

IN THE CHANCERY COURT FOR LEWIS COUNTY
AT HOHENWALD, TENNESSEE

IN RE:

SENTINEL TRUST COMPANY

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NO. 4781

COMMISSIONER-IN-POSSESSION'S AND SENTINEL TRUST RECEIVER'S
NOTICE OF FILING OF FINANCIAL INFORMATION
AS OF DECEMBER 31, 2005

Please take notice of the filing, by the Commissioner-in-Possession and the Sentinel Trust Receiver, of the following financial information relating to this Receivership proceeding:

- a) Post-Receivership History of Sentinel Trust SunTrust Fiduciary Bank Account #4049233 (Pooled Fiduciary Account) as of December 31, 2005; and
- b) Sentinel Trust Receivership Schedule of Revenues, Expenses and Net Assets for the Period May 18, 2004 through December 31, 2005.

Respectfully submitted,


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Counsel for Commissioner-in-Possession

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Management, Inc., Receiver of Sentinel Trust
Company*

CERTIFICATE OF SERVICE

This is to certify that on January 3rd, 2006 a copy of the foregoing Notice has been sent by First Class U.S. Mail, postage paid, and also by facsimile as noted, to:

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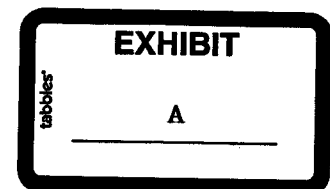


J. Graham Matherne

POST RECEIVERSHIP HISTORY OF SENTINEL TRUST
 SUNTRUST TRUST DEPT PRE 5-18 FIDUCIARY BANK ACCOUNT #4049233
 SUNTRUST FIDUCIARY BANK ACCOUNT #4049233
 (POOLED TRUST ACCOUNT)
 AS OF DECEMBER 31, 2005

BALANCE IN ACCOUNT AT INSTITUTION OF RECEIVERSHIP (05-18-04)		\$ 2,472,928.03
PRE 05-18-04 FUNDS USED IN JUNE 2004 DISTRIBUTION		
SEE ORDER E.O.D. 05/28/04		
025 JACKSONVILLE	45,554.91	
074 CARROLL COUNTY	141,793.75	
147 CHATTANOOGA	90,426.15	
154 WAYNE COUNTY	108,576.25	
168 CITY OF HIAWTHA	107,431.25	
173 WAYNE COUNTY	105,423.75	
229 HUNTSVILLE UTILITY	41,553.12	
231 CITY OF NICEVILLE	39,258.34	
	<u>39,258.34</u>	(680,017.52)
		1,792,910.51
POST 05-18-04 ACTIVITY		
SWEEP INTEREST RECEIVED	102,839.42	
LESS TRANSFERRED TO POST 5-18 ACCOUNT	<u>(2,465.86)</u>	100,373.56
PRE 05-18-04 CHECKS PAID BY BANK		(128,718.84)
EXPENSES CHARGED BY BANK		(668.44)
TRANSFER FROM POST 5-18 BANK ACCOUNT		1,000.00
ALL OTHER		0.69
TRANSFER OF FUNDS RESULTING FROM CLOSING SENTINEL UNION PLANTERS BANK TRUST ACCT 3601966645		41,765.12
RECEIPTS FROM REALIZING UPON DEFAULTED BOND COLLATERAL:		
REIMBURSE FOR AMOUNTS TAKEN FROM ACCOUNT BY FORMER SENTINEL TRUST MANAGEMENT		
082 LEE COUNTY (SEE ORDER E.O.D. 12/15/04)	357,024.40	
128 TARRANT CO (SEE ORDER E.O.D. 05/23/05)	390,806.52	
125 HERNANDO (SEE ORDER E.O.D. 05/23/05)	444,747.29	
155 FT PIERCE (SEE ORDER E.O.D. 05/23/05)	130,468.89	
172 PINE BLUFF ARK (SEE ORDER E.O.D. 08/29/05)	<u>304,174.03</u>	1,627,221.13
AMOUNTS FURTHER DEPOSITED FROM ACCOUNTS REGARDING TARRANT COUNTY, HERNANDO COUNTY AND FORT PIERCE (SEE ORDER E.O.D. 07/07/05)		315,486.09
BALANCE IN ACCOUNT 12-31-05		<u><u>\$ 3,749,369.82</u></u>

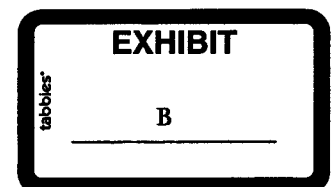
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SENTINEL TRUST RECEIVERSHIP
SCHEDULE OF REVENUE, EXPENSES AND NET ASSETS
FOR THE PERIOD 05-18-04 / 12-31-05

REVENUE	5/18/2004 9/30/2005	10/1/2005 12/31/2005	5/18/2004 12/31/2005
4200-ADMIN FEES INCOME (NOTE 1)	336,803.57		336,803.57
4250-FEES FROM DEFAULTS (NOTE 2)	1,279,782.93		1,279,782.93
4800-SALE OF BELLEVUE BLDG 7-14-05 (NOTE 3)	294,160.44		294,160.44
4800-LIQUIDATE HILLIARD LYONS ACCT	195,127.22		195,127.22
4120-INTEREST INCOME	3,326.10	3,102.27	6,428.37
TOTAL REVENUE	2,109,200.26	3,102.27	2,112,302.53
EXPENSES			
FEES			
5300-INDEPENDENT FIDUCIARY FEES	186,547.25	16,979.75	203,527.00
5400-LEGAL FEES	292,597.63	18,716.59	311,314.22
5610-CONTRACT LABOR	199,845.62	16,242.25	216,087.87
TOTAL FEES	678,990.50	51,938.59	730,929.09
OTHER EXPENSES:			
5690-RMI OVERHEAD REIMBUREMENT	23,019.43	2,447.75	25,467.18
5697-OTHER FEES			
TEMPORARY EMPLOYEES	37,309.69		37,309.69
OTHER (NOTE 5)	11,573.47	41,768.04	53,341.51
5750-SALARIES	168,026.47		168,026.47
5775-EMPLOYER PAYROLL TAXES	12,204.96		12,204.96
5810-HEALTH INSURANCE	10,747.91		10,747.91
5930-TN TAXES & FEES (NOTE 6)	1,976.00	8,822.20	10,798.20
6060-RENT	9,000.00	3,000.00	12,000.00
6120-LOANS ON DEFAULTS NOT EXPECTED TO BE RECOVERED (NOTE 4)	127,794.10	80,013.52	207,807.62
6190-MAINTENANCE			
ALARM SYSTEM	1,844.59	164.08	2,008.67
BUILDING	7,950.45	140.00	8,090.45
EQUIP	9,154.22		9,154.22
POSTAGE MACHINE	1,309.82		1,309.82
CLEANING	3,745.61		3,745.61
6210-POSTAGE & COPIES	7,324.18	528.61	7,852.79
6215-OVERNIGHT & COURIER	4,046.10	13.00	4,059.10
6220-TELEPHONE	38,731.21	622.23	39,353.44
6230-OFFICE SUPPLIES	5,737.60		5,737.60
6240-PRINTING	4,949.71		4,949.71
6260-STORAGE	6,988.36	2,265.00	9,253.36
6270-MOVING EXPENSE	1,825.00		1,825.00
6290-UTILITIES			-
ELECTRIC	13,884.87	1,755.35	15,640.22
WATER SEWER GAS	3,230.04	188.63	3,418.67
6320-BANK CHARGES	123.91	8.50	132.41
6330-COURT COSTS	1,395.50		1,395.50
6335-NEWSPAPER NOTICES	2,254.25		2,254.25
6340-INSURANCE (NOTE 7)	8,615.00	9,053.00	17,668.00
6350-TRAVEL	5,498.93	442.80	5,941.73
6350-TRAVEL RMI	13,030.69		13,030.69
6390-IRS PENALTY F 941	1,969.08		1,969.08
6398-PRE 5-17-04 CKS PAID	3,253.78		3,253.78
6399-MISC EXP	907.57		907.57
TOTAL OTHER EXPENSES	549,422.50	151,232.71	700,655.21
TOTAL EXPENSES	1,228,413.00	203,171.30	1,431,584.30
NET REVENUE LESS EXPENSES	880,787.26	(200,069.03)	680,718.23
SCHEDULE OF CHANGE IN NET ASSETS			
NET CASH 05-18-04	147,854.76		147,854.76
NET REVENUE LESS EXPENSES	880,787.26	(200,069.03)	680,718.23
NET ASSETS	1,028,642.02		828,572.99

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SENTINEL TRUST RECEIVERSHIP
NOTES TO SCHEDULE OF REVENUE, EXPENSES AND NET ASSETS
FOR THE PERIOD 05-18-04 / 12-31-05

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1. ACCOUNT 4200 - ADMIN FEES INCOME - REVENUE FROM ADMINISTRATION OF THE MONTHLY DISTRIBUTION OF BOND INTEREST AND PRINCIPAL PAYMENTS FROM 05-18-04. \$ 336,803.57

2. ACCOUNT 4250 - FEES FROM DEFAULTS- ADMINISTRATION FEES RELATED TO DEFAULTED ISSUES. ITEMIZATION OF AMOUNT IS SHOWN BELOW:

082 LEE COUNTY (SEE ORDER E.O.D. 12/15/04)	\$ 297,841.17
088 MAPLECREST (SEE ORDER E.O.D. 12/15/04)	25,041.88
096 WASHINGTON COUNTY GREENVILLE (SEE ORDER E.O.D 12/15/04)	173,170.30
117 HOUSTON COUNTY (SEE ORDER E.O.D 08/01/04)	30,550.00
125 HERNANDO (SEE ORDER E.O.D. 05/23/05)	243,071.01
128 TARRANT CO (SEE ORDER E.O.D. 05/23/05)	310,494.06
172 PINE BLUFF ARK (SEE ORDER E.O.D. 08/29/05)	7,937.50
155 FT PIERCE (SEE ORDER E.O.D. 05/23/05)	191,677.01
	<u>\$ 1,279,782.93</u>

3 ACCOUNT 4800 - SALE OF BELLEVUE BUILDING \$ 294,160.44
THE SALE OF THE BELLEVUE OFFICE WAS CLOSED AND FUNDS RECEIVED ON 07-14-05.

4. ACCOUNT 6120 - LOANS ON DEFAULTS NOT EXPECTED TO BE RECOVERED \$ 207,807.62

SINCE 05-18-04 SENTINEL TRUST RECEIVERSHIP HAS LOANED MONEY (FROM REVENUE IT HAS EARNED) TO FUND THE MAINTENANCE OF ACTIONS AND OTHER MATTERS RELATED TO CERTAIN DEFAULTED BOND ISSUES.

WHEN THE COLLATERAL IS SOLD THE LOAN (PLUS INTEREST @ 18% PER YEAR) WILL BE REPAYED TO SENTINEL TRUST RECEIVERSHIP.

IT IS POSSIBLE THAT THE SALE OF COLLATERAL PLUS RECOVERY FROM ANY OTHER SOURCE WILL NOT BE SUFFICIENT TO REPAY THE LOAN. IN THIS SITUATION, RECOVERY OF THE LOAN WILL BE MADE FROM THE PRE 5-18-04 PROOF OF CLAIMS PROCEEDS OF THE BOND ISSURER TO THE EXTENT POSSIBLE.

IF RECOVERY OF THE LOAN FROM ANY OF THE ABOVE SOURCES IS NOT POSSIBLE, THE NET AMOUNT UNRECOVERABLE WILL BE AN EXPENSE OF SENTINEL TRUST RECEIVERSHIP.

THE AMOUNT IN ACCOUNT 6120, \$207,807.62, REPRESENTS THE ESTIMATE AS OF 12-31-05 THAT MAY NOT BE RECOVERED.

SENTINEL TRUST RECEIVERSHIP
 NOTES TO SCHEDULE OF REVENUE, EXPENSES AND NET ASSETS
 FOR THE PERIOD 05-18-04 / 12-31-05

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5. ACCOUNT 5697 - OTHER CONTRACT LABOR

05/27/04 PAYMENT TO BOBBY ANDERSON FOR ASSISTANCE IN 1ST POST RECEIVERSHIP PAYMENT OF PRINCIPAL AND INTEREST.	\$	5,000.00
06/25/04 PAYMENT TO BYTES OF KNOWLEDGE FOR BACKUP OF BELLEVUE COMPUTERS.		1,343.71
02/03/05 & 01/31/05 PAYMENTS FOR COMPUTER SETUP AT BRENTWOOD LOCATION		1,889.16
12/22/05 PAYMENT TO TN DEPT OF FINANCIAL INSTITUTIONS FOR TRAVEL AND EXPENSES THRU JUNE 2005		41,190.52
ALL OTHER (PRIMARILY INSPECTION AND MAINTENANCE OF HOHENWALD BUILDING AFTER MOVE TO BRENTWOOD LOCATION).		3,918.12
	\$	<u>53,341.51</u>

6. ACCOUNT 5930 - TN TAXES & FEES

2004 TN FRANCHISE & EXCISE TAX	\$	1,976.00
2004 PROPERTY TAXES ON HOHWENWALD BUILDING		5,061.11
2005 PROPERTY TAXES ON HOHWENWALD BUILDING		3,761.09
	\$	<u>10,798.20</u>

7. ACCOUNT 6340 - INSURANCE

11/18/04 PAYMENT TO ZENITH INSURANCE FOR WORKERS COMP DEPOSIT 12-05-04 / 12-05-05	\$	254.00
11/30/04 PAYMENT TO FRIDRICH PINSON FOR INSURANCE THRU 12-05-05		9,577.00
12/02/05 PAYMENT TO FRIDRICH PINSON FOR INSURANCE THRU 12-05-06		9,053.00
04/26/05 REFUND CREDIT RECEIVED ON THE WORKERS COMPENSATION INSURANCE IN PLACE WHEN THE RECEIVERSHIP WAS ESTABLISHED.		(1,216.00)
	\$	<u>17,668.00</u>