

HEALTH REPUBLIC INSURANCE COMPANY in LIQUIDATION ("HRI")

Modified Cash Basis Expenses (Note 1)

Vendor Expenses on a Modified Cash Basis

For The Period May 11, 2016 to December 31, 2016

Expense Category	Vendor	Description of Expense	May	June	July	August	September	October	November	December	Cumulative Since Date of Liquidation	
Administrative Expenses:												
	Garden City Group	Mailings of court orders, phone center, web-site monitoring	156,890	147,690	-	104,409	155,029	46,030	-	80,128	Note 2	690,176
	New York Liquidation Bureau	Salaries and Overhead	-	59,856	106,809	126,610	101,999	60,317	119,645	47,737		622,973
	Rackspace US, Inc.	Cloud storage	-	41,311	19,461	19,461	19,461	19,461	19,461	19,461		158,076
	DAZ	Oracle general ledger report writer services	-	8,274	2,758	2,758	1,379	-	-	-		15,169
	MegaPath	IT vendor that hosts data lines and phones	9,240	-	-	-	-	-	-	-		9,240
	Oracle	HRI General Ledger support	-	-	-	-	-	56,010	-	-		56,010
	North Shore-LIJ CareConnect	Final health insurance for HRI employees	-	-	8,022	-	-	-	-	-		8,022
	Various Bank Service Charges	10 bank accounts	1,752	1,433	2,595	1,040	4,298	297	-	-		11,415
	Other Operating Expenses	Overnight mail, telephone, archiving, web-site fee	1,779	2,218	259	348	668	518	315	438		6,543
Total Administrative Expenses			169,660	260,782	139,904	254,626	282,834	182,633	139,421	147,764		1,577,624
Consulting Expenses:												
	Various Employees	HRI Employees Salaries including tax and processing fees	145,844	119	160	-	-	-	-	-		146,123
	Alvarez & Marsal	Consulting services rendered in the liquidation	-	-	37,608	557,813	357,379	286,886	271,235	Note 3	93,185	1,604,106
	HRI Employees	HRI employees retained to submit data to CMS	-	-	14,573	-	-	-	20,700	-	29,357	64,630
	BDO Seidman	Collection and delivery of 2014 workpapers	-	-	6,000	-	-	-	-	-	-	6,000
Total Consulting Expenses			145,844	119	58,341	557,813	357,379	286,886	291,935	122,542		1,820,859
Legal Expenses:												
	Finsbury	Legal support	5,329	-	5,816	-	-	-	-	-		11,145
	Dentons	Legal support	3,694	6,849	-	-	-	-	-	-		10,542
	Transperfect	Translation services for court documents	-	1,879	-	-	-	-	-	-		1,879
	Weil Gotshal	Legal support	-	-	-	121,693	277,044	191,622	-	160,437		750,796
Total Legal Expenses			9,023	8,728	5,816	121,693	277,044	191,622	-	160,437		774,362
Professional Fees:												
	Pomco	Claims processing	181,818	181,818	181,818	181,818	181,818	181,818	181,818	-		1,272,726
	Eisner/Amper	Fees for 2015 financial audit required by CMS	-	150,000	145,000	-	44,070	-	46,524	39,450		425,044
Total Professional Fees			181,818	331,818	326,818	181,818	225,888	181,818	228,342	39,450		1,697,770
Grand Total Expenses May 11, 2016 to December 31, 2016			\$ 506,345	\$ 601,446	\$ 530,879	\$ 1,115,950	\$ 1,143,145	\$ 842,959	\$ 659,697	\$ 470,193		\$ 5,870,615

NOTE 1: NYLB financial statements are prepared on a Modified Cash Basis. Expenses are recognized when paid rather than when the obligation is incurred.

NOTE 2: The December payment for Garden City Group is for the months of November \$27,137 and December \$52,991.

NOTE 3: The November payment for Alvarez & Marsal is for the months of September \$132,724 and October \$138,510.