

Subsequent to filing the Plan and the Amended Distribution Schedule, the Receiver has become aware that one investor (the “Claimant”) who had received and returned a claim form, and whose claim had been considered by the Receiver and allowed, had inadvertently not been assigned a claim number and was therefore omitted from the Rising Tide calculations and the Amended Distribution Schedule. The omission resulted from a clerical error precipitated by name confusion between the Claimant and another claimant. The Claimant has now been assigned Claim No. 486. To verify this was an isolated incident and that no one else was excluded, the Receiver’s team has reviewed the records again and has verified that everyone who submitted a claim has been assigned a Claim Number and is listed on one of the distribution schedules.

If the holder of Claim No. 486 had been included in the Amended Distribution Schedule, the Receiver would have proposed that the Claimant receive a total distribution in the amount of the minimum recovery percentage. If the Receiver were to add Claim No. 486 to the previous Rising Tide calculation and recalculate the proposed distribution, the distribution amounts for all claimants receiving a distribution would be reduced slightly.¹

¹ In the Rising Tide calculations each person receiving a distribution affects the amount received by the other claimants who are due a distribution. If Claim No. 486 is included and the Rising Tide calculations for all claimants recalculated with a distribution of \$1,360,000, the minimum recovery percentage would drop to 14.2%.

To avoid this result, the Receiver proposes to make the distributions as proposed in the Plan and the Amended Distribution Schedule without adjustment and to make a separate special distribution on account of Claim No. 486 in the amount of \$34,736.25, so that the Claimant's total recovery is the same minimum recovery percentage of 14.48% (displayed on the Amended Distribution Schedule as rounded to 14.5%) that the other claimants who are due a minimum distribution would receive if the Plan is approved.² If the present motion is granted, the Receiver would then be distributing a total of \$1,394,736.25, equaling the Amended Distribution amount of \$1,360,000 set forth in the Plan plus the special distribution of \$34,736.25 to the Claimant.

Respectfully submitted this 12th day of September, 2017.

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² Claim No. 486 has an allowed claim amount of \$370,000, with \$18,839.75 in pre-receivership withdrawals, resulting in a net proposed distribution of \$34,736.25 (\$370,000 times .1448 minus \$18,839.75).

CERTIFICATE OF SERVICE

I certify that the foregoing was prepared with one of the font and point selections approved by the Court in LR 5.1B. I further certify that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notice of electronic filing to counsel of record.

The foregoing was also served on the Summit Claimants who provided Receiver Confirmed Electronic Mail Information (as defined in the proposed Plan), by electronic mail to the electronic mail address confirmed by each Claimant, and by first class mail to all Claimants for whom the Receiver did not receive Receiver Confirmed Electronic Mail Information. The Receiver is maintaining proof of mailing.

This 12th day of September, 2017.

/s/ Robert D. Terry
Robert D. Terry
Receiver

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