

**IN THE CHANCERY COURT FOR LEWIS COUNTY
AT HOHENWALD, TENNESSEE**

IN RE:)
)
 SENTINEL TRUST COMPANY) **NO. 4781**
)
)

**ACTING COMMISSIONER-IN-POSSESSION’S AND SENTINEL TRUST RECEIVER’S
REPLY TO OBJECTION BY DORIS K. LONGINOTTI REGARDING MOTION
SEEKING APPROVAL OF THE SCHEDULE OF CLAIM DETERMINATIONS**

On February 20, 2006, Doris K. Longinotti filed an Objection to the Commissioner-in-Possession’s and Receiver’s January 31, 2006 Motion Seeking Approval of the Schedule of Claim Determinations and Approval of the Methodology Proposed to Calculate Distributions on Accepted Claims (“Motion”). See Ms. Longinotti’s February 20, 2006 filing attached as **Exhibit 1**.¹ Ms. Longinotti is a bondholder of the defaulted Charlotte, North Carolina/Roseland Bond Issue and the defaulted City of Pearsall/Harvest Communities Bond Issue and is also the holder of a claim as one of the Pearsall, Texas Vault Check group. The basic problem is that the three Proofs of Claim from Ms. Longinotti were not timely filed by the claims bar date of July 31, 2005. The Proofs of Claim were postmarked after July 31, 2005 and were received by the Sentinel Trust Receiver on August 4, 2005. Accordingly, the claims were denied as being late-filed.


Ms. Longinotti’s Objection is one which requests reconsideration of the denial because, as pled by her daughter, Ms. Longinotti is elderly, unable to attend to her affairs and is in need of whatever funds might be made available to her regarding her claims. The Objection points out

¹ Ms. Longinotti’s Objection came in the form of a letter written by Ms. Longinotti’s daughter, Cathy Ann Longinotti. That letter makes reference to an August 4, 2005 letter which was supposedly attached to the Objection. The Receiver’s copy of the Objection did not include the August 4, 2005 letter.

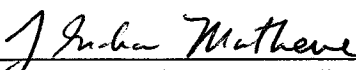
that the Proofs of Claim were sent in as soon as Ms. Longinotti's daughter became aware of the situation.

The acting Commissioner-in-Possession and Sentinel Trust Receiver are not unsympathetic to Ms. Longinotti's circumstances. However, the timely filing of Proofs of Claim is critical to the orderly progression of any receivership, and to agree to relax the situation regarding Ms. Longinotti would establish bad precedent. That having been said, Ms. Longinotti's Objection is the only instance in which a claimant, whose claim has been denied as late-filed, has objected and asked for reconsideration. There is no dispute that Ms. Longinotti's equitable position is strong and the Commissioner-in-Possession and Sentinel Trust Receiver stand ready to treat the three Longinotti claims as timely and to include them as such in the Schedule of Claim Determinations, if so ordered by the Court.

Respectfully submitted,


Janet M. Kleinfelter (by J. Matherne
w/ permission)
Attorney General's Office
425 5th Avenue North
P.O. Box 20207
Nashville, TN 37243
(615) 741-7403

Counsel for Acting Commissioner Greg Gonzales


J. Graham Matherne, BPR #11294
Wyatt, Tarrant & Combs, LLP
2525 West End Avenue, Suite 1500
Nashville, TN 37203-1423
(615) 244-0020

*Counsel for Receivership Management, Inc.,
Receiver of Sentinel Trust Company*

NOTICE OF HEARING OF MOTION

THE COMMISSIONER-IN-POSSESSION'S AND RECEIVER'S MOTION SEEKING APPROVAL OF THE SCHEDULE OF CLAIM DETERMINATIONS AND APPROVAL OF THE METHODOLOGY PROPOSED TO CALCULATE DISTRIBUTIONS ON ACCEPTED CLAIMS IS SET TO BE HEARD ON WEDNESDAY, THE 12TH DAY OF APRIL, 2006, AT 1:00 P.M. AT THE LEWIS COUNTY COURTHOUSE IN HOHENWALD, LEWIS COUNTY, TENNESSEE.

CERTIFICATE OF SERVICE

This is to certify that on March ~~24th~~ 2006 a copy of the foregoing Reply has been sent by First Class U.S. Mail, postage paid, and also by facsimile as noted, to:

James S. Chase
John A. Decker
Hunton & Williams LLP
900 South Gay Street, Suite 2000
P.O. Box 951
Knoxville, TN 37901

Carrol D. Kilgore
Attorney at Law
95 White Bridge Road
Suite 509, Cavalier Building
Nashville, TN 37205-1427
also via fax (615-356-8138)

Donald Schwendimann
12 East Fourth Avenue
P.O. Box 366
Hohenwald, TN 38462
also via fax (931-796-5692)

Larry Stewart
Stokes, Bartholomew, Evans & Petree
424 Church Street, Suite 2800
Nashville, TN 37219

David D. Peluso
P.O. Box 250
Hohenwald, TN 38462-0250

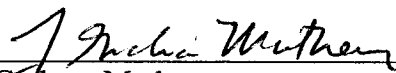
James S. Hereford, Jr.
310 W. College Street
P.O. Box 802
Fayetteville, TN 37334-0802

William B. Hubbard
Weed, Hubbard, Berry & Doughty
SunTrust Bank Bldg., Suite 1420
201 Fourth Avenue North
Nashville, TN 37219

Diana M. Thimmig
Roetzel & Andress
1375 East Ninth Street
One Cleveland Center, Ninth Floor
Cleveland, OH 44114

Doris K. Longinotti
301 Joan Street
South Plainfield, NJ 07080-4507

Doris K. Longinotti
c/o Cathy Ann Longinotti
102 Short Hills Avenue
Short Hills, NJ 07078



J. Graham Matherne

CATHY ANN LONGINOTTI
102 SHORT HILLS AVE
SHORT HILLS, NJ 07078

February 17, 2006

FILED
AT 1:32 O'CLOCK P. M.

FEB 20 2006

JANET WILLIAMS, CLERK & MASTER
BY Selena Wix

VIA FEDERAL EXPRESS

Sentinel Trust Company Claims Objections
Clerk and Master of Lewis County, Tennessee
Lewis County Courthouse, Room 208
110 Park Avenue North
Hohenwald, Tennessee 38462

Re: Doris K. Longinotti
Claim Determination

To Whom it May Concern:

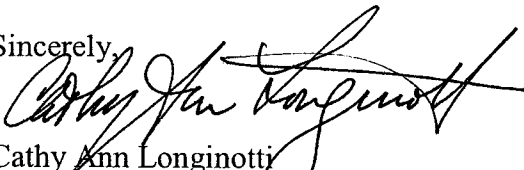
On behalf of my mother, Doris K. Longinotti, surviving owner of bonds of City of Pearsall Health Facility Corp. and Housing Authority of the City of Charlotte, NC. -1998, I would like to request reconsideration of the rejection of my mother's claims (see three letters attached) on the grounds that they were late filed.

As I wrote in my August 4, 2005 letter (attached) to Receivership Management, Inc., my mother is 90 years old and not capable of handling all of her own paperwork. I discovered the Proof of Claim that was due July 31, 2005 while visiting her on August 2, 2005, and sent in the necessary documentation as soon as I was able to.

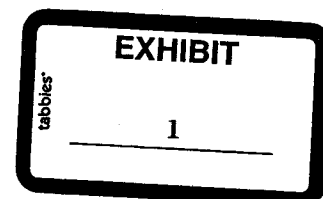
My mother lives on a fixed income and the funds in question would mean a lot to her. We would greatly appreciate a favorable re-ruling on her claims.

I can be reached during the day at 973-467-7625 if you wish to discuss this further.

Sincerely,


Cathy Ann Longinotti
(Daughter of Doris K. Longinotti)

Enclosure: Aug. 4, 2005 letter with attachments
cc: Jeanne B. Bryant, Receiver



**IN RE: SENTINEL TRUST COMPANY IN RECEIVERSHIP
NOTICE TO ALL SENTINEL TRUST RECEIVERSHIP CLAIMANTS
OF CLAIM DETERMINATIONS**

**DORIS K LONGINOTTI
301 JOAN ST
S PLAINFIELD, NJ 07080-4507**

PURSUANT TO TENNESSEE CODE ANN. 45-2-1504, NOTICE IS HEREBY GIVEN THAT THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL INSTITUTIONS, AS THE COMMISSIONER-IN-POSSESSION OF SENTINEL TRUST COMPANY, HAS COMPLETED THE DETERMINATIONS OF CLAIMS MADE AGAINST SENTINEL TRUST COMPANY.

YOUR CLAIM HAS BEEN DETERMINED AS OUTLINED BELOW:

**CLAIM#: 0
BOND ISSUE: CHARLOTTE, NC
EXPLANATION: DEPENDENT ON BR PROCEEDINGS/LATEFILED
AMOUNT APPROVED: \$.00
AMOUNT RECOMMENDED FOR INTERIM DISTRIBUTION:**

PLEASE NOTE THAT THE AMOUNT RECOMMENDED IS NOT THE AMOUNT THAT YOU SHOULD ANTICIPATE BEING PAID BECAUSE OF ADJUSTMENTS TO AVAILABLE FUNDS AS A RESULT OF INTEREST EARNINGS OR RESOLUTIONS OF OBJECTIONS LODGED AGAINST THE CLAIM DETERMINATIONS.

THIS INFORMATION IS CONTAINED IN A SCHEDULE OF CLAIM DETERMINATIONS THAT WILL BE FILED WITH THE CHANCERY COURT OF LEWIS COUNTY, TENNESSEE ON JANUARY 31, 2006. THAT SCHEDULE WILL BE FILED AS AN EXHIBIT TO A NOTICE AND MOTION THAT SEEKS APPROVAL OF THE SCHEDULE OF CLAIM DETERMINATIONS AND THE METHODOLOGY UTILIZED IN CALCULATING DISTRIBUTIONS ON ACCEPTED CLAIMS.

YOU MAY VIEW THE SCHEDULE OF CLAIM DETERMINATIONS AND OTHER COURT FILINGS RELATED TO SENTINEL TRUST ON THE TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS WEBSITE AT <http://www.tennessee.gov/tdfi/> AND FOLLOW THE LINK "Sentinel Trust Company."

ANY OBJECTION YOU MAY HAVE TO THIS DETERMINATION, INCLUDING OBJECTIONS TO DENIAL OF A CLAIM, APPROVED AMOUNT OF A CLAIM, CLASSIFICATION OF A CLAIM AND/OR METHODOLOGY OF COMPUTING DISTRIBUTION UPON ACCEPTED CLAIMS, WILL NEED TO BE FILED IN WRITING WITHIN 20 DAYS AFTER JANUARY 31, 2006 (FEBRUARY 20, 2006) WITH THE CHANCERY COURT OF LEWIS COUNTY, TENNESSEE. YOUR OBJECTIONS SHOULD BE ADDRESSED TO:

SENTINEL TRUST CO. CLAIM OBJECTIONS
CLERK AND MASTER OF LEWIS COUNTY, TENNESSEE
LEWIS COUNTY COURTHOUSE, ROOM 208
110 PARK AVENUE NORTH
HOHENWALD, TENNESSEE 38462

cc: JEANNE B. BRYANT, RECEIVER
RECEIVERSHIP MANAGEMENT, INC.
215 CENTERVIEW DR., STE. 133
BRENTWOOD, TN 37027

ONCE ALL OBJECTIONS HAVE BEEN RESOLVED, A PROCESS EXPECTED TO TAKE SEVERAL MONTHS, THE COMMISSIONER-IN-POSSESSION AND RECEIVER WILL MOVE THE COURT TO AUTHORIZE AN INTERIM DISTRIBUTION. ALL QUESTIONS SHOULD BE DIRECTED TO JEANNE BARNES BRYANT AT (615) 370-0051.

Jeanne Barnes Bryant
Receiver-Sentinel Trust Company in Receivership
Dated: 1-27-06

**IN RE: SENTINEL TRUST COMPANY IN RECEIVERSHIP
NOTICE TO ALL SENTINEL TRUST RECEIVERSHIP CLAIMANTS
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301 JOAN ST
S PLAINFIELD, NJ 07080-4507**

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YOUR CLAIM HAS BEEN DETERMINED AS OUTLINED BELOW:

**CLAIM#: 0
BOND ISSUE: PEARSALL, TX (VAULT CHECK)
EXPLANATION: LATE FILED
AMOUNT APPROVED: \$.00
AMOUNT RECOMMENDED FOR INTERIM DISTRIBUTION:**

PLEASE NOTE THAT THE AMOUNT RECOMMENDED IS NOT THE AMOUNT THAT YOU SHOULD ANTICIPATE BEING PAID BECAUSE OF ADJUSTMENTS TO AVAILABLE FUNDS AS A RESULT OF INTEREST EARNINGS OR RESOLUTIONS OF OBJECTIONS LODGED AGAINST THE CLAIM DETERMINATIONS.

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CLERK AND MASTER OF LEWIS COUNTY, TENNESSEE
LEWIS COUNTY COURTHOUSE, ROOM 208
110 PARK AVENUE NORTH
HOHENWALD, TENNESSEE 38462

cc: JEANNE B. BRYANT, RECEIVER
RECEIVERSHIP MANAGEMENT, INC.
215 CENTERVIEW DR., STE. 133
BRENTWOOD, TN 37027

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Receiver-Sentinel Trust Company in Receivership
Dated: 1-27-06

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YOUR CLAIM HAS BEEN DETERMINED AS OUTLINED BELOW:

**CLAIM#: 0
BOND ISSUE: CITY OF PEARSALL
EXPLANATION: LATE FILED
AMOUNT APPROVED: \$.00
AMOUNT RECOMMENDED FOR INTERIM DISTRIBUTION:**

PLEASE NOTE THAT THE AMOUNT RECOMMENDED IS NOT THE AMOUNT THAT YOU SHOULD ANTICIPATE BEING PAID BECAUSE OF ADJUSTMENTS TO AVAILABLE FUNDS AS A RESULT OF INTEREST EARNINGS OR RESOLUTIONS OF OBJECTIONS LODGED AGAINST THE CLAIM DETERMINATIONS.

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