

HEALTH REPUBLIC INSURANCE COMPANY in LIQUIDATION ("HRI")

Vendor Expenses on a Modified Cash Basis

Cumulative For The Period May 11, 2016 to October 31, 2017

Modified Cash Basis Expenses (Note 1)

Expense Category	Vendor	Description of Expense	January	February	March	April	May	June	July	August	September	October	Cumulative Since Date of Liquidation	
Administrative Expenses:														
	Garden City Group	Mailings of court orders, phone center, web-site monitoring	12,518		21,718	Note 3	10,401			20,074		13,728	54,121	834,215
	New York Liquidation Bureau	Salaries and Overhead	115,200	109,313	170,094	108,152	160,131			66,291	80,034	329,130	142,824	2,183,984
	Rackspace US, Inc.	Cloud storage	19,462	19,462	19,539	19,588			82,554	19,502	1,713		94	296,462
	DAZ	Oracle general ledger report writer services	-	-	-	-	-			-	-	-	-	25,169
	MegaPath	IT vendor that hosts data lines and phones	-	-	-	-	-			-	-	-	-	9,340
	Oracle	HRI General Ledger support	-	-	-	-	-			84,015	Note 7	-	-	140,025
	North Shore-LIJ CareConnect	Final health insurance for HRI employees	-	-	-	-	-			-	-	-	-	8,022
	Various Bank Service Charges	Bank Accounts service charges	1,115	-	-	-	-			-	-	-	-	12,530
	Other Operating Expenses	Overnight mail, telephone, archiving, web-site fee	1,221	5,365	978		1,565	1,990		1,609	9,274	287	3,636	32,469
	IBM Corporation									18,500		11,005	9,220	38,725
		Total Administrative Expenses	149,516	134,140	212,329	138,081	173,175	123,620	209,991	91,021	354,150	209,895	3,570,841	
Consulting Expenses:														
	Various Employees	HRI Employees Salaries including tax and processing fees	-	-	-	-	-			-	-	-	-	146,123
	Alvarez & Marsal	Consulting services rendered in the liquidation	-	60,069	61,712	55,466	16,112	17,856						1,958,309
	HRI Employees	HRI employees retained	38,235	25,612	26,024	26,175	12,788				142,989	Note 8		193,464
	SDO Seidman	Collection and delivery of 2014 workpapers	-	-	-	-	-			-	-	-	-	6,000
	Actuarial Resources Corp. of Kansas	Rate review	-	-	-	-	-			-	-	16,000		16,000
	Risk & Performance Management	Vendor Invoice Review	-	-	-	-	-			-	-	1,750	1,925	3,675
		Total Consulting Expenses	38,235	85,681	87,736	81,641	28,899	17,856	-	142,989	17,750	1,925	1,823,571	
Legal Expenses:														
	Finsbury	Legal support	-	-	-	-	-			-	-	-	-	11,145
	Dentons	Legal support	-	-	-	-	-			-	-	-	-	10,542
	Transperfect	Translation services for court documents	-	330	-	-	-			-	-	-	-	2,209
	Weil Gotshal	Legal support	-	139,305	-	-	358,586	Note 4		-	-	-	-	1,248,667
	Clarick Gueron Reisbaum, LLP	Legal support	-	-	-	-	4,044	63,419	45,031	23,326	20,282	7,351		163,453
	Fox Rothschild LLC	Legal support	-	-	-	-	-	-	-	674		560		1,234
	Weiner Law Group, LLP	Legal support	-	-	-	-	728			1,013				1,741
		Total Legal Expenses	-	139,635	-	-	363,358	63,419	45,031	25,013	20,282	7,911	1,439,011	
Professional Fees:														
	Pomco	Claims processing	363,636	Note 2										
	Eisner/Amper	Fees for 2015 and 2016 financial audit	46,945		45,650	38,735	135,000	147,664	Note 6	22,200	3,450		18,575	1,828,051
	Truven Health Analytics, LLC	Claims audit	34,000							25,000			30,000	746,374
	Red Card	Fees for production and mailing of the EOBs				34,000					34,000			102,000
		Total Professional Fees	444,581	-	45,650	72,735	135,000	147,664	47,200	37,450	-	258,463	306,838	2,934,888
		Grand Total Expenses May 11, 2016 to October 31, 2017	\$ 632,332	\$ 359,456	\$ 345,715	\$ 292,467	\$ 700,432	\$ 352,558	\$ 302,222	\$ 296,473	\$ 392,183	\$ 276,569	\$ 10,266,310	

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 January payment for POMCO is for the months of November, \$181,818 and December, \$181,818.

NOTE 3: The payment for Garden City Group is for the months of January \$13,447 and February \$8,271.

NOTE 4: The payment includes six invoices for the months of October 2016 - March 2017 and represents a final settlement of outstanding obligations to Weil Gotshal.

NOTE 5: The payment for Rackspace is for the months of May \$19,538 and June \$19,538.

NOTE 6: Represents a final settlement of outstanding obligations to POMCO.

NOTE 7: The payment is for the period November 2016 to July 2017.

NOTE 8: Represents a final settlement of outstanding obligations to Alvarez & Marsal.

NOTE 9: Fees for the processing of EOB's.