

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re A28
Debtors

Case No. 09-13038
Reporting Period: 11/01/2011 - 01/31/2012

QUARTERLY TRUST REPORT
CYNERGY LIQUIDATION TRUST

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES:	
TOTAL DISBURSEMENTS	759,576
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	(222,270)
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	537,307

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Authorized Individual*

Jesse York
Printed Name of Authorized Individual

Date February 20, 2012

Financial Advisor to CD Liquidation Estate/Agent to Liquidation Trustee
Title of Authorized Individual



091303812022200000000001

1/31/12 Creditor Matrix Update

Creditor	Disclosure				Final Claim Amount		Other Reduction or	
	Statement Amount	Additional Claims	Cash Disbursements	Interest	Reclassification or	Remaining		
Prosperity Loan A	10,322,998.27	-	-	(7,704,493.41)	2,618,504.86			
Term A	13,518,757.93	-	-	2,395,028.03	15,913,785.96			
Revolver	10,776,411.17	-	-	1,299,452.87	12,075,864.04			
Swap Agreement	2,132,637.55	-	-	(1,259,279.21)	873,358.34			
Prosperity Loan B	-	-	-	9,037,844.47	9,037,844.47			
Term Loan B	27,333,126.34	-	-	-	27,333,126.34			
Term Loan C	53,880,112.94	-	-	-	53,880,112.94			
Unsecured Priority Claims	193,992.72	88,586.92	(52,285.26)	(219,344.38)	63,235.26			
Unsecured Non Priority Claims	2,309,311.14	-	-	-	2,309,311.14			
Total	110,144,349.79	88,586.92	(52,285.26)	11,253,701.78	124,105,143.35			

Please note that many secured and unsecured claims have been filed as unliquidated; as such, the amounts above are subject to change

1/31/12 Waterfall Analysis

Potential Funds Available to Creditors Proceeds	
Cash Portion of Paladini Settlement ^[1]	600,000
Cash to Trust from Cure Settlement	500,000
Other Proceeds ^[2]	-
Total Proceeds	1,100,000
Cash Accounts	
Escrow Cash Balance (1/31/12)	6,091,075
Less Releases to Tribul/SS and Trust	(3,956,000)
Escrow Cash Balance	2,135,075
Cash in Operating Accounts 1/31/12	98,588
Total Cash Balance	2,233,663
Accrued and Forecast Expenses	
Accrued Professional Fees through 1/31/12	(1,061,067)
February Forecast Expenses ^[3]	(150,000)
Extended Trust Budget ^[4]	(500,000)
Total Accrued and Forecast Expenses	(1,711,067)
Cash Available for Creditors	1,622,596
Sub-debt available for creditors	14,000,000

Creditor	Claim Amount	Cash Recovery	Sub-debt Recovery	Total Recovery	
				Recovery	Percentage
Prosperity Loan A	2,618,505	1,622,596	995,909	100.0%	100.0%
Term A	15,913,786	-	13,004,091	81.7%	81.7%
Revolver	12,075,864	-	-	0.0%	0.0%
Swap Agreement	873,358	-	-	0.0%	0.0%
Prosperity Loan B	9,037,844	-	-	0.0%	0.0%
Term Loan B	27,333,126	-	-	0.0%	0.0%
Term Loan C	53,880,113	-	-	0.0%	0.0%
Unsecured Claims	2,372,546	-	-	0.0%	0.0%
Total	124,105,143	1,622,596	14,000,000		12.6%

1. Paladini settlement may result in additional funds from Tribeca mortgage, assignment of D&O claim or Ceballos litigation. Only \$350K of the cash portion has been received thus far.
2. Other proceeds include Martillo claim and potential upside from the cure dispute settlement.
3. Estimate of expenses incurred in February net of interest receipt. Estimate: CM (\$50K), MH (\$75K), PS (\$20K), US Trust (\$15K), JS (\$25K), Other (\$15K), Int \$50K.
4. Budget extension currently being developed, \$500,000 is a placeholder.

Liquidation Trust Cash Flow Budget to Actual

	Nov-11	Dec-11	Jan-12	Total
Starting Cash Balance Liquidation Trust	152,090	82,655	179,650	152,090
Interest on Note	51,236	51,236	51,236	153,708
Interest Transferred From CC Account	49,583	-	-	49,583
Other Receipts	18,747	220,415	217	239,379
Total Receipts	119,566	271,651	51,453	442,670
Disbursements				
Conway MacKenzie	54,813	43,414	47,095	145,323
SRR	16,963	-	-	16,963
McDonald	50,000	50,000	50,000	150,000
Jager	-	25,000	25,000	50,000
Posinelli	4,409	12,778	3,985	21,172
KCC	-	8,237	-	8,237
UHY	-	-	3,525	3,525
Aon	-	-	14,138	14,138
Computer Source	60,681	28,951	-	89,632
Bodman	2,066	-	6,254	8,320
Other	70	6,275	155	6,500
Total Disbursements	189,001	174,656	150,152	415,857
Net Cash Flow	(69,435)	96,996	(98,699)	26,813
Ending Cash Balance Liquidation Trust	82,655	179,650	80,951	178,903
Starting Cash Collateral Balance	188,670	18,259	17,932	17,932
Disbursements	(170,412)	(327)	(294)	(171,033)
Ending Cash Collateral Balance	18,259	17,932	17,637	53,828
Escrow Balance Available	2,134,967	2,134,967	2,134,967	2,134,967
Total Ending Cash Balance	2,406,292	2,332,876	2,233,850	2,331,802

CD Liquidation, LLC
Escrow Balance

\$ Dollars

Transactions			Balance
<u>Date</u>	<u>Explanation</u>	<u>Amount</u>	
29-Oct-09	Deposit	38,000,000.00	38,000,000.00
2-Nov-09	Dividend	27.10	38,000,027.10
1-Dec-09	Dividend	451.52	38,000,478.62
28-Dec-09	Withdrawal Moneris RR	(406,524.59)	37,593,954.03
5-Jan-10	Dividend	256.49	37,594,210.52
1-Feb-10	Dividend	-	37,594,210.52
1-Mar-10	Dividend	64.65	37,594,275.17
15-Mar-10	Cure payment Fast Transact	(8,000.00)	37,586,275.17
15-Mar-10	Cure payment MPS	(200,000.00)	37,386,275.17
15-Mar-10	Cure payment CPS	(26,292.08)	37,359,983.09
18-Mar-10	Withdrawal Moneris RR	(434,255.67)	36,925,727.42
1-Apr-10	Dividend	-	36,925,727.42
22-Apr-10	Cure Payment America One	(367,974.34)	36,557,753.08
22-Apr-10	Cure Payment DTI	(225,000.00)	36,332,753.08
27-Apr-10	Withdrawal Moneris RR	(226,476.30)	36,106,276.78
30-Apr-10	Withdrawal Moneris RR	(338,464.81)	35,767,811.97
30-Apr-10	Withdrawal Moneris RR	(231,709.51)	35,536,102.46
3-May-10	Withdrawal Moneris RR	(165,462.60)	35,370,639.86
13-May-10	Withdrawal Moneris RR	(202,030.35)	35,168,609.51
28-May-10	Withdrawal Moneris RR	(1,973,404.75)	33,195,204.76
31-May-10	Withdrawal Vendor	(323,213.79)	32,871,990.97
31-May-10	Dividend	35.66	32,872,026.63
1-Jun-10	Withdrawal Moneris RR	(138,377.97)	32,733,648.66
3-Jun-10	Withdrawal EP Reserves	(641,047.77)	32,092,600.89
10-Jun-10	Withdrawal Moneris RR	(349,662.98)	31,742,937.91
10-Jun-10	Withdrawal Moneris RR	(357,925.05)	31,385,012.86
14-Jun-10	Cure enforcement fees	(6,000.00)	31,379,012.86
23-Jun-10	Cure Payment Process America	(1,585,807.43)	29,793,205.43
25-Jun-10	Withdrawal Moneris RR	(287,225.75)	29,505,979.68
30-Jun-10	Dividend	32.65	29,506,012.33
1-Jul-10	Withdrawal Moneris RR	(280,400.69)	29,225,611.64
28-Jul-10	Withdrawal Moneris RR	(301,750.56)	28,923,861.08
31-Jul-10	Dividend	32.57	28,923,893.65
6-Aug-10	Withdrawal Moneris RR	(264,953.28)	28,658,940.37
6-Aug-10	Withdrawal Moneris RR	(141,342.17)	28,517,598.20
9-Aug-10	EP Settlement	(191,557.89)	28,326,040.31
19-Aug-10	Withdrawal Moneris RR	(169,933.96)	28,156,106.35
27-Aug-10	Signapay Cure	(8,000.00)	28,148,106.35
8-Sep-10	Withdrawal Moneris RR	(180,715.60)	27,967,390.75
22-Sep-10	Release to Term A Lenders	(6,839,535.00)	21,127,855.75
30-Sep-10	Tory's Fees	(524,296.31)	20,603,559.44
30-Sep-10	Dividend	32.82	20,603,592.26
13-Oct-10	Withdrawal Moneris RR	(648,829.48)	19,954,762.78
13-Oct-10	Credit Moneris RR	24,833.95	19,979,596.73
31-Oct-10	Dividend	28.74	19,979,625.47
2-Nov-10	Withdrawal Moneris RR	(297,334.63)	19,682,290.84

CD Liquidation, LLC
Escrow Balance

\$ Dollars

	<u>Transactions</u>	<u>Balance</u>
2-Nov-10	Dividend 24.79	19,682,315.63
3-Nov-10	Withdrawal Pivotal RR (452,830.41)	19,229,485.22
18-Nov-10	Merchant Cure Claim (15,000.00)	19,214,485.22
22-Nov-10	Merchant Cure Claim (62,071.75)	19,152,413.47
22-Nov-10	Merchant Cure Claim (83,155.06)	19,069,258.41
2-Dec-10	Withdrawal Moneris RR (126,085.36)	18,943,173.05
2-Dec-10	Dividend 125.14	18,943,298.19
13-Dec-10	Withdrawal Moneris RR (36,842.28)	18,906,455.91
16-Dec-10	Withdrawal Moneris RR (58,955.94)	18,847,499.97
21-Dec-10	Withdrawal Moneris RR (10,224,586.74)	8,622,913.23
4-Jan-11	Dividend 99.94	8,623,013.17
20-Jan-11	Credit Moneris RR 15,000.00	8,638,013.17
14-Feb-11	Credit Moneris RR 62,071.75	8,700,084.92
22-Feb-11	Claims Disbursements (12,885.26)	8,687,199.66
1-Mar-11	Claims Disbursements (21,900.00)	8,665,299.66
9-Mar-11	Aschettino Settlement (17,500.00)	8,647,799.66
11-Mar-11	Fund Liquidation Trust (500,000.00)	8,147,799.66
21-Mar-11	Pivotal Payment (23,285.10)	8,124,514.56
31-Mar-11	Fund Cash Collateral (150,000.00)	7,974,514.56
29-Apr-11	Dividend 12.84	7,974,527.40
31-May-11	Dividend 18.70	7,974,546.10
30-Jun-11	Dividend 13.83	7,974,559.93
12-Oct-11	Pivotal Release (1,710,897.48)	6,263,662.45
31-Oct-11	Dividends July - October 38.74	6,263,701.19
12-Dec-11	Excess Pivotal Release (172,686.25)	6,091,014.94
31-Jan-12	Dividends Nov - Jan 59.77	6,091,074.71

Professional Fee Summary

Liquidation Trust	Actual				Actual Total	Budget		Budget Total	Variance Total
	Nov-11	Dec-11	Jan-12	Feb-12		Dec-11	Jan-12		
Conway MacKenzie	43,414	47,095	129,458	-	219,967	43,414	69,986	162,391	57,576
Jager Smith	-	-	-	-	-	-	-	-	-
McDonald Hopkins	205,515	180,107	361,775	-	747,396	205,515	151,500	557,515	189,881
SRR	-	-	-	-	-	-	-	-	-
Posinelli	12,778	3,985	30,873	-	47,637	12,778	5,000	22,778	24,859
KCC	1,615	-	-	-	1,615	1,615	1,000	3,615	(2,000)
Bodman	6,254	2,515	-	-	8,770	6,254	2,000	10,254	(1,485)
Total	269,576	233,702	522,106	-	1,025,384	269,576	229,486	746,298	270,316

Liquidation Trust	Paid			
	Nov-11	Dec-11	Jan-12	Feb-12
Conway MacKenzie	54,813	43,414	47,095	-
Jager Smith	100,000	25,000	25,000	25,000
McDonald Hopkins	50,000	50,000	50,000	-
SRR	16,963	-	-	-
Posinelli	4,409	12,778	3,985	-
KCC	-	8,237	-	-
Bodman	2,066	6,254	2,515	-
Total	228,250	145,684	128,596	25,000

Open	
Conway MacKenzie	129,458 January invoice
Jager Smith	125,000 Remaining settlement payments
McDonald Hopkins	759,122 January invoice and accrued balance
SRR	-
Posinelli	30,873 January invoice
KCC	1,615 November invoice
Bodman	15,000 Estimated January invoice
Aschettino Struhs	18,270 January invoice
Accrued Professional Fees	1,061,067