

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

<p>SECURITIES AND EXCHANGE COMMISSION,</p> <p>Plaintiff,</p> <p>vs.</p> <p>TRAVIS E. CORRELL, individually and doing business as Horizon Establishment; GREGORY THOMPSON; DWIGHT J. JOHNSON; HARRY ROBINSON “ROBBIE” GOWDEY, individually and doing business as Atlas and Jericho Productions; GRANT CARDNO; NEULAN D. MIDKIFF; TRAVIS CORRELL & COMPANY, INC.; THE LIBERTY ESTABLISHMENT, INC.; SOVEREIGN CAPITAL INVESTMENTS, S.A.; TNT OFFICE SUPPLY, INC.; NET WORTH GROUP, INC.; and JOSHUA TREE GROUP LLC,</p> <p>Defendants,</p> <p>and</p> <p>BANNER SHIELD, LLC; HOSPITALITY MANAGEMENT GROUP, INC.; CREATIVE WEALTH VENTURES, LLC, and JTA ENTERPRISES,</p> <p>Defendants Solely for Purposes of Equitable Relief.</p>	<p>CIVIL ACTION NO. 4:05CV472</p>
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RECEIVER’S FIRST INTERIM REPORT

S. Gregory Hays (“Receiver”), the court-appointed Receiver for Travis E. Correll, individually and doing business as Horizon Establishment; Gregory Thompson; Dwight J. Johnson; Harry Robinson “Robbie” Gowdey, individually and doing business as Atlas and Jericho Productions; Grant Cardno; Neulan D. Midkiff; Travis Correll & Company, Inc.; The

Liberty Establishment, Inc.; Sovereign Capital Investments, S.A.; TNT Office Supply, Inc.; Net Worth Group, Inc.; Joshua Tree Group LLC; Banner Shield, LLC; Hospitality Management Group, Inc.; Creative Wealth Ventures, LLC; and JTA Enterprises, L.L.C. (collectively the “Receiver Entities” or the “Receiver Estate”), files his First Interim Report showing the Court as follows:

INTRODUCTION

1. The offering that is the subject of this action is a purported “high-yield investment program” or “prime bank investment” (referred to herein as the “Bank Deposit Program”). In sum, it appears that investors were enticed to invest in the Bank Deposit Program by promises of high monthly interest payments ranging from 4% to 12% per month, with no risk to their investment principal.

2. On December 7, 2005, the Securities and Exchange Commission (“SEC”) filed this action seeking temporary, preliminary, and permanent injunctive relief, as well as disgorgement and other monetary sanctions. On that same date, this Court entered an order appointing S. Gregory Hays as Receiver for each of the Defendants and as Receiver for certain assets of the Relief Defendants (the “Receivership Order”). Among other things, this Court authorized and directed the Receiver to:

- a. take custody, control, and possession of all records, assets, and other property of the Receiver Estate;
- b. administer the assets of the Receiver Estate, including the authority to liquidate assets;
- c. perform an accounting of the receipt, disposition, and use of the subject investment proceeds; and

d. investigate any matters that the Receiver deems appropriate in connection with the Receiver Estate.

3. The Court also directed the Receiver “to file with the Court and serve upon the parties within 45 days after [December 7, 2005], a preliminary report setting out the identity, location, and value of the Receivership Assets, and any liabilities pertaining thereto.”

4. Pursuant to the terms of the Receivership Order, the Receiver employed the following professionals:

- Hays Financial Consulting, LLC, of Atlanta, Georgia, to serve as accountants, forensic examiners, and financial consultants to the Receiver;
- Troutman Sanders LLP of Atlanta, Georgia, to serve as lead counsel for the Receiver;
- Quilling, Selander, Cumiskey & Lownds, P.C., of Dallas, Texas, to serve as Texas counsel for Receiver;
- Bray & Freeman, LP, of Dallas, Texas, to assist with the investigation in Texas.

As a result, the Receiver has had a team of approximately 10 professionals, including attorneys, Certified Public Accountants, Certified Fraud Examiners, and private investigators, working with him in the administration of the receivership and in the conducting of this investigation. Since the date of his appointment, this team of professionals has been working full-time to identify and take control of cash and other assets; identify and communicate with investors; obtain records, computers, and other information relevant to this receivership; and identify others who may have participated in the Bank Deposit Program.

5. As of the filing of this report, most of the Defendants have retained counsel. Defendant Neulan Midkiff has not, which has resulted in some difficulty in communicating with him about the issues related to the receivership. A number of the Individual Defendants have

invoked their Fifth Amendment right against self-incrimination. The combined result of these circumstances is that the Receiver is able to obtain limited information from the Defendants or their counsel, but that most of the information is derived from documents and electronic records, investors, and third-parties.

6. This First Interim Report is intended to provide a preliminary report regarding the assets and liabilities of the Receiver Estate, a summary of the Receiver's activities to date, and available information regarding the Bank Deposit Program. However, the Receiver's investigation is in its initial stage. This report contains a preliminary assessment and is based upon facts currently known to the Receiver and the professionals working with him. As additional facts are discovered, it is possible that the information provided below will be determined to be incorrect or incomplete. The Receiver and the professionals working with him are working diligently to make certain that the information provided is accurate; however, under the circumstances of this case, it is not possible to have a completely accurate understanding of all of the facts relevant to the Receiver Estate. As the receivership progresses, the Receiver will likely file additional interim reports and provide additional information on his website.

OVERVIEW OF THE RECEIVER'S ACTIVITIES

7. The Receiver was first contacted by the SEC shortly before this action was filed. In an effort to be in a position to take control of the Receiver Estate should he be appointed, the Receiver retained his firm, along with counsel in Atlanta, Georgia, and Dallas, Texas.

8. At the time that the case was filed on December 7, 2005, the Receiver had teams of professionals "on the ground" in Atlanta, Georgia; Forest Lake, Minnesota; and San Antonio and Dallas, Texas. While the Receiver encountered some difficulties in Minnesota (see below), he has been able to take control of the known assets of the Receiver Estate. However, the

Receiver continues to investigate whether there are other assets or entities that should be included in the Receiver Estate.

9. The Receiver and the professionals working with him have taken control of books and records, as well as computers, located at:

- The offices of Travis Correll & Co./Horizon Establishment in Atlanta, Georgia;
- The offices of TNT Office Supply in San Antonio, Texas;
- Records from Dwight Johnson, Harry Gowdey, and Greg Thompson in Texas; and
- An apartment in Forest Lake, Minnesota, maintained on behalf of The Joshua Tree Group, LLC.

The Receiver does not believe that the books, records, and other materials currently in his possession provide a complete and accurate picture of the offering of the Bank Deposit Program investment.

The Receiver is aware of certain records and computers that were seized by the FBI during the execution of a search warrant at the offices of “His Feast,” as well as the home of Neulan Midkiff in Forest Lake, Minnesota. The Receiver does not have possession of these materials, but does have access to them.

10. The Receiver and the professionals working with him are reviewing the records and electronic data in his possession. Data preservation and recovery techniques are being employed to make certain that electronic evidence is maintained. Forensic activities are underway in an effort to retrieve information from various computers that might be useful to the Receiver in the administration of this receivership.

11. Within days of his appointment, the Receiver established a page on his website – www.haysconsulting.net – that is devoted solely to this case. Copies of court filings and other

information are posted on that site in an effort to keep investors informed of developments in the case. As a part of this site, investors can send emails to the Receiver regarding this case.

12. The Receiver has established a “hot line” that allows investors to speak with a member of his staff. Because of the time and money required to deal with investors in this way, the Receiver has encouraged (and will continue to encourage) investors to use his website as their principal information source and means of communication.

13. With the entry of the Receivership Order, this Court froze the Defendants’ assets and monies subject to their direct or indirect control, as well as certain specified assets of the Relief Defendants. Accordingly, the Receiver has served notices of his appointment and the asset freeze upon the following financial institutions:

- Sterling Bank
- Westrack Advisors, Inc.
- Broadway National Bank
- First National Bank of Durant
- Charles Schwab & Co.
- Washington Mutual Bank
- RBC Centura
- Wachovia Bank, NA
- Anchor Bank of West St.
- Commerce Bank
- Bank of America, NA
- Janus
- Hussman Funds
- R.J. O’Brien
- Investment Centers of America
- Wells Fargo Bank, NA
- BB&T Bank
- SunTrust Bank
- Plainscapital Bank
- Highland Bank
- GunnAllen Financial
- First State Bank of Wyoming
- Penson Financial Services, Inc.
- Evocash
- First Texoma National Bank

- Platte Valley National Bank
- US Bank
- TIB – The Independent Bankers Bank
- Home Federal Bank
- Bank of Texas
- Bancorp South Bank
- Security Service Federal Credit Union
- Bank One
- Merrill Lynch
- National Bank of Commerce
- Pavillion Bank
- Providian Financial
- TCF National Bank

As a result of these efforts, nearly \$3.2 million has been frozen. The Receiver and the professionals working with him are analyzing the frozen funds in an effort to determine which of them should be turned over to the Receiver. A portion of these funds—\$528,082.22—has been turned over to the Receiver Estate as of the date of this report. Not all of these institutions were holding money in the identified accounts. Attached hereto as Exhibit “A” is a schedule of all accounts currently subject to the asset freeze. The bank account numbers have been redacted for security purposes.

14. The Receiver has also identified other people and entities that may be in possession of assets that are subject to the freeze. Accordingly, the Receiver has served notices of his appointment and the asset freeze upon the following:

- Group Five Trust
- Linda and Bill Clark
- Randy Teinert
- Portland Monthly
- Legend’s Edge at Marriott
- IndieVest
- GoldFinger Coin and Bullion
- Richard (“Dick”) Kringen
- Arnulfo M. Acosta
- Gerald T. Chilton, Esq.
- Stephen J. Richardson

- Kerry Sitton
- ATL, Inc.
- Correll Land Co., LLC
- Horizon Central States Region
- Northern Equity Group
- Silverton Capital Investments
- Sterling Meridian, LLC
- KG Sitton & Co.
- BCM Enterprises
- R&H Investments
- Success by Design
- Pandan-Aram Trust
- Stewardship Group
- danceforhim
- Eagles Nest Outreach
- Horizon Establishment
- Horizon of Texas
- Travis Correll & Company, Inc.
- TK Productions, LLC
- Fusion Capital Management

15. The Receiver is in the process of serving subpoenas upon the Relief Defendants, financial institutions, and other third-parties seeking the production of documents and/or deposition testimony.

16. On January 9, 2006, the Receiver mailed an Investor Declaration to approximately 1,500 investors identified from the records of the Defendants. A copy of the Investor Declaration is also posted on the Receiver's website. A deadline of March 31, 2006, has been established for returning the declarations to the Receiver. Based upon the addresses currently available to the Receiver, the states having the most investors are:

Louisiana – 400 Investors

Texas – 270 Investors

Minnesota – 238 Investors

Idaho – 63 Investors

Georgia – 41 Investors

These figures represent the number of investor addresses. Given that investors seem to have pooled their money with other individuals, it is quite likely that some of these addresses represent more than one investor. Moreover, the Receiver believes that the investor records are incomplete, in that he does not have information regarding the identity of every individual who actually invested in the Bank Deposit Program. At present, it is difficult to provide an estimate of the number of individual investors. Obviously, identifying and communicating with investors is an important part of the Receiver's activity. Accordingly, he will continue his efforts to identify additional investors. The Receiver has distributed an Investor Declaration to be submitted by individual investors, which should provide useful information regarding investors' identities. Additional copies of the Declaration Form may be found on the Receiver's web site.

17. The Receiver has learned that certain "facilitators" and/or others may be instructing investors not to complete the Investor Declaration, asserting that it has not been approved by the Court or the SEC. Any such instructions are false and are in violation of the Court's order that no person shall interfere with the administration of this receivership. If these reports of interference can be confirmed, the Receiver will seek the appropriate sanction against those involved. The Court has expressly authorized the Receiver to communicate with investors and directed that an accounting be performed. The Investor Declarations are key to this process. Therefore, all investors should complete and return the form by March 31, 2006.

18. The Receiver has opened various accounts at JP Morgan Chase in New York, New York, for the purpose of administering to the Receiver Estate.

19. There are potentially significant tax issues affecting many or all of the investors. While the Receiver does not provide tax advice to individual investors, he does have tax

professionals on his staff who have made a preliminary assessment of the various issues that might arise in the wake of this case. Accordingly, a tax memorandum has been posted on the Receiver's website and is available to investors and the tax advisors.

20. It is difficult to predict how long it will take for the Receiver to complete his investigation and accounting. As this work continues, the Receiver and the professionals working with him will continue their efforts to realize the value of the assets in the Receiver Estate.

21. This case has received significant attention from the press, especially in Minnesota and Texas. Links to newspaper articles and television stories are posted on the Receiver's website.

THE SUBJECT OFFERING

22. It is not yet possible to provide a complete description of the subject offering. The summary provided in this section is intended to provide an overview based on facts currently available to the Receiver. At the outset, it is important to emphasize that neither the Receiver nor the professionals working with him have discovered any information that is inconsistent with the fundamental allegations of the SEC's Complaint.

23. The genesis of the Bank Deposit Program is currently unclear. However, it is apparent that, in some form, this investment offering has been active since at least December 2000.

24. Records recovered in Atlanta seem to indicate that approximately \$153 million in principal investment is *currently owed* to investors. There are also records that indicate that over the course of the offering – including rollovers and reinvestment of principal – the total

investment in the Bank Deposit Program may exceed \$390 million, which is 10 times more than the amount alleged in the SEC's Complaint.

25. As noted above, the Receiver has identified and contacted approximately 1,500 investors, some of whom are "pools" of individual investors. The Receiver believes that the number of individuals who invested in the Bank Deposit Programs is substantially larger than 1,500, and he will continue his efforts to identify all investors.

26. It appears that investors were lured into making an investment by the promise of very high returns paid in the form of monthly interest payments ranging from 4% to 12% per month for annualized returns on the investment ranging from 48% to 144%. The terms of most investments appear to be between seven months and one year; however, investors were allowed and encouraged to roll their investments over for additional periods.

27. It is not clear that there was a consistent "sales pitch" used throughout the course of the subject offering. However, it is apparent that investors were told that their principal was being used to fund international loans and financial transactions, that the money involved was being managed by someone having special expertise, and that their principal investment was safe and secure.

28. It appears that investors were solicited by "word of mouth." Some or all investors were offered enhanced monthly payments (i.e., an increased monthly rate of return) as "finder's fees" or commissions.

29. The finder's fees seem to have resulted, in fact, in two types of "promoters" or sales agents: (1) "friends and family" – i.e., people who had experienced monthly payments and encouraged their friends and family members to invest; and (2) "facilitators" – i.e., people who

actively solicited new investments. The Receiver is currently trying to distinguish between and determine the identities of “friends and family” promoters and “facilitators.”

30. Currently, it appears that the “hub” of the investment offering was Defendant Travis Correll and the entities under his control located in Atlanta. In turn, Correll worked with facilitators in Texas (e.g., Defendants Thompson and TNT) and Minnesota (e.g., Defendants Midkiff and Joshua Tree Group, LLC), who actively solicited investors into the Bank Deposit Program.

31. The Receiver and the professionals working with him are working to determine whether there are facilitators who are not currently parties to this action.

32. It appears that certain of the Relief Defendants may have acted as facilitators, but this is not yet clear.

33. While there may have been some relationship between certain facilitators, the nature and extent of those relationships is unclear. It currently appears that facilitators generally acted independently from each other. The Receiver continues to investigate this issue.

34. The issue of identifying “friends and family” promoters versus “facilitators” is complicated by the fact that it appears that investors were encouraged to pool their investments. The higher the amount of the principal investment, the higher the return paid to the “investor.” Hence, individual investors seem to have formed entities to act as “investors” of their pooled investments. The result is that payments to “ABC Investments, LLC,” for example, could in fact be payments for a group of individuals who pooled their investments for the purpose of receiving a higher return.

35. It appears that investment monies were used to make monthly payments to earlier investors and that this pattern continued through September 2005, when monthly payments

ceased, apparently for lack of funds. There is no evidence that any investment money was used in anything resembling the Bank Deposit Program; nor is there any evidence of there being a “money manager” or “trustee” responsible for administering the funds.

36. Importantly, it appears that many investors were advised and shown a document that they believed indicated that this investment was “insured” by a \$1 billion bond issued by Nationwide Deposit Trust Insurance Company (“Nationwide”). The Receiver has recovered a copy of a one-page redacted document from the records in his possession that appears to indicate that a policy was issued by Nationwide to an unknown insured providing insurance coverage for “Emergency/Catastrophe.” However, this document has been redacted so that critical information is missing. In addition, it may have been modified. The Receiver is currently in communication with Nationwide, but it is highly unlikely that such a bond actually exists to protect any investor funds.

37. As more fully explained below, there are assets in the Receiver Estate; however, there is no fund or other repository of cash that represents the “pool” of investor proceeds. The Receiver’s preliminary assessment is that funds were not segregated or “managed” in a way designed to achieve a meaningful return. While the Receiver’s accounting and funds tracing efforts will provide many answers about how the funds were used, it appears that the investment proceeds were used to:

- Make monthly payments to earlier investors;
- Pay finders’ fees, commissions, etc. to those who enticed others to make investments in the Bank Deposit Program;
- Pay for the costs associated with the activities of the Defendants and those working with them, including office rent, salaries, and automobiles;

- Fund the lifestyles and investments of the Defendants and those working with them.¹

38. Apparently, monthly payments were made to investors until September 2005, at which time payments stopped. Records recovered by the Receiver indicate that, by that date, \$14 million per month, which equates to an average *monthly* return of 9%, was required to meet this obligation.

39. The Receiver has found no evidence of any business or investment activity (other than solicitations of new investors) that provided any money to fund these monthly payments.

THE RECEIVER ESTATE

40. The Receiver Estate is comprised of cash, along with various assets (and related liabilities) located in several states. In general, the assets are located in and around the places where the individual Defendants reside – i.e., Georgia, Texas, and Minnesota.

41. Attached hereto as Exhibit “B” is a detailed schedule of the assets (and associated liabilities) currently known to the Receiver to be included in the Receiver Estate. It is important to emphasize that it is difficult to actually realize the full “equity” value of illiquid assets (e.g., houses). Therefore, it is unlikely that the “net” values indicated in the attached schedule will be fully realized. Equally important, and based upon the information currently available to the Receiver, it appears that there may be other assets that should be included in the Receiver Estate. Accordingly, the Receiver and the professionals working with him continue to look for bank accounts, as well as tangible and intangible property, that should be included in the Receiver Estate.

¹ It appears that Defendant Travis Correll invested significant amounts of money in dubious investments that may have little value, if any.

42. TNT Office Supply, Inc.: At the time of the Receiver's appointment, TNT Office Supply, Inc. ("TNT") had ongoing business operations related to the sale of office supplies. The Receiver has sold the ongoing business operation to a group of employees not involved in the subject investment offering. In sum the terms of the sale are as follows:

- The purchaser paid \$60,000 for furniture, fixtures, equipment, and inventory.
- The purchaser received a \$15,000 "credit" against the purchase price plus two months free rent at the office location in exchange for collecting TNT's outstanding receivables for the Receiver (which are valued on TNT's books at approximately \$142,000).

The Receiver determined that, absent a quick sale, the value of the business operation would be lost. Importantly, the sale did not include the real property on which the business is located. However, the purchaser did tender earnest money towards a purchase of the real property for \$285,000 in "as is" condition with no sales commission. While TNT's principal, Defendant Thompson, has indicated that he believes that the property is worth substantially more than this price, it appears that the net recovery to the estate may be in line with the market in San Antonio when brokerage fees and repairs are taken into account. The Receiver is currently having the property appraised so that this sale can be presented to the court for approval pursuant to 28 U.S.C. § 2001.

43. Real Property. As indicated in the attached schedule, there are several pieces of real property included in the Receiver Estate. Many of these are residential properties. Most, but not all, of the properties are subject to mortgages, and certain properties in Minnesota are the subject of a "Contract for Deed" (which is a method of owner financing in that state). The Receiver hopes to be able to sell these properties, but there are a number of issues that must be

resolved in order for that to happen. If these issues can be resolved, the Receiver will seek approval of this court regarding any sale of real property.

44. In addition, there are several offices that were leased by various Defendants. The Receiver is currently working with landlords to terminate these leases. To date, each of the landlords is cooperating in these efforts.

45. Personal Property. As indicated in the attached schedule, most of the personal property currently known to be in the Receiver Estate is comprised of automobiles, watercraft, and office and residential furnishings. Like the real property, some of this property is subject to loans. The Receiver is working to liquidate these assets and realize the net value for the Receiver Estate. As of the filing of this report, eight vehicles located in Atlanta were sold at a public auction for a net recovery of \$84,500.

46. Causes of Action. As the Receiver's investigation continues, he and his counsel intend to analyze all legal claims against third-parties that could result in meaningful recovery to the Receiver Estate, and to determine whether or not such claims will likely be of benefit to investors and other creditors of the Receiver Estate.

47. Liabilities. In addition to the liabilities listed on the attached schedule (Exhibit "B"), the Receiver Entities' liability to the SEC and/or investors could be as much as \$150 million. It is also possible that the Receiver entities are indebted to other creditors and third-parties that are currently unknown to the Receiver. It is not possible to estimate the amount of these potential debts at this time.

48. Income and Expenses. With the exception of the business operation of TNT, the Receiver has not, to date, identified any income producing assets of the Receiver Estate. Any future "income" (if any) will be the result of recoveries obtained from the Defendants and third-

parties. The administration of the Receiver Estate and the ongoing investigation and recovery efforts will require substantial efforts by a number of professionals at significant expense. This expense, subject to court approval, and any other ordinary-course-of-business expenses incurred in the continued operation of any Receiver Entity will be paid from the assets of the Receiver Estate.

CONTINUED INVESTIGATION, DISCOVERY, AND OTHER MATTERS

49. The Receiver Entities' financial and accounting records indicate that a number of people and entities received investment proceeds from, or transferred funds to, the Receiver Entities. The Receiver will continue to work to determine these people and entities' involvement with the Receiver Entities. As noted above, the Receiver is especially interested in identifying "facilitators" that actively raised money from individuals and were paid a finders' fee. It is also important to continue to determine the name and address of all individuals that invested funds in a pool using another name. The Receiver will send Investor Declarations to each of these individuals as they are identified.

50. In addition, the Receiver believes that there are people or entities that have information relevant to this Receivership. As appropriate, the Receiver will serve these people and entities with document and deposition subpoenas to ascertain their involvement in this matter.

Respectfully submitted this 23rd day of January 2006.

TROUTMAN SANDERS LLP

/s/ J. David Dantzler, Jr.
J. DAVID DANTZLER, JR.
Ga. State Bar No. 205125

Bank of America Plaza, Suite 5200
600 Peachtree Street, N.E.
Atlanta, GA 30308-2216
(404) 885-3000
(404) 962-6799 (facsimile)

QUILLING, SELANDER, CUMMISKY &
LOWNDES, P.C.

/s/ Clark B. Will

CLARK B. WILL, P.C.

Texas State Bar No. 21502500

Bryan Tower
2001 Bryan Street, Suite 1800
Dallas, Texas 75201
(214) 871-2100
(214) 871-2111 (facsimile)

Attorneys for S. Gregory Hays, Receiver

Exhibit "A"

Entity	Bank	Acct #	Amount Frozen
<u>DEFENDANTS</u>			
<i><u>Travis Correll, dba Horizon Establishment; Travis Correll & Company; The Network Group</u></i>			
Correll, Jr., Travis E.	Charles Schwab & Company	xxxx7738	124.58
Correll, Jr., Travis E.	Charles Schwab & Company	xxxx7738	11,466.89
Correll, Jr., Travis E.	GunnAllen Financial	xxxx8969	
Correll, Jr., Travis E.	Penson Financial Services, Inc	xxxx0030	0.00
Correll, Jr., Travis E.	Penson Financial Services, Inc	xxxx0252	Closed
Correll, Jr., Travis E.	EVOCASH	xxxx	
Correll, Jr., Travis E.	Wachovia Bank, NA	xxxx	Closed
Correll, Jr., Travis E.	Washington Mutual Bank	xxxx6995	Overdrawn 583.13
Correll, Jr., Travis E.	Washington Mutual Bank	xxxx5595	296.81
Correll, Jr., Travis E.	SunTrust Banks, Inc	xxxx	2,558.00
Correll, Jr., Travis E.	Westrock Advisors, Inc.	xxxx0990	
Correll, Travis Emory/ Gary Lloyd Heath/Horizon Establishment	Washington Mutual Bank	xxxx1682	Overdrawn 4816.15
Horizon Establishment	Bank of America, NA	xxxx7155	Closed
Horizon Establishment	Bank of America, NA	xxxx7353	Closed
Horizon Establishment	RBC Centura	xxxx0595	43,522.00
Horizon Establishment	RBC Centura	xxxx0608	38.50
Horizon Establishment	RBC Centura	xxxx0632	164.00
Horizon Establishment	First Texoma National Bank	xxxx5628	75.00
Horizon Establishment	National Bank of Commerce	xxxx8483	
Horizon Establishment	SunTrust Bank	xxxx1008	
Horizon Establishment	SunTrust Bank	xxxx0984	
Horizon Establishment	SunTrust Bank	xxxx0976	
Horizon Establishment	SunTrust Bank	xxxx0927	
Horizon Establishment	BB&T	xxxx6700	
Horizon Establishment	Wachovia Bank, NA	xxxx8932	Closed
Horizon Establishment	Wachovia Bank, NA	xxxx1320	Closed
Horizon Establishment	Wachovia Bank, NA	xxxx4606	Closed
Horizon Establishment	Wachovia Bank, NA	xxxx4981	Closed
Horizon Establishment	Wachovia Bank, NA	xxxx4994	Closed

Exhibit "A"

Entity	Bank	Acct #	Amount Frozen
Horizon Establishment	Wachovia Bank, NA	xxxx5003	Closed
Horizon Establishment	First National Bank	xxxx5628	
T.E. Correll dba Horizon Establishment	Wells Fargo Bank, NA	xxxx8703	Closed
T.E. Correll dba Horizon Establishment	Wells Fargo Bank, NA	xxxx4720	Closed
Travis E. Correll dba Horizon Establishment	SunTrust Bank	xxxx2283	Closed
Travis E. Correll dba Horizon Establishment	SunTrust Bank	xxxx3964	Closed
Travis E. Correll dba Horizon Establishment	SunTrust Bank	xxxx8251	Closed
Travis Correll dba Travis Correll Companies	Platte Valley National Bank	xxxx0170	58.08
Travis Correll dba Travis Correll Companies	Platte Valley National Bank	xxxx7516	513.33
Travis Correll dba Travis Correll Companies	Platte Valley National Bank	xxxx8650	5,051.41
Travis Correll & Company, Inc.	RBC Centura	xxxx0624	4,851.69
Travis Correll & Company, Inc.	SouthTrust Bank/Wachovia Bank NA	xxxx0018	Closed
Travis Correll & Company, Inc.	SouthTrust Bank/Wachovia Bank NA	xxxx4800	Closed
Travis Correll & Company, Inc.	SouthTrust Bank/Wachovia Bank NA	xxxx6136	Closed
Travis Correll & Company, Inc.	SouthTrust Bank/Wachovia Bank NA	xxxx1682	Closed
Travis Correll & Company, Inc.	SouthTrust Bank/Wachovia Bank NA	xxxx6997	Closed
Travis Correll & Company, Inc.	Washington Mutual Bank	xxxx1543	413.44
Travis Correll & Company, Inc.	SunTrust	xxxx1921	Closed
Travis Correll & Company, Inc.	Wachovia Bank, NA	xxxx	Closed
The Net Worth Group, Inc.	Wachovia Bank NA	xxxx7520	Overdrawn \$258,427.32
Travis E. Correll	Goldfinger Coin & Bullion, Inc.	xxxx1328	

Dwight J Johnson

Johnson, Dwight J.	Bank of Texas - Legal Dept	xxxx4906	
Johnson, Dwight J.	Pavillion Bank	xxxx6344	
Johnson, Dwight J.	Wells Fargo Bank, NA	xxxx1645	6,653.74
Johnson, Dwight J.	Wells Fargo Bank, NA	xxxx0283	
Johnson, Dwight J.	Merrill Lynch	xxxx	5,000.00
Johnson, Dwight & Brunhilde	Washington Mutual Bank	xxxx2231	3,617.36
Johnson, Dwight & Brunhilde	Washington Mutual Bank	xxxx2474	2,174.00
Johnson, Dwight J. dba To Your Health	Wells Fargo Bank, NA	xxxx8351	2.35
Johnson, Dwight J. dba To Your Health	Wells Fargo Bank, NA	xxxx1213	25,110.13
Johnson, Dwight J or Brunhilde Johnson	Bank One	xxxx3858	
Johnson, Dwight James or Brunhilde Johnson	R.J.O'Brien	xxxx4795	40,000.00
Johnson, Dwight James or Brunhilde Johnson	Merrill Lynch	xxxx	

Exhibit "A"

Entity	Bank	Acct #	Amount Frozen
Johnson, Dwight/Hilde	Bank of America	xxxx2231	
Johnson, Dwight/Hilde	Bank of America	xxxx2474	
<i><u>Harry R. Gowdey; Atlas and Jericho Productions</u></i>			
Gowdey, Harry R. "Robbie"	Bank of Texas - Legal Dept	xxxx	
Gowdey, Harry R. "Robbie"	Bank of America, NA	xxxx7749	181.02
Gowdey, Dianna dba To Your Health	Bank of Texas - Legal Dept	xxxx8988	
Gowdey, Benjamin/ Gowdey, Robbie	Wells Fargo Bank, NA	xxxx1439	216.33
Allman, Betty/ Gowdey, Robbie	Wells Fargo Bank, NA	xxxx3134	1,243.83
Gowdey, Robbie/Allman, Betty	Wells Fargo Bank, NA	xxxx8724	4.02
Gowdey, Harry/ Correll, Benjamin	Wells Fargo Bank, NA	xxxx8641	1,910.05
Gowdey, Harry R (and/or Betty Allman)	Bank of America	xxxx7749	181.02
Gowdey, Harry R (and/or Betty Allman)	Bank of America	xxxx4386	52.63
Gowdey, Harry R (and/or Betty Allman)	Bank of America	xxxx6560	25,047.67
Delp, Diana dba Atlas	Wells Fargo Bank, NA	xxxx0819	21.00
Jericho Productions	Wells Fargo Bank, NA	xxxx1197	2,938.99
Jericho Productions	Wells Fargo Bank, NA	xxxx8583	644.19
Jericho Productions	Wells Fargo Bank, NA	xxxx8641	1,910.38
Atlas LLC Blue Sky	Bank of Texas - Legal Dept	xxxx5335	
<i><u>Gregory Thompson; TNT Office Supply, Inc.</u></i>			
Thompson, Greg W.	Security Service Federal Credit Union	xxxx0772	Closed by Receiver
Thompson, Greg W.	Security Service Federal Credit Union	xxxx0700	Closed by Receiver
Thompson, Greg W.	Security Service Federal Credit Union	xxxx0771	Closed by Receiver
Thompson, Greg W.	Security Service Federal Credit Union	xxxx5000	Closed by Receiver
Thompson, Greg W.	Charles Schwab & Company	xxxx4647	7,785.53
Thompson, Greg W.	Charles Schwab & Company	xxxx4647	13,411.83
Thompson, Sandra L.	Security Service Federal Credit Union	xxxx5079	0.00
Thompson, Sandra L.	Security Service Federal Credit Union	xxxx0500	0.00
Thompson, Sandra L.	Security Service Federal Credit Union	xxxx0600	0.00
Thompson, Sandra L.	Security Service Federal Credit Union	xxxx0672	0.00
Thompson, Sandra L.	Charles Schwab & Company	xxxx4647	12,870.97
Thompson, Sandra L.	Charles Schwab & Company	xxxx4647	14,876.23
TNT Office Supply	Security Service Federal Credit Union	xxxx5079	Closed by Receiver

Exhibit "A"

Entity	Bank	Acct #	Amount Frozen
TNT Office Supply/Gregory Thompson	Broadway National Bank	xxxx9928	Closed by Receiver
TNT Office Supply/Gregory Thompson	Sterling Bank	xxxx9131	Closed Nov 2005
TNT Office Supply/Gregory Thompson	Charles Schwab & Company	xxxx	
TNT Office Supply/Gregory Thompson	Hussman Funds	xxxx1825	7,676.36
TNT Office Supply/Gregory Thompson	Hussman Funds	xxxx1826	7,676.36
TNT Office Supply/Gregory Thompson	Janus	xxxx	7,500.00
TNT Office Supply/Gregory Thompson	R. J. O'Brien	xxxx	500.00

Neulan Midkiff; The Joshua Tree Group

Midkiff, Neulan Dae	Bank of America, NA	xxxx6560	25,426.90
Midkiff, Neulan Dae	Investment Centers of America, Inc	xxxx7209	4,869.90
Midkiff, Neulan Dae	TCF National Bank	xxxx7609	
Midkiff, Neulan Dae	US Bank	xxxx0382	
Midkiff, Neulan Dae & Donna Mae	First State Bank of Wyoming	xxxx4351	closed
Midkiff, Neulan Dae & Donna Mae	First State Bank of Wyoming	xxxx1769	0.02
Midkiff, Donna	Providian Financial	xxxx2166	
Joshua Tree Group	Bank of America, NA	xxxx2422	1,083,510.00
Joshua Tree Group	Bank of America, NA	xxxx2419	729,650.04
Joshua Tree Group	Bank of America, NA	xxxx2406	221,325.80
Joshua Tree Group	Bank of America, NA	xxxx1423	90.00
Joshua Tree Group	Bank of America, NA	xxxx8130	10,034.02
D Midkiff(Joshua Tree Group LLC)	Wells Fargo Bank, NA	xxxx1010	5,150.00
N Midkiff(Joshua Tree Group LLC)	Wells Fargo Bank, NA	xxxx4371	2,374.80
Feast of Tabernacle Ministries	First State Bank of Wyoming	xxxx4482	43.13
His Feast	First State Bank of Wyoming	xxxx2731	26.80
Shiloh of Lino	First State Bank of Wyoming	xxxx5473	Closed
Via comp Financial	First State Bank of Wyoming	xxxx1715	11.02
Padan-Aram Trust	Wells Fargo Bank, NA	xxxx5008	
Padan-Aram Trust	Wells Fargo Bank, NA	xxxx1841	

RELIEF DEFENDANTS

Banner Shield, LLC

Banner Shield LLC Blue Sky	Bank of Texas - Legal Dept	xxxx9747	
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Exhibit "A"

Entity	Bank	Acct #	Amount Frozen
Banner Shield LLC Blue Sky	Bank of Texas - Legal Dept	xxxx8933	
Banner Shield LLC Blue Sky	Bank of Texas - Legal Dept	xxxx5720	
<u>Hospitality Management Group, Inc.</u>			
Hospitality Management Group Inc	Bank of America, NA	xxxx8128	27.90
<u>Creative Wealth Ventures, LLC</u>			
Creative Wealth Ventures, LLC	Anchor Bank of West St.	xxxx9601	1,311.22
<u>JTA Enterprises</u>			
Clark, Linda/JTA Enterprises		xxxx	
JTA Enterprises, Inc.	Wachovia Bank NA	xxxx2502	\$1,183 Overdrawn
JTA Enterprises, Inc./Linda or Bill Clark	Commerce Bank	xxxx	
<u>Others</u>			
Horizon of Texas	Bank of America, NA	xxxx4137	Closed
KT Real Estate Group, LLC	SunTrust	xxxx8244	2,128.46
Century Business Concepts	US Bank	xxxx9374	
Stewardship Group, LLC	Plainscapital Bank	xxxx6850	519,000.00
Silverton Capital Investments, LLC	Wells Fargo Bank, NA	xxxx8697	29,176.35
Sterling Meridian, LLC	Wells Fargo Bank, NA	xxxx3520	156,640.38
The Masters Miracle	US Bank	xxxx0917	
KG Sitton & Company, LLC	TIB The Independent Bankers Bank	xxxx2779	
BCM Enterprises, LLC	Home Federal Bank	xxxx5668	370.14
Eagles Nest Outreach	Bank of America, NA	xxxx8092	Closed
ATL, Inc.	Highland Bank	xxxx0558	124,397.21
To Your Health	Bank of Texas	xxxx8988	
R&H Investments	BancorpSouth Bank	xxxx	
			<hr/> 3,173,903.81

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
DEFENDANTS				
<i>Travis E. Correll and dba Horizon Establishment; Travis Correll & Company; The Net Worth Group</i>				
Frozen Bank Accounts		\$69,134		\$69,134
Wachovia securities account	Account liquidated and in Receiver's possession	\$331,689		\$331,689
Stewardship Group LLC. Net of transfers has been turned over to receiver	\$519,000 received by Receiver	\$519,000		\$519,000
1/2 Interest in KT Real Estate Group, Inc. KT owns real property at 10-E In Residence 10, Heathstone at Spring Mountain Ranch, McCall, ID 83638. Purchase 10/26/04 for \$88,500	Letter sent.	\$44,250		\$44,250
1/2 Interest in KT Real Estate Group, Inc. Bank account at SunTrust	Freeze letter sent.	Unknown		Unknown
TC Worldwide, Inc. - Company was formed 10/11/05 by TEC in Georgia.	Receiver investigating assets	Unknown		Unknown
Els of Georgia, Inc. - Company was formed 2/09/05 by TEC in Georgia	Receiver investigating assets	Unknown		Unknown
Correll Land Company - Company was formed 1/10/05 in Nebraska. TEC is one of four member. Other members are family	Receiver investigating assets	Unknown		Unknown
Time Share at Legends Edge at Bay Point, 4000 Marriott Drive, Panama City, Florida 32408. Paid \$34k	Receiver investigating value	Unknown		Unknown

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
FF&E at 3445 Stratford Road, Apt 3601, Atlanta, GA 30328	Frozen	Unknown		Unknown
FF&E at Concourse Office	Frozen. Under Receiver's control	\$50,000		\$50,000
Sentinel Partners, Ltd. Investment of \$1,000,000 being pursued by G2 LLC.	Investigators contacted.	Unknown		Unknown
Megafund / International Galleries, Inc. investment	In separate Receivership	Unknown		Unknown
Solegasa Investment - \$1,000,000 Invested. Principals of Solegasa have been arrested.	Recovery unlikely.	Unknown		Unknown
Project Amsterdam. Appears to be failed venture.	Receiver investigating	Unknown		Unknown
Real Estate investments	Investigating	Unknown		Unknown
Membership interest in TK Productions who invested \$500,000 in production of a movie called London Texas.	Have been in contact with the executive producer of movie.	Unknown		Unknown
Promissory Note for sale of interest in Element Payment Services. Requested note from TEC's counsel.	Contacted Mr. Erickson and Receiver possess note.	\$1,340,000		\$1,340,000
E-Bullion - \$100,000 investment in gold June 2004	Receiver investigating	Unknown		Unknown
Daniel Moody - Commissions earned. Agreed to payback.	Agreed to pay to Receiver over time.	\$170,000		\$170,000

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
Volvos (9)	8 of 9 have been liquidated	\$171,500	\$64,000	\$107,500
Loans to at least four individuals	Receiver investigating	Unknown		Unknown
Portland Monthly - Investment in magazine. TEC owns 384,615 Series A Preferred Shares and 250,000 Series B Preferred Shares.	Receiver investigating value.	Unknown		Unknown
Extra Nurse - Investment/Loan/Ownership Interest	Receiver investigating	Unknown		Unknown
Adire Group - Investment/Loan/Ownership Interest	Receiver investigating value	Unknown		Unknown
Superior Staffing - Investment/Loan/Ownership Interest	Receiver investigating value	Unknown		Unknown
Clear Fusion International - Investment/Loan/Ownership Interest	Receiver investigating	Unknown		Unknown
Evocash Account - Account was Set up Oct 2004	Receiver investigating whether still open	Unknown		Unknown
Gunn Allan Financial - Travis Correll Investments Account # OCK468969	Letter sent	Unknown		Unknown

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
<u>Dwight J. Johnson</u>				
Frozen Bank Accounts		\$82,558		\$82,558
2004 Cadillac Escalade ESV. No note on vehicle.	Blue Book value shown	\$37,000		\$37,000
830 Euros	Value as of 1/19/106.	\$1,004		\$1,004
<u>Harry R. Gowdey; Atlas and Jericho Productions</u>				
Frozen bank accounts		\$34,351		\$34,351
1994 BMW 525i	Blue Book value shown	\$2,500		\$2,500
<u>Gregory Thompson; TNT Office Supply, Inc.</u>				
Frozen Bank Accounts		\$72,297		\$72,297
TNT Office Supply - Receiver account at Security Service FCU	Receiver controlled account. Current balance net of proceeds from sale of TNT	\$77,558		\$77,558
Gregory Thompson - Receiver Account at Security Service FCU	Receiver controlled account	\$14,563		\$14,563
TNT Office Supply. Business was sold 1/16/06 netting \$30,668.60.	Proceeds from sale. In Receiver's control.	\$30,669		\$30,669
313 N. Park Drive, San Antonio TX 78216 - Offices of TNT. (Valued between \$250k and \$450k).	Contract has been submitted on Property. Appraisal pending.	\$250,000	No mortgage	\$250,000
29530 Ancestral Trail, Bulverde, TX 78163 - Thompson's Residence - Paid \$1.25 million in Dec 2004. \$250k down.	Occupied by Thompsons	\$1,250,000	est \$1,000,000	\$250,000

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
305 Princess Lane, Sunrise Beach TX. Locks changed and freeze order posted. Purchased in 2003 for \$550,000 with \$55,000 down.	Secured by Receiver	\$585,000	est \$495,000	\$90,000
Real Property in Williston, North Dakota - Not confirmed.	Receiver investigating	Unknown		Unknown
FF&E in the various homes				
Two 2002 Cadillac Escalades. Little or no equity expected.	Located at 29530 Ancestral Trail location	Unknown	\$36,537	Unknown
John Deere lawn tractor	Located at 29530 Ancestral Trail location	Unknown		Unknown
Two Honda four wheelers	Located at 29530 Ancestral Trail location	\$4,000		\$4,000
Two Honda dirt bikes	Located at 29530 Ancestral Trail location	\$3,000		\$3,000
Two Honda personal watercrafts located at 305 Princess Lane in Sunrise Beach	Located at 305 Princess Lane in Sunrise Beach	Unknown		Unknown
20.5' Hurricane Outboard	Located at 305 Princess Lane in Sunrise Beach	Unknown	\$27,000	Unknown
Investment in Gin-Bug. Dirt Development in Helotes, TX. Receiver is receiving distributions of \$2,500 per month.	\$100k invested	Unknown		Unknown
Investment in Advance Tech	\$250k invested	Unknown		Unknown

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
Investment in G Investments	\$75k invested	Unknown		Unknown
Oil & Gas Properties at least 7 Interests	Receiver receiving royalty payments.	Unknown		Unknown
<u>Grant Cardno; The Liberty Establishment, Inc.; Sovereign Capital Investments, S.A.</u>				
No assets located at this time.				
<u>Neulan Midkiff; The Joshua Group</u>				
Frozen bank accounts		\$2,082,512		\$2,082,512
Real Property 7580 Hilo Lane, Lake Forest, MN - Mortgage on Property. Paid \$1.263 million in June 2005.	Potential equity in property	\$1,263,000	\$940,000	\$323,000
Real Property 1319 S.E. Bay, Lake Forest, MN	Researching mortgage amount	Unknown	Researching Mortgage Amount	Unknown
Content of Hilo Land and SE Bay Property	Auction to be scheduled	Unknown		Unknown
1996 GMC Jimmy, Last 6 of VIN - 578243	Impounded at Forest Lake PD	Unknown		Unknown
2000 Fleet Discovery RV, Last 6 of VIN - 477789	Sold after Freeze Order to pay attorney retainer	\$0		\$0
2005 Mercedes E500, Last 6 of VIN - 172657	Sold after Freeze Order to pay attorney retainer	\$0		\$0
2006 Lincoln Mark Ltd., Last 6 of VIN - FJ0531	Sold after Freeze Order to pay attorney retainer	Unknown		Unknown
2004 Lincoln Navigator, Last 6 of VIN - J26222	Receiver Investigating	Unknown		Unknown
Boat	Receiver investigating	Unknown		Unknown

Exhibit "B"

Description of Asset	Comments Regarding Status	Asset Value	Debts	Potential Value to Estate
Golf Cart. Paid \$4,500 in Oct. 2005	Not located. Purchase recorded in JTG Quickbooks.	\$3,500		\$3,500
1/4 interest in real property at 1746 Cottonwood Rd, Leesville, LA 71446	Receiver investigating	Unknown		Unknown
Loan to individuals	Per JTG's QuickBooks	Unknown		Unknown
Equity in real property located at 21288 Harrow Ave and Owned by Feast of Tabernacles Ministries	\$400,000 paid by Joshua Tree Group	Unknown	\$1,600,000	Unknown
<u>RELIEF DEFENDANTS</u>				
<i><u>Banner Shield LLC</u></i>				
Frozen Bank Accounts		\$0		\$0
<i><u>Hospitality Management Group, Inc.</u></i>				
Frozen Bank Accounts		\$28		\$28
<i><u>Creative Wealth Ventures LLC</u></i>				
Frozen Bank Accounts		\$1,311		\$1,311
<i><u>JTA Enterprises</u></i>				
Frozen Bank Accounts		\$0		\$0
				<u><u>\$5,991,425</u></u>