

STATE OF RHODE ISLAND
PROVIDENCE, SC

SUPERIOR COURT

JAMES I. HIGGINS, JR.
Plaintiff

vs.

PRECISION ART COORDINATORS, INC.,
Defendant

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Kfm 2/4/05 rec'd in PSC

P.B. No.: 2003-5830

RECEIVER'S FIRST AND FINAL REPORT AND REQUEST FOR FEES

To the Honorable Superior Court for the County of Providence, respectfully represents
Jonathan N. Savage, Esquire, as follows:

1. On November 20, 2003, your Petitioner was appointed the Temporary Receiver of Defendant, thereafter duly qualified and subsequently acted as such Temporary Receiver under surety bond ordered by this Court in the amount of Ten Thousand and 00/100 (\$10,000.00) Dollars.

2. Subsequent to your Petitioner's appointment and qualification as aforesaid, your Petitioner took possession of Defendant's assets, which were located at 77 Carue Drive, Scituate, Rhode Island (the "Assets") where Defendant was engaged in the manufacture of photo tools, chemical milled parts and related products. At the time of your Receiver's appointment the only Assets of the Defendant were in the form of Account Receivables.

3. Your Petitioner arranged for insurance and security over Defendant's Assets and for protection of Defendant's financial books and records.

4. Your Petitioner communicated with numerous creditors and other parties in interest relative to the afore-described matters.

5. Your Petitioner reviewed the books and records of the Defendant as well as Defendant's business operations.

6. Your Petitioner, in accordance with the Order of this Honorable Court, forwarded Notice to all of Defendant's creditors as to the initiation of the within proceeding and gave notice to said creditors of the Hearing on Appointment of a Permanent Receiver.

7. On December 11, 2003, your Petitioner attended said Hearing before this Honorable Court and was appointed Permanent Receiver over Defendant's assets, thereafter duly qualified by posting surety bond in the amount of Ten Thousand and 00/100 (\$10,000.00) Dollars, and has since that date acted as Permanent Receiver of Defendant's assets.

8. The Defendant's business operations had ceased prior to your Petitioner's appointment.

9. Based upon the fact that Defendant's only assets were in the form of accounts receivable it was not necessary for your Receiver to retain the services of an auctioneer or conduct any form of sale for those assets.

10. Your Receiver aggressively pursued any and all accounts receivable identified by the books and records of Defendant as outstanding as of the date of your Receiver's appointment. However, notwithstanding the indications contained with Defendant's books and records, your Receiver discovered that a majority of the receivables identified as outstanding were, in fact, paid in full. As a result of your Receiver's efforts, approximately \$2,549.79 of outstanding accounts receivable were collected.

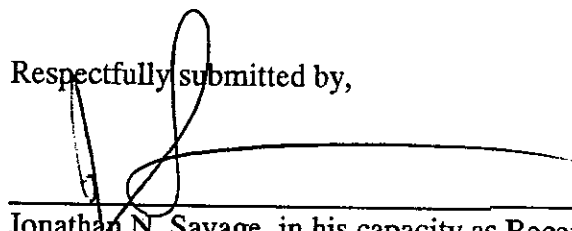
11. During the course of administration of the within proceeding, your Petitioner reviewed numerous proofs of claim which had been filed herein and has herein filed a Recommendation on Allowance of Claims.

12. During the course of administration of the within proceeding, your Petitioner had total receipts of **\$11,524.79** and total disbursements of **\$237.25**, leaving cash on hand in the amount of **\$11287.54**, all as set forth in the "Schedule of Receipts and Disbursements" annexed hereto.

13. Given the amount owed to the Court approved, first position secured creditor, no monies will be available for disbursement beyond the secured creditor.

WHEREFORE, your Petitioner prays that all of his acts, doings, and disbursements as Receiver be approved, confirmed and ratified, the Receiver's recommendation on Allowance of Claims be approved; and, that your Receiver be discharged upon distribution of the above-described payments and his bond ordered cancelled, that Defendant's books and records and any outstanding assets be ordered abandoned and that Defendant corporation be ordered dissolved.

Respectfully submitted by,



Jonathan N. Savage, in his capacity as Receiver of
Precision Art Coordinators and not individually
Shechtman Halperin Savage, LLP
86 Weybosset Street
Providence, RI 02903
Phone: 401-272-1400
Fax: 401-272-1403

Dated: February 3, 2005

Company	Name	Title	Address	Amt	Claim Recommendation
State of Rhode Island	R. Gary Clark	Tax Administrator	1 Capitol Hill Providence, RI 02908	\$250.00	Priority
Blue Cross Blue Shield	Russell Marsella, Esq.		444 Westminster Street, Providence, RI 02903	\$2,221.91	Priority
City of East Providence	Kevin Fitzgerald	Title	145 Taunton Avenue Providence, RI 02914	\$746.46	Priority
Levin Plating, Inc.	Leonard Levin	President	560 Mineral Spring Avenue P.O. Box 1187 Pawtucket, RI 02860	\$488.55	Unsecured
Hartford Gardens Landscaping, Inc.	Robert Dzikiewicz, Jr.	President	68 Flanders Street Johnston, RI	\$1,140.00	Unsecured
The Times	Kathleen Cardona		23 Exchange Street Pawtucket, RI 02860	\$74.82	Unsecured
Verizon	Nakema Howard		185 Franklin Street Room 903 Boston, MA 02110	\$51.09	Unsecured
Crown Linen Service, Inc.	Arthur Spiliotis		15 Technology Way Nashua, NH 03060	\$1,295.53	Unsecured
New Penn Motor Express	Debra Parlaki		625 S. 5th Avenue Lebanon, PA 17042	\$162.50	Unsecured
United States Plastic Corp.	Duane Olson		12390 Neubrecht Road Lima, OH 45801	\$412.96	Unsecured
Eclipse Machining & Magnetics, LLC	John Dunderdale		2118 Beechgrove Place Utica, NY 13501	\$499.51	Unsecured
New England Electropolishing Co., Inc.	Alvin P. Almeida		220 Shove Street Fall River, MA 02724	\$125.00	Unsecured
Paychex, Inc.	Terrie A. Reynolds		7 Midstate Drive Auburn, MA 01501	\$1,286.97	Unsecured
New Pig Corporation	Marie L. Turiano		One Park Avenue Tipton, PA 16684	\$299.44	Unsecured
National Electronic Alloys	Richard P. Geoffrion		3 Fir Court NJ 07436	\$4,534.23	Unsecured
			Oakland,		

SCHEDULE OF CLAIMS
page 2 of 2

PSC Industrial Outsourcing, Inc.	Deborah Huston	5151 San Felipe Ste 1600 Houston, TX 77058	\$3,809.10	Unsecured
Universal Gold, Inc.	Jonathan Weltzner	110 King Phillip Road East Providence, RI 02916	\$2,675.00	Unsecured
Armetek Specialty Metal Products	David Glzewicz	21 Toelles Road Wallingford, CT 06492	\$2,673.10	Unsecured
New England Gas Co.	David L. Black	100 Weybosset Street, Providence, RI 02903	\$931.72	Unsecured
FAD Tool Co., LLC	David Scott	95 Valley Street, Bristol, CT 06010	\$2,069.60	Unsecured
Precision Images Inc.	Robert E. Lee	5 Almelda Avenue Providence, RI 02914	\$5,923.03	Unsecured
	President	East		

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Plaintiff

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P.B. No.: 2003-5830

1. PLEASE TAKE NOTICE that the First and Final Report of the Receiver is hereby set down for hearing at 9:30 a.m. on the 18th day of February, 2005, before the Providence County Superior Court, 250 Benefit Street, Providence, Rhode Island 02903.

2. A copy of the Receiver's First and Final Report is on file with the Clerk's Office of said Court. For further information, please feel free to call Jonathan N. Savage, Esquire, Receiver at (401) 272-1400.

3. Said Receiver shall give Notice of said Hearing by forwarding a copy of the Omnibus Form by regular mail, postage prepaid, at least ten (10) days prior to the date of said Hearing, to all creditors who have filed a Proof of Claim with said Receiver as well as the parties listed on the Service List attached hereto.

NOTICE:

DUE TO THE SIZE OF SECURED, PRIORITY AND/OR ADMINISTRATIVE CLAIMS, THERE WILL BE NO DIVIDEND AVAILABLE FOR THE CLAIMS OF GENERAL CREDITORS AND YOUR CLAIM SHOULD BE CONSIDERED UNCOLLECTIBLE.

Barry W. Davidson
Davidson and Medeiros
601 West Riverside Avenue
Suite 1280
Spokane, Washington 99201
(509) 624-4600

and

Bruce W. Leaverton
Mary Jo Heston
Susan Brye Jahnke
Lane Powell PC
1420 Fifth Avenue, Suite 4100
Seattle, Washington
(206) 223-7000

Attorneys for Metropolitan Mortgage
& Securities Co., Inc., Debtor and
Debtor-in-Possession

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In Re:

METROPOLITAN MORTGAGE &
SECURITIES CO., INC.,

Debtor.

In re **SUMMIT SECURITIES, INC.,**

Debtor.

FILED

JAN 27 2005

T.S. MCGREGOR, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

05 FEB -7 PM 2:18
CLERK OF COURT
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

Jointly administered under
Case No. 04-00757-w11

Chapter 11

ORDER ALLOWING JAMES
COLSON CLAIM AGAINST
METROPOLITAN MORTGAGE &
SECURITIES CO., INC. IN THE
AMOUNT OF \$200,000

Related Proof of Claim No. 8785

Related to Dkt. Numbers 1605-1607
and Number 1819

THIS MATTER came before the Court upon the joint motion of Metropolitan Mortgage & Securities, Inc. ("Metropolitan"), a Debtor in Possession, and unsecured creditor James Colson ("Colson") (collectively the "Movants"), for entry of an order

ORDER ALLOWING COLSON CLAIM- 1

119961.0001/1156086.1

FILED

JAN 27 2005

LANE POWELL PC
SUITE 4100
1420 FIFTH AVENUE
SEATTLE, WA 98101
(206) 223-7000
T. S. MCGREGOR, CLERK
U. S. BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

1 pursuant to §502(a) of the Bankruptcy Code and Fed.R.Bankr.P. 9019 allowing
2 Colson's Proof of Claim filed in the Metropolitan bankruptcy case in the amount of
3 \$200,000. The Court, having found that due and adequate notice under the
4 circumstances has been given, ORDERS as follows:

5 1. The Movant's request to completely settle all of Mr. Colson's pending
6 claims against Metropolitan, in consideration of an allowed unsecured claim in the
7 amount of \$200,000, is fair and equitable and in the best interest of the estate;

8 2. The Movant's request to allow Colson's claim in the amount of \$200,000
9 is hereby GRANTED and shall be binding on all present and future parties to this
10 bankruptcy case.

11 DATED this 27th day of January, 2005.

12
13 
14 UNITED STATES BANKRUPTCY JUDGE

15 Presented by:

16 LANE POWELL PC

17
18 By /s/ Julia A. Bahner

19 Julia A. Bahner, WSBA #32735
20 Attorneys for Metropolitan Mortgage

21 SETON HALL UNIVERSITY SCHOOL OF LAW

22
23 By /s/ Linda E. Fisher

24 Linda E. Fisher, Admitted Pro Hac Vice
25 Attorneys for James Colson

26
ORDER ALLOWING COLSON CLAIM- 2

119961.0001/1156086.1

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