,478.82	\$ 11,027.06	\$ 4,410.82	\$ 6,616.24
Mary R. Vanden Braden			\$108,112.93	\$70,273.40	\$ 37,839.53	\$ 15,135.81	\$ 22,703.72
Marvann Marshall			\$50,000.00	\$32,500.00	\$ 17,500.00	\$ 7,000.00	\$ 10,500.00
Matthews Living Trust DTD 7-15-1995			\$21,657.02	\$14,077.06	\$ 7,579.98	\$ 3,031.98	\$ 4,547.98
Maurice C. McDonald			\$20,544.05	\$13,353.63	\$ 7,190.42	\$ 2,876.17	\$ 4,314.25
Mildred Freeman McKnight			\$25,230.45	\$16,399.79	\$ 8,830.66	\$ 3,532.26	\$ 5,298.40
Mildred Hartman			\$42,252.94	\$27,464.41	\$ 14,788.53	\$ 5,915.41	\$ 8,873.12
Mildred L. Christopher			\$208,208.63	\$135,335.61	\$ 72,873.02	\$ 29,149.21	\$ 43,723.81
Mildred R. Ireland			\$33,663.39	\$21,881.20	\$ 11,782.19	\$ 4,712.87	\$ 7,069.32
Myrl Dean Howell			\$55,628.33	\$36,158.41	\$ 19,469.92	\$ 7,787.97	\$ 11,681.95
Nancy L. Gollus			\$146,027.18	\$94,917.67	\$ 51,109.51	\$ 20,443.81	\$ 30,665.70
Nealon G. Phillips			\$60,000.00	\$39,000.00	\$ 21,000.00	\$ 8,400.00	\$ 12,600.00
Otto Erle			\$119,005.00	\$77,353.29	\$ 41,651.75	\$ 16,660.70	\$ 24,991.05
Pauline Bruner			\$136,673.73	\$88,837.92	\$ 47,835.81	\$ 19,134.32	\$ 28,701.49
Perry Vander Plaats			\$14,979.05	\$9,736.38	\$ 5,242.67	\$ 2,097.07	\$ 3,145.60
Phillip Buckland			\$78,021.10	\$50,713.72	\$ 27,307.38	\$ 10,922.95	\$ 16,384.43
Prenitice W. Raibourn			\$93,250.33	\$60,612.71	\$ 32,637.62	\$ 13,055.05	\$ 19,582.57
Ramona Syllie			\$21,232.47	\$13,801.11	\$ 7,431.36	\$ 2,972.55	\$ 4,458.81
Regina Polich			\$272,065.91	\$176,842.84	\$ 95,223.07	\$ 38,089.23	\$ 57,133.84
Richard C. Bowers			\$27,617.38	\$17,951.30	\$ 9,666.08	\$ 3,866.43	\$ 5,799.65
Richard Corcoran			\$100,042.61	\$65,027.70	\$ 35,014.91	\$ 14,005.97	\$ 21,008.94
Richard G. Lannan			\$30,000.00	\$19,500.00	\$ 10,500.00	\$ 4,200.00	\$ 6,300.00
Richard J. Solomon			\$190,349.80	\$123,727.37	\$ 66,222.43	\$ 26,648.97	\$ 39,973.46
Richard Moritz			\$126,485.75	\$82,215.74	\$ 44,270.01	\$ 17,708.01	\$ 26,562.00
Robert A. James			\$53,865.86	\$35,012.81	\$ 18,853.05	\$ 7,541.22	\$ 11,311.83
Rollo Myer			\$90,355.85	\$58,731.30	\$ 31,624.55	\$ 12,649.82	\$ 18,974.73
Ronald J. Burns			\$44,325.72	\$28,811.72	\$ 15,514.00	\$ 6,205.60	\$ 9,308.40
Rosalie S. Franklin			\$307,787.39	\$200,061.80	\$ 107,725.69	\$ 43,090.23	\$ 64,635.36
Rose A. Funk			\$113,389.78	\$73,690.36	\$ 39,679.42	\$ 15,871.77	\$ 23,807.65
Rosie Daniels			\$89,351.25	\$58,084.81	\$ 31,276.44	\$ 12,510.58	\$ 18,765.86
Rubye W. Schad			\$20,543.87	\$13,353.52	\$ 7,190.35	\$ 2,876.14	\$ 4,314.21
Russell E. Griffith			\$50,000.00	\$32,500.00	\$ 17,500.00	\$ 7,000.00	\$ 10,500.00
Sarah A. Hummerfeld			\$41,000.00	\$26,650.00	\$ 14,350.00	\$ 5,740.00	\$ 8,610.00
Shirley Florio			\$119,923.33	\$77,950.16	\$ 41,973.17	\$ 16,789.27	\$ 25,183.90
Silvio Henry Palombi			\$865,000.00	\$562,250.00	\$ 302,750.00	\$ 121,100.00	\$ 181,650.00
The Leonard S. Krone and Rheta Krone Jt Rev Tr			\$8,869.49	\$5,765.17	\$ 3,104.32	\$ 1,241.73	\$ 1,862.59
Theodore J. Wickoren			\$23,730.82	\$15,425.03	\$ 8,305.79	\$ 3,322.31	\$ 4,983.48
Thomas Gilmore			\$48,376.71	\$31,444.86	\$ 16,831.85	\$ 6,772.74	\$ 10,159.11
Thomas L. Cole			\$405,699.98	\$263,704.89	\$ 141,994.99	\$ 56,798.00	\$ 85,196.99
Thomas S. & Brenda S. Baconrind			\$48,763.04	\$31,695.98	\$ 17,067.06	\$ 6,826.83	\$ 10,240.23
Tommie Haden			\$0.31	\$0.20	\$ 0.11	\$ 0.04	\$ 0.07
Vaneta Theola Durcan			\$296,237.40	\$193,854.31	\$ 104,383.09	\$ 41,753.24	\$ 62,629.85
Vera Kuklis			\$107,281.79	\$69,733.16	\$ 37,548.63	\$ 15,019.45	\$ 22,529.18



National Foundation of America in Liquidation  
 Exhibit 1 - Schedule of Proposed Second Interim Distribution to only Class 2 claimants

Claimant	Address	City, State Zip	Total claim	First Interim Distribution at 65%	Total claim less First Interim Distribution	Proposed Second Interim Distribution at 14%	Balance of Total claim less First and Second Interim Distribution
Victor Leppke			\$11,615.44	\$7,550.04	\$4,065.40	\$1,626.16	\$2,439.24
Vince Lacer & Jerry Copeland			\$79,841.43	\$51,886.93	\$27,944.50	\$11,177.80	\$16,766.70
Viola R. Barnt			\$181,734.76	\$124,627.59	\$57,107.17	\$26,842.87	\$40,264.30
Virginia Lee Marshall Jamison			\$30,625.60	\$19,906.64	\$10,718.96	\$4,287.58	\$6,431.38
Virginia Lucas			\$71,504.62	\$46,478.00	\$25,026.62	\$10,070.65	\$15,015.97
Wanda Bollentin			\$95,968.24	\$62,378.36	\$33,588.88	\$13,435.55	\$20,153.33
Wanda J. Daniels			\$94,904.66	\$61,688.03	\$33,216.63	\$13,286.65	\$19,929.98
Wanda L. Stepp			\$8,689.30	\$5,654.55	\$3,044.75	\$1,217.90	\$1,826.85
William A. McLaughlin			\$34,972.74	\$22,693.28	\$12,219.46	\$4,887.78	\$7,331.68
William C. Drummer			\$156,521.84	\$101,739.20	\$54,762.64	\$21,913.06	\$32,869.58
William M. & Yoshiko F. Sugiyama			\$594,867.22	\$386,663.69	\$208,203.53	\$83,281.41	\$124,922.12
William M. Nickel			\$133,344.10	\$86,673.67	\$46,670.43	\$18,688.17	\$28,002.26
Willie Bouff Clark			\$203,407.41	\$132,214.82	\$71,192.59	\$28,477.04	\$42,715.55
Yvette Potvin			\$37,278.20	\$24,230.83	\$13,047.37	\$5,218.95	\$7,828.42
<b>TOTALS</b>			<b>\$19,418,409.40</b>	<b>\$12,621,966.11</b>	<b>\$6,796,443.29</b>	<b>\$2,718,577.30</b>	<b>\$4,077,865.99</b>