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9 UNITED STATES DISTRICT COURT
 10 CENTRAL DISTRICT OF CALIFORNIA
 11 SOUTHERN DIVISION

12 SECURITIES AND EXCHANGE
 13 COMMISSION,

14 Plaintiff,

15 v.

16 MEDICAL CAPITAL HOLDINGS,
 17 INC.; MEDICAL CAPITAL
 CORPORATION; MEDICAL
 PROVIDER FUNDING
 CORPORATION VI; SIDNEY M.
 18 FIELD; and JOSEPH J.
 LAMPARIELLO,

19 Defendants.
 20

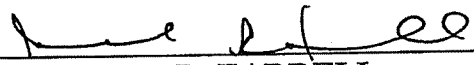
Case No. SA CV09-0818 DOC (RNBx)
 RECEIVER'S SEVENTH REPORT TO
 THE COURT

21 Thomas A. Seaman ("Receiver"), the court-appointed Permanent Receiver for
 22 Medical Capital Holdings, Inc., Medical Capital Corporation, Medical Provider
 23 Funding Corporation VI, and their subsidiaries and affiliates (collectively the
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1 "Receivership Entities"), submits herewith the Receiver's Seventh Report to the
2 Court.

3
4 Dated: February 10, 2010

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

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6 By: 

7 MICHAEL R. FARRELL
8 Attorneys for Receiver
9 THOMAS A. SEAMAN
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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

SECURITIES AND EXCHANGE COMMISSION

vs.

MEDICAL CAPITAL HOLDINGS, INC;
MEDICAL CAPITAL CORPORATION;
MEDICAL CAPITAL PROVIDER FUNDING CORPORATION VI;
SIDNEY M. FIELD; and JOSEPH LAMPARIELLO

RECEIVER'S SEVENTH REPORT
For the Honorable David O. Carter

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Exhibit B – Financial Statements for the Receivership Estate Through January 31, 2010

I. INTRODUCTION

This seventh report was prepared by Thomas Seaman, Permanent Receiver ("Receiver") for Medical Capital Holdings, Inc. ("MCH"), Medical Capital Corporation ("MCC"), Medical Provider Funding Corporation VI ("MPFC VI"), and their subsidiaries and affiliates (collectively, the "Receivership Entities," "Medical Capital" or "MedCap"). At the hearing on September 8, 2009, the Court ordered that the Receiver submit monthly reports, on or before the 10th day of each month, to address the status of the receivership estate and its assets. The Receiver submits this report per the Court's order.

II. SUMMARY OF RECEIVER'S ACTIONS

During the preceding month, the Receiver focused his attention on preserving the value of Medical Capital's assets, including collection efforts on various loan and other debt obligations of Medical Capital's borrowers, investigation of the best means of potential disposition of numerous assets of the receivership estate, continued preparation of a forensic accounting and analysis to account for the sources and uses of investor funds, facilitation of investor communications, and marketing of assets not essential to the Receiver's continued preservation and collection efforts. The Receiver's actions include the following:

- The Receiver has collected cash in the amount of \$23,023,994.25 since his appointment through January 31, 2010 which is comprised of the following sources:

○ Accounts Receivable collections	\$1,035,610.20
○ Loan payments	\$989,500.00
○ NHBC revenue	\$4,187,482.67
○ Rental income	\$35,276.65
○ Asset sales	\$13,724,765.60
○ Turnover /seizure of bank accounts	\$3,051,359.13

- The Receiver and his team met with and/or had conference calls with numerous borrowers to discuss potential resolution of outstanding loan obligations to the various Receivership Entities, many of which are impaired or otherwise non-performing. These borrowers include: Velocity Services/Mail.com; Dr. Robert Aquino (Parkway Hospital, Capitol Health Management); Dr. Richard Kroop (Valley Health Care); Trace Life Sciences; Concept 1 Academies; Lavipharm; Spherios; Vivavision, PLC; Pyramid Technologies, Crown Plaza, and New Life, among others. The Receiver has filed actions to enforce Medical Capital's rights as to a number of borrowers. On the basis of these discussions and due diligence, and combined with the Receiver's

review of cash records of the company, it is the Receiver's opinion that Medical Capital's loan portfolio is comprised of loans made to high risk borrowers and secured by very risky assets. In fact, there are very few performing loans, and even some of these are severely impaired.

- The Receiver has entered into a Purchase and Sale Agreement for the sale of MedCap's interest in certain loans to Integrated Healthcare Holdings, Inc. for approximately \$55 million in cash. The Receiver has filed an ex parte application for approval of proposed overbid procedures and a motion for approval of the sale with a hearing date of March 22, 2010. The sale, if approved, is scheduled to close on or about March 31, 2010.
- The Receiver has entered into a non-binding Letter of Intent to sell MedCap's interest in Trace Life Sciences, Inc. and is marketing the property to potential overbidders. The Receiver has continued to communicate with state regulators and local officials as to various issues at the Trace facility, including unpaid property taxes and utility bills. The Receiver's team is negotiating the terms of a Purchase and Sale Agreement and expects within the coming weeks to execute an agreement and file the appropriate papers with the Court for approval of the sale subject to overbid procedures.
- The Receiver is negotiating a letter of intent to sell the Legacy Medical Center in Atlanta, Georgia for a net price of \$9.5 million subject to Court approval and an overbid procedure. Once the LOI is signed, the Receiver's team anticipates negotiating the terms of a Purchase and Sale Agreement, and hopes that an agreement will be reached within the next few weeks. The Receiver will then seek Court approval for the sale subject to overbid procedures.
- The Receiver conducted an auction of Med Cap's furniture fixture and equipment on January 13, 2010 in accordance with orders of this Court. The net auction proceeds were \$109,031.00, which far exceeded the auctioneer's prior estimate. Shortly after the auction, the Receiver abandoned the Red Hill office building to its secured lender after determining there was no equity in the building for the receivership estate. Extensive efforts to sell the building for a price that would generate net proceeds for the receivership estate failed.
- The Receiver completed negotiations and executed a Distribution Agreement as to the film asset "The Perfect Game." The Distribution Agreement was approved by the Court and the Receiver's team continues to work toward the theatrical release of the film in April, 2010.
- The Receiver entered into a contract to sell a vacant lot located at 118 39th Street in Newport Beach for \$730,000. The sale was approved by the Court and is expected to close within the next few days.
- As previously reported, the Receiver is conducting a forensic accounting of the sources and uses of Medical Capital funds and significant progress has been

made. The Receiver hopes to file a report setting forth the conclusions of the forensic accounting within the next two months. In addition, the Receiver has developed a relational database which will allow the Receiver to further identify assets and recipients of ill-gotten gains for the purpose of recovering funds for the benefit of the receivership estate. The Receiver's continued analysis has not affected his previously drawn preliminary conclusions, including the following:

- Investors are owed principal of approximately \$1.079 billion.
- Medical Capital's lending activities were unprofitable and resulted in losses in excess of \$316 million since the creation of MPFC 1, which is the only MPFC that generated a profit from money lending and investing activity.
- Medical Capital requested and received administrative fees in excess of \$323 million.
- Medical Capital transferred loans and other assets purportedly valued at just under \$1 billion between the eight money raising MPFCs, which facilitated the payment of earlier investors' principal from new investors' funds.

Based on the foregoing efforts, particularly with respect to the sale of MedCap's interests in IHHI and Legacy Medical Center, the Receiver expects a significant influx of additional money into the receivership estate in the coming months.

III. INVENTORY OF KEY ASSETS

Exhibit A provides an inventory of some of the largest and most significant assets of the Receivership Entities, together with individual summaries more fully describing each asset. The summaries included in the Receiver's prior report will remain in each report until disposition of the asset and updates will be provided as appropriate. In this Seventh Receiver's Report, updates are provided as to the majority of the assets. It should be noted that the Receiver's investigation is continuing, and that this Report should be considered preliminary and subject to change.

IV. RECEIVER'S ACCOUNTING AS OF JANUARY 31, 2010

Exhibit B provides financial statements for the receivership estate through January 31, 2010. An Income and Expense Statement, Balance Sheet and General Ledger are provided. To date, the estate has received funds in the amount of \$23,023,994.25. The Receiver disbursed funds in the amount of \$5,602,179.15 for operating expenses of the receivership estate. The Receiver is holding funds in the amount of \$17,306,596.10. No professional fees have been paid. The Receiver and his counsel expect to file fee applications seeking payment of fees incurred through October 31, 2009 in the next week.

Dated: February 10, 2010

Respectfully submitted



THOMAS A. SEAMAN, as Receiver for
MEDICAL CAPITAL HOLDINGS, INC., *et al.*

EXHIBIT A**Medical Capital Receivership
Inventory of Significant Assets**

<u>Asset</u>	<u>Description</u>	(in \$ millions) Amount owed to or invested in by MedCap	Exhibit A Page
Acct. Rec. Loans	Accounts receivable loans to medical care providers	82.4	10
Trace Life Sciences	Radiochemical and pharmaceutical company	28.6	12
NHBC	Large employer claims processing manager	n/a	15
IHHI	Non-performing loans for four hospitals	81.4	17
Legacy Medical Center	Non-operating hospital and medical office bldg in Atlanta	36.6	19
Parkway Hospital	Non-operating hospital in New York	76.0	21
Perfect Game	Completed film ready for distribution	18.1	23
Home Stretch	118' yacht in Newport Beach, California	4.5	25
15101 Red Hill Holdings	Tustin, California office building	7.8	26
Valley Health Care	Accounts Receivable	22.8	28
Concept 1 Academies	Loan to company who operated schools in Virginia	1.26	29
Edge Capital	Loans to company which funded real estate loans	20	31
Other Assets	Variety of loans and investments in non-medical ventures	70	33

Medical Accounts Receivable

Medical Capital Stated Value of A/R Accounts	104 Accounts	\$625,332,141.00¹
Verifiable Accounts Receivable	42 Accounts	\$80,637,383.00
– A/R aged under 180 days	6 Accounts	6,114,233.00
– A/R aged more than 180 days	39 Accounts	74,523,150.00
Non-Existent Accounts Receivable	53 Accounts	\$ 542,894,528.00
– Accounts that no longer exist	46 Accounts	450,987,914.00
– Accounts with a negative balance	3 Accounts	1,597,491.00
– Accounts with collateral transferred to term loans	4 Accounts	90,209,123.33
Judgments on Accounts Receivable	9 Accounts	\$1,800,230.00

Status as of September 8, 2009:

- The Receiver has identified and contacted all of the Providers who are parties to an active medical receivable Purchase Agreement. In each case the Receiver has ascertained the status of the Purchase Agreement and payments due thereunder. Demand has been made for payments where due and collections are proceeding using re-hired employees of Medical Capital.

Significant obstacles to collections of accounts receivable exist.

- Some Providers are diverting collections in order to survive following MedCap's cessation of receivables purchases under its Purchase Agreement and several Providers are now defunct or insolvent.
- Of the 104 medical accounts receivable clients listed on the various NCCR reports by Medical Capital, 53 of these accounts (totaling \$542,894,528) are not viable or no longer exist. In other words, it appears these 53 accounts may have been valid accounts at one time many years ago, but this is no longer the case. The Receiver has identified numerous instances where MedCap manipulated the external reporting to leave out the age of the batch of receivables, which obfuscated the value of same. In some cases, the actual amount of the batch has been inflated in MedCap's records. There are no MediTrak reports to support such accounts as MediTrak reports either indicate that the accounts are closed or do not list the accounts at all. There are no active UCC-1 filings for these accounts. There have been no collections or advances on these accounts for

¹ The value of assets in the company's financial records is vastly less than the amounts set forth in the Net Collateral Coverage Ratio report which formed the basis for payment of Administrative fees by the MPFC trusts to MCC.

many years. It is unlikely the Receiver will make significant collections on these accounts.

- MCC may have been collecting receivables it did not fund. MCC ran out of cash in early May 2009, and therefore stopped lending money and purchasing accounts receivable as required under its Purchase Agreements with Providers. Several Providers are asserting claims for moneys that MCC collected while in default under Purchase Agreements.
- Of the verifiable accounts receivable, many Providers have stale and aged receivables. Of the 104 accounts listed on the various NCCR reports by Medical Capital, 39 have severely aged receivables. Of the 39 accounts with aged receivables, 31 report that the newest receivables were purchased between 2002 and 2006, totaling \$52,055,679. Only two of these accounts show any accounts receivable purchased in 2008. There were no batches purchased in 2009 for any of these 39 accounts. Thirty-three of the accounts were aged well beyond 180 days prior to their subsequent purchase via InterCompany Transfer. Given the age of those receivables, it is unclear how much, if any, can be collected on these accounts. Of the \$80,637,383 of real accounts receivable, a mere \$6,114,233 are under 180 days old and therefore potentially collectible.

Trace Life Sciences, Inc.

Description:

Trace Life Sciences, Inc. ("Trace") is a manufacturer of radiochemicals and radiopharmaceuticals that employs radioactive isotopes for medical purposes, located in Denton, Texas.

The Receivership Entities' Interest:

In November of 2006, MPFC III made a term loan to Trace in the amount of \$8.6 million, and made a Line of Credit loan to Trace in the maximum amount of \$13.4 million, which loans were subsequently amended to expand the line of credit, among other things. The Receiver believes that there is currently \$28.3 million due and owing from Trace.

The loans are secured by real property and improvements in Denton, Texas, the personal property of Trace, various Trace accounts and contracts, a pledge of all stock in Trace, and Trace's intellectual property rights. There are various UCC filings reflecting the security interest in the personal property. There is also a guaranty executed by the former owner and President, Darren Brown, as well as a corporate guaranty executed by the corporate stockholders of Trace.

In September of 2008, following Trace's default under the loan agreements, MPFC III exercised certain proxy rights under the Pledge Agreement, and elected a new slate of directors and officers of Trace and the entities that owned Trace's stock. The new officers of Trace replaced the management team and retained NuView Life Sciences to oversee the operations of Trace. MPFC III also filed actions against Trace in Nevada and Texas based on Trace's defaults. Trace and its owners contest the validity of the default, among other things.

In April of 2009, Trace suspended production operations to assess potential capital improvements, and reduced the on-site staff accordingly. Staff was further reduced in July of 2009 to a "skeleton crew" of four employees necessary to maintain the facility and the sophisticated equipment therein, and to satisfy conditions for the maintenance of the operating license issued by the Texas Department of State Health Services ("TDSHS"). These employees are highly skilled and two of them hold PhDs. While the facility is not actually producing product, there are significant efforts necessary to maintain the equipment, monitor radioactivity and otherwise preserve the viability of the nuclear accelerators.

Status as of August 3, 2009:

As of August 3rd, Trace was significantly in arrears on many of its obligations. It had suspended operations and had no source of revenue. Moreover, Medical Capital had ceased funding operations. The City of Denton, which provides electricity to the facility, had also threatened to turn off the power for non-payment of invoices totaling approximately \$175,000. The skeleton crew, which had not been paid since June 15, 2009, was threatening to shut down the facility, and there were significant accounts payable outstanding, including \$650,000 in real estate taxes. According to management and the regulators at TDSHS, either the loss of power (which would

degrade the nuclear accelerator) or the departure of the crew would have resulted in the decommissioning of the facility at great cost to Trace, estimated to be \$5-8 million.

September 8, 2009 Status:

The Receiver had successfully negotiated with the City of Denton, the TDSHS and the Trace employees to maintain the status quo and to not shut down or decommission the facility. The Receiver evaluated operations at the facility and made critical payments to keep the facility open and the operating license active. The Receiver visited the facility, met with the employees and developed a plan to maintain the facility. The Receiver received a business plan prepared by Nu View for recommencing operations at the facility, whose products are scarce and appear to be in demand. The proposed business plan includes new financial partners. The Receiver also had preliminary discussions with other parties interested in acquiring Trace.

Status as of October 9, 2009:

Nu View continued to maintain the Trace facility and the Receiver continued to communicate with state and local agencies with respect to the facility. Nu View submitted a proposal for the purchase of MedCap's interest in the company. The Receiver engaged in discussions with a hedge fund and group of scientists who are interested in Trace's equipment, and expects to receive a proposal in the coming weeks. The Receiver also communicated with representatives of the owner of Trace, who expressed an interest in acquiring MedCap's interest in the company. The Receiver learned that MedCap had an appraisal conducted which was not delivered due to lack of payment. The Receiver paid for the appraisal and expected to receive the report within the next several days. The appraisal would allow the Receiver to better evaluate the proposal put forth by NuView, as well as any other proposals that are submitted to the Receiver. Discussions with the foregoing groups were ongoing, and the Receiver anticipated contracting with one of the interested parties and seeking Court approval for the sale of MedCap's interest in Trace in the coming months.

Status as of November 9, 2009:

Discussions with NuView concerning their proposal were ongoing, and the Receiver anticipated submitting a counterproposal to NuView in the coming days. The Receiver continued to communicate with state regulators with respect to the facility and issues relating to the Trace permit. The Receiver has also communicated with counsel for the owner of Trace concerning a potential proposal to purchase the MedCap interest in Trace. The Receiver anticipated completing initial negotiations, entering into a sale contract and seeking Court approval for such sale, utilizing an overbid process, in the near future.

Status as of December 10, 2009:

The Receiver made a counter offer, Nuview responded with another counter offer which the Receiver was evaluating and expected to respond to shortly, with a short term goal of reaching an agreement.

Status as of January 31, 2010:

The Receiver and NuView reached a tentative agreement on the general terms of the sale of Medical Capital's interest in Trace. The agreement was subject to further negotiation and execution of a Purchase and Sale Agreement, which would then be presented to the Court for approval as part of an overbid process. The Receiver's counsel was addressing various issues relating to prior agreements entered in to by MPFC III.

Current Status:

The Receiver has executed a non-binding Letter of Intent to sell MedCap's interest in Trace Life Sciences, Inc. and is marketing the property to potential overbidders. The Receiver's team is negotiating the terms of a Purchase and Sale Agreement and expects within the coming weeks to execute an agreement and file the appropriate papers with the Court for approval of the sale subject to overbid procedures.

National Health Benefits Corporation ("NHBC")

Description:

NHBC, located in Scottsdale, Arizona, with a satellite office in Georgia, provides claims management for large employer groups, negotiating discounts from health care providers and earning a percentage of the cost savings.

The Receivership Entitles' Interest

NHBC is a wholly owned subsidiary of MCH.

Status as of August 3, 2009

NHBC had significant revenues but was experiencing a liquidity crisis because Medical Capital had been taking NHBC revenues without paying the company's legitimate operating expenses. The July 31 2009 payroll had not been paid, nor had a significant portion of the July 15, 2009 payroll. None of the July 15 payroll taxes have been paid. Health insurance premiums and 401(k) contributions were not paid even though Medical Capital had taken such deductions from employees' paychecks. Key outside contractors had not been paid since May 2009. Overall there was an accounts payable balance of approximately \$50,000.

Several key Provider networks had terminated NHBC's services due to its failure to pay certain fees for extended time periods. The deterioration of its Provider network relationships made it more difficult for NHBC to sell its services. NHBC also owed client fees of approximately \$200,000. The client fees represent revenue sharing which is an essential component of attaining and retaining clients.

Coalition America obtained a judgment of \$2.7 million against NHBC in a dispute involving unfair trade practices.

Status as of September 8, 2009

After evaluating the value of NHBC, the Receiver determined that NHBC could be a profitable business going forward if certain issues were addressed, and continued its operations. The Receiver paid the unpaid payroll, procured a new health insurance policy for NHBC employees, paid essential accounts payables, made partial payments to Provider groups and reinstated service from five Providers, and made partial payments to clients to maintain those client relationships. In the Coalition America litigation, the Receiver negotiated a continuance of the time to file a notice of intent to appeal. From August 3, 2009 to September 5, 2009, NHBC's revenues were \$1,042,208, of which the Receiver disbursed \$577,977 to NHBC for its operating expenses. NHBC contributed the remainder to the receivership estate.

Status as of December 10, 2009:

The Receiver is operating the business and has stabilized the financial condition of the company. Operating bills are being kept current and the Receiver has resolved numerous issues related to

non-payment of bills by NHBC prior to the Receiver's appointment. Based on the forensic analysis formed to date, it appears to the Receiver that Medical Capital and NHBC commingled their funds.

The Receiver has collected \$2,790,633.89, disbursed \$2,095,086.28, and is holding cash in the amount of \$695,547.61 in bank accounts established by the Receiver for NHBC receipts and disbursements. The foregoing receipts and disbursements are calculated strictly on a cash basis and do not accurately reflect NHBC's profitability. The Receiver is reviewing the financial operations of the company so that properly prepared financial statements in accordance with generally accepted accounting principles can be regularly prepared.

The Receiver participated in a mediation relating to the Coalition America judgment for \$2.7 million which did not result in a settlement. The parties left open the possibility for settlement in the future. The Receiver is preserving the receivership estate's rights and proceeding with an appeal of the judgment.

Following the mediation, Coalition America informed the Receiver that it intends to seek to intervene in this action and request relief from the stay and injunctive relief. The Receiver will object to any such request.

Status as of January 11, 2010:

The Receiver has collected \$3,405,322.19, disbursed \$2,823,487.19, and is holding cash in the amount of \$581,835.00 in bank accounts established by the receiver for NHBC. The foregoing receipts and disbursements are strictly on a cash basis and do not accurately reflect NHBC's profitability. All NHBC funds are collected, disbursed and held in segregated accounts and not commingled with other funds of the receivership estate,

The Receiver and Coalition America and its counsel participated in a mediation in December which, while not successful, resulted in a better understanding of each side's respective positions and options.

Counsel for Coalition America and the Receiver have met and conferred as to Coalition's contemplated motion to intervene. The parties intend to conduct a further meet and confer in the coming days.

Current Status:

The Receiver's counsel continues to meet and confer with Coalition America's counsel, and the parties await a decision from the Georgia court on a motion brought by NHBC concerning issues on appeal.

Integrated Healthcare Holdings Inc. ("IHHI")

Description:

IHHI owns four operating hospitals located in central Orange County, California.

The Receivership Entities Interest:

MPFC I, MPFC II and MPFC III made loans to IHHI and its affiliated operating companies pursuant to several credit facilities. All of the credit facilities are secured by essentially the same collateral: the four Orange County hospitals and all of the equipment, accounts and other assets of IHHI and its affiliated operating companies. The first credit facility is an \$80 million loan made by MPFC II, comprised of a \$45 million real estate term loan and a \$35 million non-revolving line of credit. IHHI currently owes \$45.3 million on the real estate term loan and \$30 million on the non-revolving line of credit. The second credit facility is a \$10.7 million term loan made by MPFC III, and later transferred to MPFC IV. IHHI currently owes just over \$6 million on this second credit facility. The third credit facility is a \$50 million revolving line of credit made by MPFC I. Pursuant to an Intercreditor Agreement among MPFC I, MPFC II and MPFC III, the first credit facility has full payment priority over the second credit facility, and the second credit facility has full payment priority over the third credit facility. IHHI alleges MPFC I is in default under the third credit facility by failing to make line of credit advances to IHHI. IHHI further asserts that MPFC I has misappropriated \$12 million of IHHI's funds by "oversweeping" IHHI's accounts receivables from a lockbox account. IHHI has a motion pending seeking to be allowed to file a lawsuit against MCC and other Receivership Entities for breach of contract, conversion and other claims.

Status as of August 3, 2009

The sum of the amounts owing on the first two credit facilities was \$81 million. There was a zero balance due on the third credit facility and IHHI asserted an offset of at least \$12 million. The amount listed on MCC's Net Collateral Coverage Ratio reports prepared for purposes of taking administrative fees as of June 30, 2009 was \$175.2 million.

Status as of September 8, 2009:

The Receiver was informed that MCC had been marketing the sale of its IHHI debt to potential Wall Street investors. The Receiver received inquiries from several potential investors interested in acquiring the first \$45 million real estate loan portion of the first credit facility. It appeared that there was interest in the purchase of that portion of the first credit facility for values ranging from \$33.5 million to \$45 million. In addition, the Receiver met twice with senior management and the majority shareholder of IHHI regarding a potential sale of all three of the credit facilities and resolution of each parties' claims against the other. The Receiver was preparing a counter-offer to the proposal from IHHI and its majority shareholder.

Status as of October 9, 2009:

The Receiver concluded preliminary negotiations for the sale of the IHHI credit facilities. The Receiver was in the process of preparing a Letter of Intent to document the agreement and anticipated preparing a Purchase and Sale Agreement. Once the Purchase and Sale Agreement was finalized, the Receiver anticipated filing the appropriate motion seeking Court approval to sell MedCap's interest utilizing an overbid procedure.

Status as of November 9, 2009:

After additional negotiations, the Receiver entered into a Letter of Intent for the sale of IHHI credit facilities. The parties were preparing a Purchase and Sale Agreement. Once an agreement is executed, the Receiver will file a motion seeking Court approval of the sale utilizing an overbid procedure. The Receiver anticipated concluding negotiations in the coming weeks and proceeding immediately with the motion.

Status as of December 10, 2009:

The Receiver executed a letter of intent, and negotiated the terms of Purchase and Sale Agreement. No significant issues had been identified and the final document was being prepared with execution expected prior to December 18, 2009. Closing of the sale was anticipated in late March, 2010.

Status as of January 11, 2010:

New issues were identified which prevented the parties from executing the contemplated Purchase and Sale document. Execution is expected shortly. If the agreement is not executed in the next few days, another buyer has been identified and the Receiver expects he would execute an agreement with such buyer in short order. The Receiver has also established a mechanism for generating overbids and a database of approximately 150 over bidders has been developed. Any agreement will be subject to Court approval and an overbid process.

Current Status:

The Receiver executed a Purchase and Sale Agreement for the sale of MedCap's interest in certain loans to Integrated Healthcare Holdings, Inc. for approximately \$55 million in cash. The Receiver has filed an ex parte application for approval of proposed overbid procedures and a motion for approval of the sale subject to an overbid. The motion is set to be heard on March 22, 2010, and the Receiver expects the sale, if approved, to close on or before March 31, 2010.

Legacy Medical Center

Description:

A non-operating hospital, medical office building and 75.3 acres of land in Atlanta, Georgia.

The Receivership Entities Interest:

In 2007, MedCap started foreclosure proceedings and ultimately bought the asset free and clear of liens as a credit bid in connection with a sale under 11 U.S.C. § 363. MedCap briefly operated the facility at a significant loss, retaining a third party operator and facilities manager. While these figures have not been verified, the Receiver understands that MCC spent \$10 million to renovate and operate the facility. The facility failed to attract sufficient business and in January 2009 operations at the hospital ceased.

Status as of August 3, 2009

As of August 3, 2009, the facility had been abandoned and was without security. MedCap was allegedly in debt to the property management company in excess of \$500,000 and the management company had ceased providing services. MedCap had not paid its electric bills and the utility provided a notice of termination of service. There were deferred maintenance issues involving plumbing, the boiler and electric system. Three doctors were occupying three small offices in the medical office building and the Receiver was collecting their rent. Receivership Entities loaned at least \$36.6 million to the hospital and millions more to hold and operate the facility.

Status as of September 8, 2009:

After his appointment, the Receiver dispatched an agent to Atlanta to secure the facility. The Receiver hired two key employees and reinstated the property management company in order to secure and preserve the asset. The Receiver also met with brokers and confirmed insurance. The Receiver was given an offer of \$5 million to purchase the property which appeared to be far too low.

Status as of October 9, 2009:

The Receiver executed a listing agreement with Grubb & Ellis, who had been marketing the property on MedCap's behalf prior to the appointment of the receiver, and instructed the brokers to establish a deadline of October 9, 2009 for best and final offers. Two offers to purchase were made. The Receiver anticipated that a Purchase and Sale Agreement would be executed and the property would be in escrow within the following few weeks. Once a Purchase and Sale Agreement was finalized, the Receiver anticipated filing the appropriate pleadings seeking Court approval to sell the property utilizing an overbid procedure.

Status as of November 9, 2009:

The Receiver has executed a Letter of Intent to sell the property for \$9.5 million. A Purchase and Sale Agreement has been drafted and negotiations concerning its terms are ongoing. The Receiver anticipates concluding such negotiations shortly, executing the agreement, and filing a motion for Court approval in the next two weeks. The motion will seek approval of the sale utilizing an overbid procedure, and the Receiver anticipates collecting the net proceeds from such sale by year end.

Status as of December 10, 2009:

The purchase and sale agreement was executed. The due diligence period concluded on December 9, 2009 and it appeared that the buyer was withdrawing from the sale. The Receiver gave a one day extension. No overbids were received. The Receiver was pursuing parallel paths in the event that the buyer did not perform including hiring counsel to petition the Department of Community Health for an extension and locating potential operators. While the Receiver was in discussions with two potential operators, the risks associated operating a hospital, underscored by the defendants' prior unsuccessful operating the hospital which resulted in the loss of millions of dollars, appeared to be high. The Receiver also continued to aggressively market the property for sale.

Status as of January 11, 2010:

The December, 2009 sale did not occur, as the Buyer withdrew. The Receiver had discussions with a new potential buyer, and entered into a short term lease with the new party to facilitate a potential purchase. The lease allowed the lessee time to apply for provisional license to operate, a critical step to keep the Certificate of Need, which was set to expire on January 16, 2010, active. The Receiver's agents, as well as representatives of the new buyer, were in contact with the Department of Community Health with respect to a potential extension of the hospital's Certificate of Need. The Receiver was negotiating an option agreement whereby the new buyer would have the option to purchase the property. In the event the parties executed an agreement and the option to purchase is exercised, which would occur in the next few weeks, the Receiver anticipated immediately filing the necessary motion papers with the Court to approve the sale subject to an overbid process.

Current Status:

The Department of Community Health allowed the Certificate of Need to expire. However, the prospective buyers are in discussions with DCH to have consideration of a new application for a CON occur on an expedited basis. The Receiver is negotiating a letter of intent to sell the facility to such buyers for a net price of \$9.5 million subject to Court approval and an overbid procedure. Once the LOI is signed, the Receiver's team anticipates negotiating the terms of a Purchase and Sale Agreement, and hopes that an agreement will be reached within the next few weeks. The Receiver will then seek Court approval for the sale subject to overbid procedures.

Parkway Hospital

Description:

A non-operating hospital located in Queens, New York.

The Receivership Entities Interest:

MPFC III.2 and MPFC IV.2 provided Debtor-in-Possession ("DIP") financing to the hospital to allow it to exit bankruptcy and additional loans and lines of credit for operating capital and to acquire an ambulance company post-bankruptcy. The loans were secured by, among other things, real property, stock in the hospital's operating company and a personal guaranty by the company's owner, Dr. Aquino. The total loans and lines of credit extended to Parkway Hospital and Dr. Aquino totaled over \$65 million.

Status as of August 3, 2009

The loans were in default, with an outstanding balance, including interest, of approximately \$76 million. The hospital ceased operating in November 2008, upon the expiration of its operating license, pursuant to the recommendation of the Berger Commission and implementation by the New York State Department of Health ("DOH"), under a plan to streamline capacity and resources of the New York State healthcare system. Prior to the Receivership, MedCap had retained counsel to assist with getting a new Certificate of Need, which is a prerequisite to operate the hospital. The counsel's fees had not been paid.

Status as of September 8, 2009:

The Receiver had communicated with all interested parties and secured the hospital. The Receiver was investigating how best to maximize the value of this asset, including the possibility of either foreclosing on the collateral or taking a deed in lieu of foreclosure. The Receiver was also investigating whether to resume the application process for the necessary regulatory approvals to re-open the hospital.

Status as of October 9, 2009:

The Receiver confirmed that the collateral is insured. The Receiver was in discussions with representatives of the borrower who has filed suit in U.S. District Court seeking a preliminary injunction to force the State of New York Department of Health to restore Parkway Hospital's operating certificate. The Receiver reviewed Parkway's pleadings and considered intervening in the action, and considered other means of assisting the hospital in its efforts to obtain a new Certificate of Need. Obtaining the certificate would increase the likelihood the loan will be repaid. Alternatively, the value of the hospital would be maximized if foreclosure becomes necessary. The Receiver was also in the process of hiring New York counsel for a potential foreclosure action in the event such action was deemed appropriate.

Status as of November 9, 2009:

Borrower's motion for injunctive relief was denied by the U.S. District Court; however, Parkway has informed the Receiver that it intends to renew the motion based on newly discovered evidence. The Receiver has retained New York counsel to commence a foreclosure action in the event Parkway is unsuccessful in its renewed motion for preliminary injunction or an acceptable proposal for workout of the loans is not received.

Status as of December 10, 2009:

The foreclosure action was proceeding.

Status as of January 11, 2010:

The Receiver was investigating sale of the note and was in discussions with one potential buyer. The Receiver's counsel was working through complications with respect to foreclosure of the property.

Current Status:

The Receiver has continued to engage in discussions for the sale of MedCap's interest in Parkway, while simultaneously pursuing foreclosure of the real property.

The Perfect Game

Description:

The Perfect Game is a feature film relating to a Little League team from Mexico that won the Little League World Series in 1957.

The Receivership Entities' Interest:

The film is owned by The Perfect Game, LLC ("TPG"). MPFC IV owns an approximate 39.3% economic interest in TPG and holds certain priority rights as to distribution of profits. MCH holds 75% of the voting rights (separate from the economic interest held by MPFC IV) in TPG. MPFC IV also made loans to TPG in the approximate total amount of over \$18 million, secured by all of TPG's assets, including its rights in the film.

Status as of August 3, 2009:

The film was completed in 2008 and attempts were made to distribute it in the summer of 2008, which did not occur. Various efforts to distribute the film thereafter also failed. Continuing efforts to market and distribute the film had been undertaken by Christian Tureaud and David Salzburg, who are affiliated with High Road Entertainment Group, Inc. (an entity in which Medical Capital also holds a stake). As of August 3rd, various entities and individuals claimed an interest in the film, and/or had claims related to the film. In addition, money was needed to make prints and pay for advertising to facilitate domestic distribution. A Mexican company that had certain distribution rights and possessed copies of the film was threatening to unilaterally release the film in Mexico if it was not paid certain amounts owed by TPG, which would likely have had a material adverse effect on the value of domestic distribution rights.

Status as of September 8, 2009:

The Receiver had communicated with the various parties claiming rights in the film and/or attempting to secure its distribution. An investor was located to pay off the Mexican entity and avoid unilateral distribution in Mexico, thereby preserving the value of the domestic distribution rights, in exchange for foreign distribution rights. The investor entity was also attempting to raise the money needed for prints and advertising necessary for domestic distribution. The Receiver retained a consultant with extensive experience in the production and distribution of independent films to advise him as to all actions necessary to fully exploit the film and maximize the film's profits.

Status as of October 9, 2009:

The Receiver's team engaged in various discussions concerning exploitation of the film going forward. The Receiver retained two individuals previously involved in the production of the film to provide continuing services for the film, including completion of production (i.e. finalizing prints, music, soundtrack, etc.), distribution and marketing. The Receiver also negotiated an amendment to a prior agreement that addresses securing prints and advertising funds and domestic distribution of the film. The Receiver anticipated finalizing the amendment and filing appropriate pleadings seeking Court approval of the amendment. If sufficient prints and advertising money is timely raised, it is anticipated that foreign and domestic theatrical distribution of the film will occur in late spring 2010.

Status as of December 10, 2009:

The Receiver filed an ex parte application seeking Court approval of the amendment to the contract for prints and advertising funds and domestic distribution, which was granted. The Receiver continued consulting with potential new sources of prints and advertising funds and domestic distribution and addressing various issues for finalizing and marketing the film. The Receiver, with the assistance of his consultants, continued to work toward a spring 2010 release of the film.

Status as of January 11, 2010:

The Receiver was negotiating the terms of a domestic distribution agreement, which also addresses the funding of prints and advertising. The Receiver anticipated executing the distribution agreement this week and seeking court approval of the agreement. The film's release date of April 2, 2010 has been set.

Current Status:

The Receiver completed negotiations and executed a Distribution Agreement. The Distribution Agreement was approved by the Court and the Receiver's team continues to work toward the theatrical release of the film in April, 2010.

Home Stretch

Description:

A 118' luxury yacht owned by MCH and docked in Newport Beach, California

Receivership Entities Interest:

Corporate Impressions, LLC is a wholly owned subsidiary of MCH that acquired the vessel through a series of transactions and loans involving Edge Capital, Inc. It appears Medical Capital invested \$4.5 million in the vessel.

Status as of August 3, 2009:

The crew of three had not been paid for six weeks, and the boat slip rent was not being paid.

Status as of September 8, 2009:

The Receiver secured the vessel and retained the captain at a reduced salary to maintain the yacht until it is sold. The Receiver had discussed a listing of the yacht with a broker.

Status as of October 9, 2009:

The Receiver has selected a broker and listed the yacht for sale at a price of \$2.995 million, based upon comparable sales and competing listings.

Status as of January 11, 2010:

The Receiver received two offers to purchase the yacht, and submitted counteroffers to each bidder at \$2.895 million. Discussions are ongoing. Once a purchase price has been agreed to, and a Purchase and Sale Agreement is executed, the Receiver will seek appropriate Court approval for the sale.

Current Status:

Based on the offers previously submitted, the Receiver is re-listing the vessel for sale at a lower price. Certain repairs have been conducted and the Receiver continues to take necessary actions to preserve this asset. The broker continues to show the vessel to prospective purchasers.

15101 Red Hill Avenue Property

Description:

Office Building and real property located 15101 Red Hill Avenue, Tustin, California

The Receivership Entities' Interest:

MCH purchased the 15101 Red Hill Avenue property and created special purpose entity, 15101 Red Hill Holdings, Inc. to hold title to the property. The purchased was financed with a loan from Loan Oak Fund, LLC. 15101 Red Hill Holdings, Inc. leased the property to MCC.

Status as of August 3, 2009:

15101 Red Hill Holdings, Inc. had defaulted on the loan from Loan Oak Fund, LLC. Loan Oak Fund commenced a foreclosure action in Orange County Superior Court and obtained an order appointing a receiver on August 3, 2009.

Status as of September 8, 2009:

The Receiver had discussed a listing of the property with a broker. The Receiver had also contacted an auctioneer regarding conducting an auction of the furniture, fixtures and equipment located in the office building.

Status as of October 9, 2009:

The Receiver had made arrangements for former MCC employees to visit the property and pick up any personal belongings remaining in their work spaces. The Receiver had selected an auctioneer to conduct an auction of the furniture, fixtures and equipment. The Receiver anticipated filing a motion for authority to (a) conduct the auction of furniture, fixtures and equipment, and (b) sell the property.

Status as of November 10, 2009:

The broker's opinions of value obtained by the Receiver indicated that the value of the Property may be lower than initially thought, and close to the amount of the debt owed to Lone Oak. Interest continues to accrue on the debt. The Receiver commissioned an appraisal of the Property to further investigate the value.

Status as of December 10, 2009:

The appraisal confirmed that unless a unexpectedly high offer for the Property was received in the short term, there would be no value in the Property that could be realized for the receivership through a sale. The Receiver entered into a stipulation with Lone Oak, subject to Court approval, and filed a motion for approval of the stipulation. The Receiver also filed a motion for authority to conduct an auction of the personal property. Both motions were set to be heard on December 28, 2009.

Status as of January 11, 2010:

The Court approved both motions on December 21, 2009. The personal property auction was set to take place on January 13, 2010.

Current Status:

The Receiver conducted an auction of Med Cap's furniture fixture and equipment on January 13, 2010 in accordance with orders of this Court. The net auction proceeds were \$109,031.00, which far exceeded the auctioneer's prior estimate. Shortly after the auction, the Receiver abandoned the Red Hill office building to its secured lender after determining there was no equity in the building for the receivership estate. Extensive efforts to sell the building for a price that would generate net proceeds for the receivership estate failed.

Valley Health Care Medical Group

Description:

Accounts receivables and loans secured by personal guarantees and other collateral.

The Receivership Entities' Interest:

MPFC IV and VI own non-performing loans in the amount of \$22.8 million.

Status as of August 3, 2009

As of August 3, 2009, no payments were being made and collections on accounts receivable were being diverted back to Valley.

Status as of September 8, 2009:

The Receiver, within days of being appointed, notified the payors that it was inappropriate for Valley to be diverting collections. A number of payors resumed making payments to the Receiver as a result of the Receiver's letter and follow up calls.

Status as of October 9, 2009:

The Receiver met with Dr. Kroop, the owner of Valley Health Care. Dr. Kroop claimed to be unable to repay the debts owed by Valley and Dr. Kroop individually. The Receiver was in the process of evaluating potential legal action to enforce MedCap's rights and collect on the debt.

Status as of November 10, 2009:

Efforts to resolve the unpaid debts without Court intervention proved unsuccessful. The Receiver prepared, and planned to shortly file, an action against Valley and Dr. Kroop to recover funds owed under the pertinent loan agreements.

Status as of January 11, 2010:

The Receiver's complaint against Valley and Dr. Kroop was filed on November 19, 2009. On December 30, 2009, the case was transferred to this Court. None of the defendants had filed a responsive pleading. Counsel for the Receiver was also communicating with third parties concerning certain assets in which the Receiver has a security interest.

Current Status:

Counsel for the defendants executed an Acknowledgement of Service as to the Complaint, and defendants' responsive pleadings are due on or before February 25, 2010. The Receiver engaged in preliminary discussions concerning the potential purchase of certain equipment, but no agreement has been reached to date.

Concept 1 Academies

Description:

When it was operating, Concept 1 Academies ("Concept 1") was a school located in Victoria, Virginia for children transitioning from foster care.

The Receivership Entities' Interest:

MCC, as administrator for MP III series 2, made a \$750,000 term loan, issued a \$500,000 line of credit, and provided accounts receivable financing to Concept 1. The loans are secured by the school property owned by Concept 1. The owner of Concept 1, Theresa Darr, also personally guaranteed the loans and pledged her ownership in Concept 1 as additional collateral.

Status as of August 3, 2009:

Concept 1 had defaulted on the loans and ceased operating. MCC filed a collection action in Nevada district court and a separate foreclosure action in Virginia. Concept 1 and Darr had offered to deed the school property and an adjoining property to MCC in lieu of foreclosure. There were environmental concerns regarding the adjoining property due to the presence of asbestos in the building located thereon. A settlement had not been reached.

Status as of September 8, 2009:

The Receiver had discussed the litigation and pending settlement offer with counsel representing MCC in Nevada and Virginia, and counsel representing Concept 1 and Darr. The Receiver had also conducted a preliminary review of documents pertaining to the loans and collateral, including an asbestos survey for the adjoining property.

Status as of October 9, 2009:

The Receiver had begun to discuss settlement and exchange information with Concept 1 and Darr.

Status as of November 10, 2009:

A member of the Receiver's staff visited Victoria, Virginia and the area surrounding the property. Darr was not available to meet and provide access to the property. The Receiver commissioned an appraisal and ordered a title report for the property.

Settlement discussions with Concept 1 and Darr were continuing. The Receiver was hopeful that the litigation could be consensually resolved.

Status as of January 11, 2010:

Settlement discussions with Concept 1 and Darr stalled. The Receiver is proceeding to foreclose on the property in Virginia.

Current Status:

The Receiver's new local counsel has obtained the pertinent documents and information from pre-receivership counsel and is proceeding with foreclosure.

Edge Capital

Description:

Loans made to Edge Capital, Inc., a California corporation ("Edge"). Edge is understood to be owned by Joseph "Jay" Menez. Matthew Nunez, who apparently received personal loans from MCC and is understood to be a personal friend of Joseph Lampariello, is (or was) also affiliated with Edge.

The Receivership Entities' Interest:

MCC made loans to Edge for the purposes of funding real estate loans issued by Edge. Approximately \$20 million is owed to MCC by Edge on these loans. The Receiver understands that some of the notes and deeds of trust pertaining to the loans made by Edge were assigned to MCC. The Receiver also understands that Edge/MCC is (or was) in a junior position with regard to the properties securing some of these loans.

Status as of August 3, 2009:

Several foreclosure actions on the Edge loans were underway. The borrower on one of the largest Edge loans, Crown Plaza Development ("Crown"), had filed for bankruptcy under Chapter 11 of the Bankruptcy Code, and subsequently sued Edge, Menez, Nunez and MCC for breach of contract, fraud and various other causes of action.

Status as of September 8, 2009:

The Crown case against MCC is enjoined pursuant to the Court's orders. Counsel for the Receiver had various conversations with counsel that had been representing MCC and counsel representing Crown, and reviewed relevant pleadings and records to gain an understanding of the facts and issues involved in the case. The Receiver also discussed the remaining Edge loans with Mr. Fazio and outside counsel representing MCC with respect to certain of these loans.

Status as of October 9, 2009:

Counsel for the Receiver and Crown had begun settlement discussions, including a review of available information regarding the potential values of the properties securing the loans to Crown. Any settlement would be subject to approval by this Court and the bankruptcy court handling the Crown bankruptcy case.

Status as of January 31, 2010:

Settlement discussions with Crown continue. The Receiver continues to investigate the status of the remaining Edge loans to determine the appropriate course of action on each of them.

Current Status:

The Receiver's team has continued to exchange settlement offers in the Crown litigation, and is cautiously optimistic that a settlement can be reached in the coming weeks.

Other Assets Under Review

Lavipharm

MPFC III made a loan of \$30 million to Lavipharm Corporation/Lavipharm Laboratories, Inc. secured by stock warrants, patents, inventory and equipment, among other things. Lavipharm is a pharmaceutical company that has developed a patented patch for the delivery of medication that is pending FDA approval. There remains an outstanding balance of \$30 million on the loan, which is not currently in default. A lump sum payment of \$4.5 million is due on March 31, 2010 or five days after FDA regulatory approval, whichever is earlier. The Receiver has made initial contact with the principals of Lavipharm and is monitoring the FDA approval process.

E Mark

MPFC III made a loan to this internet advertising company, which appears to be generating valid receivables. The Receiver has found evidence that MedCap was allowing payments to be made to an account not controlled by MedCap. Subpoenas to banks were issued, documents were produced, and the Receiver's investigation into this asset is ongoing.

Pyramid Technologies, Inc.

MPFC IV made a loan to Pyramid Technologies secured by, among other things, stock and personal guaranties. The loan is in default and there is an outstanding principal balance of approximately \$14 million. The Receiver initiated contact with counsel for the principals of Pyramid and participated in a meeting to discuss resolution of this debt. The Receiver is also aware of a purported insurance claim, the proceeds of which were assigned to Medical Capital and met with prospective counsel for the borrower in connection with a pending lawsuit between Pyramid and Hartford Insurance Company. The Receiver filed a Complaint against Pyramid and various individuals on January 20, 2010. No responsive pleadings have been filed to date.

Mail.com Media Corporation

MPFC III made a loan to this entity, formerly known as Velocity Services, Inc., that has an outstanding principal balance of \$15 million. The loan is secured by a pledge of stock and guaranty from the principal owner, among other things, and the borrower is currently performing under the terms of the loan. The Receiver has met with the principal to discuss the borrower's ability to repay the debt and potential modification of the loan. These discussions are ongoing and the loan is current.

EXHIBIT B

**Financial Statements for the Receivership Estate
Through January 31, 2010**

Medical Capital Holdings, Inc.
Monthly Profit & Loss
January 2010

Cash Basis

	Jan 10
Ordinary Income/Expense	
Income	
Account Receivable Collection	565,957.73
Loan Collections	178,687.50
NHBC Revenue	782,160.48
Rental Income	30.00
Turnover/Seizure	456.40
	1,525,292.11
Total Income	
Expense	
Advertising and Promotion	640.00
Appraisal Fees	3,700.00
Bank Service Charges	8,006.87
Business Operating Expenses	
Business Licenses and Permits	12,473.50
Consulting services	17,957.63
Management fees	10,000.00
Outside Services	57,038.67
Rent Expense	20,621.34
Repair & Maintenance	734.75
Supplies	201.95
Utilities	58,538.30
	177,566.14
Total Business Operating Expenses	
Computer and Internet Expenses	474.70
Home Stretch Other	4,500.73
Insurance Expense	26,461.64
Moving & Storage	89.25
NHBC - Direct Expenses	
Client fees	36,279.01
Commissions	53,639.82
Network fees	369,240.09
Office Expense	10,763.99
PEPM Network fee	64,003.69
	533,926.60
Total NHBC - Direct Expenses	
Office Supplies	2,665.92
Operating Expenses	4,242.28
Payroll Expenses	
401K	19,895.99
ADP Payroll Service	2,925.06
Medical Insurance	32,283.56
Payroll and Taxes	
Homestretch Crew	13,706.87
MCC	43,703.18
NHBC	202,617.23
Trace	25,774.91
	285,802.19
Total Payroll and Taxes	
Total Payroll Expenses	340,906.80
Postage and Delivery	2,925.33
Receiver's expenses	1,106.88
Security Services	2,059.15
Taxes	
Property tax	-1,569.18
	-1,569.18
Total Taxes	
Travel Expense	192.70
	1,107,895.81
Total Expense	
Net Ordinary Income	417,396.30
Net Income	417,396.30

**Medical Capital Holdings, Inc.
Monthly Profit & Loss by Class
January 2010**

Cash Basis

	MCH & MCG	MPFC 1	MPFC 2	MPFC 31
Ordinary Income/Expense				
Income				
Account Receivable Collection	540 815.30	0.00	0.00	500.00
Loan Collections	0.00	0.00	0.00	0.00
NHBC Revenue	0.00	0.00	0.00	0.00
Rental Income	0.00	0.00	0.00	0.00
Turnover/Seizure	456.40	0.00	0.00	0.00
Total Income	541 271.70	0.00	0.00	500.00
Expense				
Advertising and Promotion	0.00	0.00	0.00	0.00
Appraisal Fees	0.00	0.00	2 500.00	0.00
Bank Service Charges	102.00	18.48	0.00	37.78
Business Operating Expenses				
Business Licenses and Permits	0.00	0.00	0.00	2 168.70
Consulting services	0.00	0.00	0.00	5 000.00
Management fees	0.00	0.00	0.00	0.00
Outside Services	3 138.75	0.00	0.00	0.00
Rent Expense	5 632.00	0.00	0.00	0.00
Repair & Maintenance	534.75	0.00	0.00	0.00
Supplies	-53.83	0.00	0.00	0.00
Utilities	3,125.43	0.00	0.00	19,362.30
Total Business Operating Expenses	12 677.10	0.00	0.00	26 531.00
Computer and Internet Expenses	0.00	0.00	0.00	0.00
Home Stretch Other	4 500.73	0.00	0.00	0.00
Insurance Expense	479.15	0.00	1 281.04	10 188.88
Moving & Storage	89.25	0.00	0.00	0.00
NHBC - Direct Expenses				
Client fees	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Network fees	0.00	0.00	0.00	0.00
Office Expense	0.00	0.00	0.00	0.00
PEPM Network fee	0.00	0.00	0.00	0.00
Total NHBC - Direct Expenses	0.00	0.00	0.00	0.00
Office Supplies	2 665.92	0.00	0.00	0.00
Operating Expenses	0.00	0.00	0.00	31.85
Payroll Expenses				
401K	7 393.85	0.00	0.00	0.00
ADP Payroll Service	1 380.21	0.00	0.00	0.00
Medical Insurance	0.00	0.00	0.00	0.00
Payroll and Taxes				
Homestretch Crew	8 200.00	0.00	0.00	1 474.79
MCC	43 703.18	0.00	0.00	0.00
NHBC	0.00	0.00	0.00	0.00
Trace	0.00	0.00	0.00	15,168.13
Total Payroll and Taxes	49,903.18	0.00	0.00	18,640.92
Total Payroll Expenses	58 677.34	0.00	0.00	16 640.92
Postage and Delivery	0.00	4.57	164.59	123.21
Receiver's expenses	358.98	0.00	0.00	747.90
Security Services	0.00	0.00	0.00	1 029.58
Taxes				
Property tax	0.00	0.00	-1,589.18	0.00
Total Taxes	0.00	0.00	-1 589.18	0.00
Travel Expense	0.00	0.00	0.00	0.00
Total Expense	79,550.47	23.05	2,378.45	55,331.22
Net Ordinary Income	461,721.23	-23.05	-2,378.45	-54,831.22
Net Income	461,721.23	-23.05	-2,378.45	-54,831.22

**Medical Capital Holdings, Inc.
Monthly Profit & Loss by Class
January 2010**

Cash Basis

	MPFC 3 II	MPFC 4 I	MPFC 4 II	MPFC 5
Ordinary Income/Expense				
Income				
Account Receivable Collection	14,642.43	0.00	0.00	10,000.00
Loan Collections	0.00	0.00	0.00	164,687.50
NHBC Revenue	0.00	0.00	0.00	0.00
Rental Income	0.00	0.00	30.00	0.00
Turnover/Seizure	0.00	0.00	0.00	0.00
Total Income	14,642.43	0.00	30.00	174,687.50
Expense				
Advertising and Promotion	0.00	0.00	640.00	0.00
Appraisal Fees	0.00	0.00	1,200.00	0.00
Bank Service Charges	1,054.62	2,093.79	444.85	1,168.85
Business Operating Expenses				
Business Licenses and Permits	2,188.70	0.00	0.00	0.00
Consulting services	0.00	11,200.00	0.00	0.00
Management fees	6,000.00	0.00	0.00	0.00
Outside Services	0.00	10,626.50	39,954.00	0.00
Rent Expense	0.00	11,071.89	0.00	0.00
Repair & Maintenance	0.00	0.00	200.00	0.00
Supplies	0.00	0.00	0.00	0.00
Utilities	2,366.30	0.00	24,079.38	0.00
Total Business Operating Expenses	9,535.00	32,898.39	64,233.38	0.00
Computer and Internet Expenses	0.00	0.00	0.00	0.00
Home Stretch Other	0.00	0.00	0.00	0.00
Insurance Expense	10,188.97	0.00	3,844.35	0.00
Moving & Storage	0.00	0.00	0.00	0.00
NHBC - Direct Expenses				
Client fees	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Network fees	0.00	0.00	0.00	0.00
Office Expense	0.00	0.00	0.00	0.00
PEPM Network fee	0.00	0.00	0.00	0.00
Total NHBC - Direct Expenses	0.00	0.00	0.00	0.00
Office Supplies	0.00	0.00	0.00	0.00
Operating Expenses	31.85	0.00	0.00	0.00
Payroll Expenses				
401K	0.00	0.00	0.00	0.00
ADP Payroll Service	0.00	0.00	0.00	0.00
Medical Insurance	0.00	0.00	0.00	0.00
Payroll and Taxes				
Homestretch Crew	6,032.08	0.00	0.00	0.00
MCC	0.00	0.00	0.00	0.00
NHBC	0.00	0.00	0.00	0.00
Trace	10,608.78	0.00	0.00	0.00
Total Payroll and Taxes	16,640.86	0.00	0.00	0.00
Total Payroll Expenses	16,640.86	0.00	0.00	0.00
Postage and Delivery	248.20	609.53	10.35	1,021.68
Receiver's expenses	0.00	0.00	0.00	0.00
Security Services	1,029.57	0.00	0.00	0.00
Taxes				
Property tax	0.00	0.00	0.00	0.00
Total Taxes	0.00	0.00	0.00	0.00
Travel Expense	0.00	0.00	0.00	0.00
Total Expense	38,727.07	35,591.71	70,372.91	2,188.53
Net Ordinary Income	-24,084.64	-35,591.71	-70,342.91	172,498.97
Net Income	-24,084.64	-35,591.71	-70,342.91	172,498.97

Medical Capital Holdings, Inc.
Monthly Profit & Loss by Class
 January 2010

Cash Basis

	MFPC 6	NHBC	TOTAL
Ordinary Income/Expense			
Income			
Account Receivable Collection	0 00	0 00	685 857 73
Loan Collections	12 000 00	0 00	176 687 50
NHBC Revenue	0 00	782 160 48	782 160 48
Rental Income	0 00	0 00	30 00
Turnover/Seizure	0 00	0 00	456 40
Total Income	12 000 00	782 160 48	1 525 282 11
Expense			
Advertising and Promotion	0 00	0 00	640 00
Appraisal Fees	0 00	0 00	3 700 00
Bank Service Charges	2 953 19	145 31	8 006 87
Business Operating Expenses			
Business Licenses and Permits	0 00	8 136 10	12 473 50
Consulting services	0 00	6 757 63	17 957 63
Management fees	0 00	0 00	10 000 00
Outside Services	0 00	3 319 42	57 038 67
Rent Expense	0 00	3 617 45	20 621 34
Repair & Maintenance	0 00	0 00	734 75
Supplies	0 00	285 78	201 95
Utilities	0 00	8,604.91	58,538.30
Total Business Operating Expenses	0 00	31 691 29	177 568 14
Computer and Internet Expenses	0 00	474 70	474 70
Home Stretch Other	0 00	0 00	4 500 73
Insurance Expense	0 00	478 15	26 461 64
Moving & Storage	0 00	0 00	89 25
NHBC - Direct Expenses			
Client fees	0 00	38 279 01	38 279 01
Commissions	0 00	53 639 82	53 639 82
Network fees	0 00	369 240 09	369 240 09
Office Expense	0 00	10 763 99	10 763 99
PEPM Network fee	0 00	64,003.69	64,003.69
Total NHBC - Direct Expenses	0 00	533 926 60	533 926 60
Office Supplies	0 00	0 00	2 665 92
Operating Expenses	0 00	4 178 58	4 242 28
Payroll Expenses			
401K	0 00	12 502 04	19 895 89
ADP Payroll Service	0 00	1 544 85	2 925 08
Medical Insurance	0 00	32 283 58	32 283 58
Payroll and Taxes			
Homestretch Crew	0 00	0 00	13 706 87
MCC	0 00	0 00	43 703 18
NHBC	0 00	202 617 23	202 617 23
Trace	0 00	0 00	25,774 91
Total Payroll and Taxes	0 00	202,617.23	285,802 19
Total Payroll Expenses	0 00	248 847 88	340 908 80
Postage and Delivery	165 12	580 08	2 925 33
Receiver's expenses	0 00	0 00	1 106 88
Security Services	0 00	0 00	2 069 15
Taxes			
Property tax	0 00	0 00	-1,589 18
Total Taxes	0 00	0 00	-1 589 18
Travel Expense	0 00	192 70	192 70
Total Expense	3,118.31	820,616.09	1,107,895.81
Net Ordinary Income	8,881.69	-38,455.61	417,396.30
Net Income	8,881.69	-38,455.61	417,396.30

Medical Capital Holdings, Inc.
ITD Profit & Loss
 As of January 31, 2010

Cash Basis

	Jan 31, 10
Ordinary Income/Expense	
Income	
Account Receivable Collection	1 035 610 20
Loan Collections	989,500 00
NHBC Revenue	4,187,482 67
Rental Income	35,276 65
Sale of Assets/Disposition	13,724 765.60
Turnover/Seizure	3,051,359.13
Total Income	23,023,994 25
Expense	
Advertising and Promotion	640 00
Appraisal Fees	74 220 00
Bank Service Charges	19,586 18
Business Operating Expenses	
Business Licenses and Permits	52 822 75
Consulting services	161,365 74
Management fees	67,383 27
Outside Services	136 551 24
Rent Expense	152,174 52
Repair & Maintenance	52,523 99
Supplies	5,819 89
Utilities	350,711.99
Total Business Operating Expenses	979,353 39
Computer and Internet Expenses	474.70
Dues and Subscriptions	584 00
Home Stretch Other	4,500 73
Homestretch Sllp rental	34,508 00
Homestretch Utilities	1 500 00
Insurance Expense	181 046 81
Legal Fees	682 20
Moving & Storage	4,160.59
NHBC - Direct Expenses	
Client fees	231,071 75
Client refunds	29,290 09
Commissions	101,722 09
Network fees	1 460,807.60
Office Expense	36,864.07
PEPM Network fee	84,709.19
Total NHBC - Direct Expenses	1 944,464 79
Office Supplies	2,887 39
Operating Expenses	6 135 92
Payroll Expenses	
401K	66,223 25
ADP Payroll Service	5 846 54
Medical Insurance	111,270 45
Payroll and Taxes	
Homestretch Crew	55,763 87
MCC	376,637.12
NHBC	1 225,495.93
Trace	163,624.99
Total Payroll and Taxes	1,821,521.91
Total Payroll Expenses	2 004 862 15
Postage and Delivery	4,017 44
Professional Fees	2 002 02
Radiation Monitoring	193 95
Receiver's expenses	35,557 39
Security Services	11,330 19
Taxes	
Property tax	135,604 55
Sanitary taxes	401.00

Medical Capital Holdings, Inc.
ITD Profit & Loss
As of January 31, 2010

Cash Basis

	<u>Jan 31, 10</u>
Total Taxes	136,005.55
Travel Expense	3,649.08
Trustee fees & Expenses	<u>149,818.68</u>
Total Expense	<u>5,602,179.15</u>
Net Ordinary Income	<u>17,421,815.10</u>
Net Income	<u><u>17,421,815.10</u></u>

**Medical Capital Holdings, Inc.
ITD Profit & Loss by Class
As of January 31, 2010**

Cash Basis

	MCH & MCC	MPFC 1	MPFC 2	MPFC 3 I
Ordinary Income/Expense				
Income				
Account Receivable Collection	544,585.18	41.09	0.00	1,500.00
Loan Collections	0.00	0.00	0.00	0.00
NHBC Revenue	0.00	0.00	0.00	0.00
Rental Income	0.00	0.00	0.00	0.00
Sale of Assets/Disposition	150.00	0.00	13,724,615.60	0.00
Turnover/Seizure	114,074.22	21,245.89	119,853.91	836,493.82
Total Income	658,809.40	21,286.98	13,844,589.51	837,993.82
Expense				
Advertising and Promotion	0.00	0.00	0.00	0.00
Appraisal Fees	6,950.00	0.00	2,500.00	0.00
Bank Service Charges	1,732.59	479.88	415.13	319.53
Business Operating Expenses				
Business Licenses and Permits	230.00	125.00	125.00	2,388.70
Consulting services	0.00	0.00	0.00	0.00
Management fees	0.00	0.00	0.00	42,383.27
Outside Services	9,517.69	0.00	711.30	1,503.83
Rent Expense	17,584.00	0.00	0.00	0.00
Repair & Maintenance	2,108.10	0.00	0.00	957.00
Supplies	-53.83	0.00	0.00	0.00
Utilities	26,117.55	0.00	0.00	78,510.18
Total Business Operating Expenses	55,503.51	125.00	836.30	125,722.96
Computer and Internet Expenses	0.00	0.00	0.00	0.00
Dues and Subscriptions	89.00	89.00	89.00	89.00
Home Stretch Other	4,503.73	0.00	0.00	0.00
Homestretch Slip rental	34,508.00	0.00	0.00	0.00
Homestretch Utilities	1,500.00	0.00	0.00	0.00
Insurance Expense	30,585.69	0.00	15,084.08	38,700.75
Legal Fees	0.00	0.00	0.00	0.00
Moving & Storage	4,160.59	0.00	0.00	0.00
NHBC - Direct Expenses				
Client fees	0.00	0.00	0.00	0.00
Client refunds	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Network fees	0.00	0.00	0.00	0.00
Office Expense	0.00	0.00	0.00	0.00
PEPM Network fee	0.00	0.00	0.00	0.00
Total NHBC - Direct Expenses	0.00	0.00	0.00	0.00
Office Supplies	2,665.82	0.00	0.00	0.00
Operating Expenses	0.00	0.00	0.00	31.85
Payroll Expenses				
401K	28,143.20	0.00	0.00	0.00
ADP Payroll Service	2,620.12	0.00	0.00	0.00
Medical Insurance	-808.45	0.00	0.00	0.00
Payroll and Taxes				
Homestretch Crew	48,257.00	0.00	0.00	1,474.79
MCC	378,637.12	0.00	0.00	0.00
NHBC	0.00	0.00	0.00	0.00
Trace	0.00	0.00	0.00	84,091.27
Total Payroll and Taxes	424,894.12	0.00	0.00	85,568.06
Total Payroll Expenses	454,748.99	0.00	0.00	85,568.06
Postage and Delivery	0.00	4.57	164.59	123.21
Professional Fees	2,002.02	0.00	0.00	0.00
Radiation Monitoring	0.00	0.00	0.00	57.92
Receiver's expenses	23,420.53	0.00	3,114.53	1,089.61
Security Services	0.00	0.00	0.00	7,531.05
Taxes				
Property tax	0.00	0.00	-1,569.18	0.00
Sanitary taxes	0.00	0.00	0.00	0.00
Total Taxes	0.00	0.00	-1,569.18	0.00
Travel Expense	0.00	0.00	0.00	0.00
Trustee fees & Expenses	0.00	0.00	0.00	57,781.61
Total Expense	622,365.57	698.45	20,634.45	317,003.55
Net Ordinary Income	38,443.83	20,588.53	13,823,935.06	520,990.27
Net Income	38,443.83	20,588.53	13,823,935.08	520,990.27

**Medical Capital Holdings, Inc.
ITD Profit & Loss by Class
As of January 31, 2010**

Cash Basis

	MPFC 3 II	MPFC 4 I	MPFC 4 II	MPFC 5
Ordinary Income/Expense				
Income				
Account Receivable Collection	274,348.50	9,655.61	35,221.03	40,000.00
Loan Collections	0.00	0.00	0.00	977,500.00
NHBC Revenue	0.00	0.00	0.00	0.00
Rental Income	0.00	0.00	35,276.65	0.00
Sale of Assets/Disposition Turnover/Seizure	658,073.52	470,322.83	85,142.29	369,977.12
Total Income	933,322.02	479,978.44	155,639.97	1,387,477.12
Expense				
Advertising and Promotion	0.00	0.00	840.00	0.00
Appraisal Fees	0.00	0.00	84,770.00	0.00
Bank Service Charges	1,235.43	7,656.90	1,228.95	2,837.08
Business Operating Expenses				
Business Licenses and Permits	2,168.70	100.00	670.25	200.00
Consulting services	0.00	102,800.00	15,000.00	0.00
Management fees	25,000.00	0.00	0.00	0.00
Outside Services	1,503.83	28,124.00	39,954.00	0.00
Rent Expense	0.00	34,613.12	0.00	0.00
Repair & Maintenance	957.00	0.00	48,022.39	0.00
Supplies	0.00	0.00	2,512.62	0.00
Utilities	61,435.99	8,349.52	124,417.28	0.00
Total Business Operating Expenses	61,085.52	173,986.64	230,576.54	200.00
Computer and Internet Expenses	0.00	0.00	0.00	0.00
Dues and Subscriptions	0.00	57.00	57.00	114.00
Home Stretch Other	0.00	0.00	0.00	0.00
Homestretch Slip rental	0.00	0.00	0.00	0.00
Homestretch Utilities	0.00	0.00	62,907.70	10,677.00
Insurance Expense	18,151.69	0.00	0.00	582.20
Legal Fees	0.00	0.00	0.00	0.00
Moving & Storage	0.00	0.00	0.00	0.00
NHBC - Direct Expenses				
Client fees	0.00	0.00	0.00	0.00
Client refunds	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Network fees	0.00	0.00	0.00	0.00
Office Expense	0.00	0.00	0.00	0.00
PEPM Network fee	0.00	0.00	0.00	0.00
Total NHBC - Direct Expenses	0.00	0.00	0.00	0.00
Office Supplies	0.00	0.00	0.00	0.00
Operating Expenses	31.85	0.00	0.00	0.00
Payroll Expenses				
401K	0.00	0.00	0.00	0.00
ADP Payroll Service	0.00	0.00	0.00	0.00
Medical Insurance	0.00	0.00	0.00	0.00
Payroll and Taxes				
Homestretch Crew	6,032.08	0.00	0.00	0.00
MCC	0.00	0.00	0.00	0.00
NHBC	0.00	0.00	0.00	0.00
Trace	79,533.72	0.00	0.00	0.00
Total Payroll and Taxes	85,565.80	0.00	0.00	0.00
Total Payroll Expenses	85,565.80	0.00	0.00	0.00
Postage and Delivery	246.20	609.53	10.35	1,021.68
Professional Fees	0.00	0.00	0.00	0.00
Radiation Monitoring	138.93	0.00	0.00	0.00
Receiver's expenses	1,182.23	0.00	4,789.54	0.00
Security Services	3,799.14	0.00	0.00	0.00
Taxes				
Property tax	0.00	0.00	137,173.73	0.00
Sanitary taxes	0.00	0.00	401.00	0.00
Total Taxes	0.00	0.00	137,574.73	0.00
Travel Expense	0.00	0.00	0.00	0.00
Trustee fees & Expenses	50,650.21	0.00	0.00	41,376.85
Total Expense	252,074.10	182,310.07	502,562.61	55,968.82
Net Ordinary Income	681,247.92	297,668.37	-346,922.64	1,330,568.30
Net Income	681,247.92	297,668.37	-346,922.64	1,330,568.30

Medical Capital Holdings, Inc.
ITD Profit & Loss by Class
 As of January 31, 2010

Cash Basis

	MPFG S	NHBC	TOTAL
Ordinary Income/Expense			
Income			
Account Receivable Collection	130,259.79	0.00	1,035,610.20
Loan Collections	12,000.00	0.00	889,500.00
NHBC Revenue	0.00	4,187,482.67	4,187,482.67
Rental Income	0.00	0.00	35,276.65
Sale of Assets/Disposition	0.00	0.00	13,724,785.60
Turnover/Seizure	375,175.53	0.00	3,051,359.13
Total Income	517,434.32	4,187,482.67	23,023,894.25
Expense			
Advertising and Promotion	0.00	0.00	840.00
Appraisal Fees	0.00	0.00	74,220.00
Bank Service Charges	3,333.92	348.77	19,588.18
Business Operating Expenses			
Business Licenses and Permits	0.00	48,835.10	52,822.75
Consulting services	0.00	43,585.74	161,385.74
Management fees	0.00	0.00	87,383.27
Outside Services	0.00	55,236.59	136,551.24
Rent Expense	0.00	99,977.40	152,174.52
Repair & Maintenance	0.00	479.50	52,523.99
Supplies	0.00	3,361.10	5,819.89
Utilities	0.00	51,881.49	350,711.99
Total Business Operating Expenses	0.00	301,336.92	979,353.39
Computer and Internet Expenses	0.00	474.70	474.70
Dues and Subscriptions	0.00	0.00	684.00
Home Stretch Other	0.00	0.00	4,500.73
Homestretch Slip rental	0.00	0.00	34,508.00
Homestretch Utilities	0.00	0.00	1,600.00
Insurance Expense	0.00	4,839.90	181,048.81
Legal Fees	0.00	0.00	882.20
Moving & Storage	0.00	0.00	4,160.59
NHBC - Direct Expenses			
Client fees	0.00	231,071.75	231,071.75
Client refunds	0.00	29,290.09	29,290.09
Commissions	0.00	101,722.09	101,722.09
Network fees	0.00	1,480,807.60	1,460,807.60
Office Expense	0.00	36,864.07	38,864.07
PEPM Network fee	0.00	84,709.19	84,709.19
Total NHBC - Direct Expenses	0.00	1,944,464.79	1,944,464.79
Office Supplies	0.00	221.47	2,887.39
Operating Expenses	0.00	6,072.22	6,135.92
Payroll Expenses			
401K	0.00	38,080.05	68,223.25
ADP Payroll Service	0.00	3,226.42	5,848.54
Medical Insurance	0.00	112,178.90	111,270.45
Payroll and Taxes			
Homestretch Crew	0.00	0.00	55,783.87
MCC	0.00	0.00	378,637.12
NHBC	0.00	1,225,485.93	1,225,485.93
Trace	0.00	0.00	183,624.99
Total Payroll and Taxes	0.00	1,225,485.93	1,821,621.91
Total Payroll Expenses	0.00	1,378,981.30	2,004,862.15
Postage and Delivery	165.12	1,672.19	4,017.44
Professional Fees	0.00	0.00	2,002.02
Radiation Monitoring	0.00	0.00	183.85
Receiver's expenses	0.00	1,980.95	35,557.39
Security Services	0.00	0.00	11,330.19
Taxes			
Property tax	0.00	0.00	136,604.55
Sanitary taxes	0.00	0.00	401.00
Total Taxes	0.00	0.00	136,005.55
Travel Expense	0.00	3,649.08	3,649.08
Trustee fees & Expenses	0.00	0.00	149,818.68
Total Expense	3,499.04	3,644,122.29	5,602,179.15
Net Ordinary Income	513,935.28	543,360.38	17,421,815.10
Net Income	513,935.28	543,360.38	17,421,815.10

**Medical Capital Holdings, Inc.
Balance Sheet
As of January 31, 2010**

Cash Basis

	<u>Jan 31, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
WF MCC/MCH Operating Acct.	599,100.78
WF MCC/MCH Payroll Acct.	7,402.03
WF MPFC 1	20,588.53
WF MPFC 2	13,298,935.06
WF MPFC 3, Series I	320,480.32
WF MPFC 3, Series II	530,747.89
WF MPFC 4, Series I	97,668.37
WF MPFC 4, Series II	43,799.16
WF MPFC 5	1,330,568.30
WF MPFC 6	513,935.28
WF NHBC - AP Disbursement Act	58.00
WF NHBC - Cigna Holding account	252,666.47
WF NHBC - Operating Acct.	290,631.91
WF NHBC - Payroll	4.00
Total Checking/Savings	<u>17,308,596.10</u>
Total Current Assets	17,306,596.10
Other Assets	
MCC Loan to MPFC 4, II	25,000.00
MCH Security Deposit	4,941.00
MPFC 2, Loan to MCC	350,000.00
MPFC 2, Loan to MPFC 4, II	175,000.00
MPFC 3, I Loan to MCC	150,000.00
MPFC 3, II Loan to MCC	100,000.00
MPFC 4, I Loan to MPFC 4, II	200,000.00
Utility Security Deposit	122,278.00
Total Other Assets	<u>1,127,219.00</u>
TOTAL ASSETS	<u><u>18,433,815.10</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
MCC loan from MPFC 2	350,000.00
MCC loan from MPFC 3 I	150,000.00
MCC loan from MPFC 3 II	100,000.00
MPFC 4, II Loan from MCC	25,000.00
MPFC 4, II Loan from MPFC 2	175,000.00
MPFC 4, II Loan from MPFC 4, I	200,000.00
Security deposits held	12,000.00
Total Other Current Liabilities	<u>1,012,000.00</u>
Total Current Liabilities	1,012,000.00
Total Liabilities	1,012,000.00
Equity	
Retained Earnings	17,004,418.80
Net Income	417,396.30
Total Equity	<u>17,421,815.10</u>
TOTAL LIABILITIES & EQUITY	<u><u>18,433,815.10</u></u>

Medical Capital Holdings, Inc.
Monthly General Ledger
 As of January 31, 2010

Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
							306,723.64
Bank of America - NHBC							
Transfer	1/25/2010			Final sweep of B o .		306,710 63	13.01
Check	1/25/2010	Debit	Bank of America			10 00	3.01
Check	1/31/2010			Service Charge		3.00	0.01
Check	1/31/2010					0.01	0.00
					0 00	306,723 64	0 00
Total Bank of America - NHBC							
							0.00
CNB							
							0.00
Total CNB							
							0.00
Comerica							
							0.00
Total Comerica							
							115,766 54
WF MCC/MCH Operating Acct.							
Deposit	1/4/2010			Deposit	136 00		115,902.54
Deposit	1/4/2010			Deposit	53 83		115,956.37
Check	1/5/2010	1240	Atlantis Dive Comp..	Invoice 12/07/09		500 00	115,456.37
Check	1/5/2010	1241	Coastal Pacific Mari.	Order # 6449		2,203 84	113,252 53
Check	1/5/2010	1242	Carlson & Beauloye	Replacement filter .		298 89	112,955 64
Check	1/5/2010	1243	Hills Boat Service	Fuel & Oil for Hom .		1 500.00	111,455 64
Check	1/5/2010	1244	Horizon Communic	Inv # SRA11145		98.75	111,356 89
Check	1/5/2010	1245	ADP, Inc.	Inv # 631580		195.14	111 161 75
Check	1/5/2010	1246	Federal Disposal S .	Inv # JAN2010		1 000 00	110,161.75
Check	1/5/2010	1247	City of Tustin	Multiple Act #'s		688 27	109,473.48
Check	1/5/2010	1248	The Hartford	Act # 72 10857037		479 15	108,994.33
Check	1/6/2010	Wir .	Jeffrey M Davey	Professional Servi		3 100 00	105,894.33
Check	1/6/2010	1251	ADP, Inc.	Multiple Invoices		321 83	105 572 50
Check	1/7/2010	1252	Intuit Software, Inc.	Quickbooks Enter .		2,448.89	103,125 61
Check	1/8/2010	1253	The Irvine Compan	January rent		4 492.00	98,633 61
Check	1/12/2010	1266	Douglas Jones	Survey of Homest		2,550.00	96 083.61
Check	1/14/2010	1254	Bank of America	Case # F1029090 .		165 39	95,918.22
Check	1/14/2010	1255	ADP, Inc.	Inv # 664996		94.14	95,824.08
Check	1/14/2010	1256	Southern California .	Act # 2-31-868-1665		2,226 95	93 597.13
Check	1/14/2010	1257	Richard Marshall	Expense reimburs :		92 06	93,505 07
Check	1/14/2010	1258	The Irvine Compan	Inv # 010110		534.75	92,970 32
Check	1/14/2010	1259	ACE Parking Mana .	Inv # GB077714618		440.00	92 530 32
Check	1/14/2010	1260	Intergrated Access	Inv # 29734		490.00	92,040.32
Check	1/14/2010	1261	ADP, Inc.	Multiple Act #'s		658 10	91,382.22
Check	1/15/2010	Wir	Jeffrey M Davey	Professional Servi		3,100 00	88 282 22
Transfer	1/19/2010			MCH payroll for P .		22 192 17	66,090 05
Check	1/21/2010	1262	Aames Lock & Safe.	Inv # 58001		101.53	65 988 52
Check	1/21/2010	1263	Richard Marshall	Expense reimburs .		89 25	65,899 27
Check	1/21/2010	1264	T-Mobile	Act # 470642158		210 21	65,689.06
Check	1/21/2010	1265	ADP, Inc	Inv # 678953		111 00	65 578.06
Check	1/22/2010	1267	John Hancock USA	Client ID # 327704 .		1 352 78	64,225 28
Deposit	1/25/2010			Deposit	320 40		64,545 68
Check	1/26/2010	1268	Alison Juroe	Expense reimburs .		219.03	64,326 65
Deposit	1/28/2010			Deposit	10,843 15		75,169.80
Check	1/28/2010	Wir .	John Hancock USA	401 K PE 06/15, 0 .		16,884 32	58,285.48
Transfer	1/28/2010			Funds Transfer to .	540,815.30		599,100.78
					552,168.88	68 834 44	599,100 78
Total WF MCC/MCH Operating Acct							
							139,851 77
WF MCC/MCH Payroll Acct.							
Check	1/4/2010	Debit		NHBC - Payroll ta .		29 615 28	110,236 49
Check	1/4/2010	Debit		MCH & Traca - Pa .		12,219 62	98,016 87
Check	1/5/2010	901 .		Payroll for PE 12/		2,949 56	95 067.31
Check	1/5/2010	901 .		Payroll for PE 12/		3 906 75	91,160 56
Check	1/5/2010	901 .		Payroll for PE 12/		2,562 81	88 597 75
Check	1/5/2010	901 .		Payroll for PE 12/		2,645.02	85 952 73
Check	1/5/2010	901 .		Payroll for PE 12/		2,268.13	83,664.60
Check	1/5/2010	901 .		Payroll for PE 12/		1 857 28	81,807 32
Check	1/5/2010	901 .		Payroll for PE 12/		3,051.45	78 755 87
Check	1/5/2010	901 .		Payroll for PE 12/		1,961 66	76,794 21
Check	1/5/2010	901 .		Payroll for PE 12/		637.62	76,156 59
Check	1/5/2010	901 .		Payroll for PE 12/		1 480.36	74 696 23
Check	1/5/2010	901 .		Payroll for PE 12/		1,390 02	73 306.21
Check	1/5/2010	901 .		Payroll for PE 12/		1,221 64	72,084 57
Check	1/5/2010	010 .		Payroll for PE 12/		6 990.63	65,093 94

**Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/5/2010	502.		Payroll for PE 12/		1 983 54	63 110 40
Check	1/5/2010	502.		Payroll for PE 12/		3,402 41	59,707 99
Check	1/5/2010	502	s	Payroll for PE 12/		601.13	59,106 86
Check	1/5/2010	010		Payroll for PE 12/		2,854.67	56 252.19
Check	1/5/2010	010.		Payroll for PE 12/		2 273 38	53 978 81
Check	1/5/2010	010		Payroll for PE 12/		1,581 95	52,396 86
Check	1/5/2010	010		Payroll for PE 12/		3,508 48	48,888 38
Check	1/5/2010	010	ski	Payroll for PE 12/		2 227.73	46 660.65
Check	1/5/2010	010		Payroll for PE 12/		1,230.16	45,430 49
Check	1/5/2010	502		Payroll for PE 12/		1,028.77	44,401.72
Check	1/5/2010	010	ir	Payroll for PE 12/		1 011 61	43,390 11
Check	1/5/2010	010		Payroll for PE 12/		1,299 79	42,090 32
Check	1/5/2010	010		Payroll for PE 12/		1,452 81	40,637 51
Check	1/5/2010	010		Payroll for PE 12/		2,944.36	37 693.15
Check	1/5/2010	010		Payroll for PE 12/		1,033.60	36,659 55
Check	1/5/2010	010		Payroll for PE 12/		1,226 41	35,433 14
Check	1/5/2010	010		Payroll for PE 12/		1 264 90	34,168 24
Check	1/5/2010	010		Payroll for PE 12/		1,109 11	33,059 13
Check	1/5/2010	010.		Payroll for PE 12/		1,071 65	31,987 48
Check	1/5/2010	010		Payroll for PE 12/		1 001.13	30 986.35
Check	1/5/2010	010		Payroll for PE 12/		1,690 85	29,295 50
Check	1/5/2010	010		Payroll for PE 12/		1,247 35	28,048 15
Check	1/5/2010	010		Payroll for PE 12/		1 244 91	26 803 24
Check	1/5/2010	010		Payroll for PE 12/		2,732 64	24,070.60
Check	1/5/2010	010		Payroll for PE 12/		1,404.25	22,666.35
Check	1/5/2010	502.		Payroll for PE 12/		1 334.26	21,332 09
Check	1/5/2010	010		Payroll for PE 12/		1,509 16	19,822 93
Check	1/5/2010	010		Payroll for PE 12/		2,255 43	17 567 50
Check	1/5/2010	010		Payroll for PE 12/		1 196 10	16,371 40
Check	1/5/2010	010		Payroll for PE 12/		791.76	15,579.64
Check	1/5/2010	010		Payroll for PE 12/		1,008.44	14 571 20
Check	1/5/2010	010		Payroll for PE 12/		1 795 68	12,775.52
Check	1/5/2010	010		Payroll for PE 12/		1,089 25	11,686 27
Check	1/5/2010	010		Payroll for PE 12/		1 376 65	10 309.62
Check	1/5/2010	010		Payroll for PE 12/		735.45	9,574.17
Check	1/5/2010	010	ld	Payroll for PE 12/		1,222.20	8,351 97
Check	1/5/2010	010.		Payroll for PE 12/		847 95	7 504 02
Check	1/12/2010	Debit		Payroll taxes for 4		158 14	7,345 88
Deposit	1/18/2010			Deposit	540,815 30		548,161.18
Transfer	1/19/2010			MCH payroll for P.	22,192 17		570 353 35
Transfer	1/19/2010			VOID: 1/2 Trace P.	0 00		570,353 35
Transfer	1/19/2010			VOID: 2/2 Trace P.	0.00		570 353 35
Check	1/19/2010	Debit	d.	Payroll taxes for P		12 786 65	557,566.70
Check	1/19/2010	300	y	PE 01/15/10		2,949 57	554,617.13
Check	1/19/2010	300.		PE 01/15/10		3,906.76	550 710 37
Check	1/19/2010	300		PE 01/15/10		2 562 82	548,147 55
Check	1/19/2010	300		PE 01/15/10		2,645 03	545,502.52
Check	1/19/2010	300		PE 01/15/10		1,902 29	543 600 23
Check	1/19/2010	300.		PE 01/15/10		1,584.84	542,015.39
Check	1/19/2010	300		PE 01/15/10		2,000 00	540,015 39
Check	1/19/2010	300	i	PE 01/15/10		1 673 18	538 342 21
Check	1/19/2010	300	i	PE 01/15/10		2,812 70	535,529.51
Check	1/19/2010	300		PE 01/15/10		1,564.27	533,965 24
Check	1/19/2010	300		PE 01/15/10		1,309.74	532 655 50
Check	1/19/2010	300		PE 01/15/10		1 135 19	531,520 31
Deposit	1/19/2010			Deposit	8 320.44		538,840.75
Deposit	1/19/2010			Deposit	8,320 44		548 161.19
Check	1/22/2010	1122		Payroll correction		1 019.06	547,142 13
Transfer	1/25/2010			Payroll correction	1 177.20		548,319 33
Transfer	1/28/2010			Funds Transfer to		540,815 30	7 504.03
Check	1/31/2010			Service Charge		102.00	7,402.03
Total WF MCC/MCH Payroll Acct.					580 825 55	713,275 29	7,402 03
WF MPFC 1							20 611 58
Check	1/21/2010			Service Charge		18 48	20,593.10
Check	1/25/2010	1005		Inv # 11298		4.57	20,588 53
Total WF MPFC 1					0.00	23 05	20,588 53

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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
WF MPFC 2							13,301,311.51
Deposit	1/4/2010			Deposit	1,569.18		13,302,880.69
Check	1/7/2010	1013		Retainer for appraisal		2,500.00	13,300,380.69
Check	1/25/2010	1014		Inv # 11298; 1089.		184.59	13,300,216.10
Check	1/25/2010	1015		Act # 03627-0001-		1,281.04	13,298,935.06
Total WF MPFC 2					1,569.18	3,945.63	13,298,935.06
WF MPFC 3, Series I							367,001.06
Check	1/5/2010	1031		Act # C 00450142		37.78	366,963.28
Deposit	1/7/2010			Deposit	500.00		367,463.28
Check	1/14/2010	1032		Customer # 00019		122.29	367,340.99
Check	1/14/2010	1033		Act # 940383-640		781.23	366,559.76
Check	1/14/2010	1034		December manag.		5,000.00	361,559.76
Check	1/14/2010	1035		Act # 4180691-07		16,995.98	344,563.78
Check	1/15/2010	1036		Downpayment Pro		7,917.17	336,646.61
Transfer	1/19/2010			VOID: 1/2 Trace P	0.00		336,646.61
Check	1/19/2010	Tra..		1/2 Trace Payroll f.		8,320.44	328,326.17
Check	1/21/2010	1040		Balance of down p.		844.67	327,481.50
Check	1/21/2010	1037		Act # 940 383-610...		1,462.80	326,018.70
Check	1/21/2010	1038		Act # IBX-191355-2		1,427.14	324,591.56
Check	1/25/2010	1041		Inv dated 112809		299.50	324,292.06
Check	1/25/2010	1042		Inv # 17124845		448.40	323,843.66
Check	1/25/2010	1043		Re: Letter of credit.		2,168.70	321,674.96
Check	1/25/2010	1044		Expense reimburs.		26.88	321,648.08
Check	1/25/2010	1045		Multiple Invoices		415.68	321,232.40
Check	1/25/2010	1046		Inv # 11298		96.33	321,136.07
Check	1/25/2010	1047		Inv # 07552945		613.90	320,522.17
Check	1/26/2010	1048		Expense reimburs.		31.85	320,490.32
Total WF MPFC 3 Series I					500.00	47,010.74	320,490.32
WF MPFC 3, Series II							548,512.11
Check	1/5/2010	1017		Act # 00450149942		1,054.62	545,457.49
Deposit	1/11/2010			Deposit	1,433.41		546,890.90
Deposit	1/11/2010			Deposit	2,141.26		549,032.16
Check	1/14/2010	1018		Customer # 00019.		122.29	548,909.87
Check	1/14/2010	1019		Act # 940383-640		781.22	548,128.65
Check	1/14/2010	1020		December manag.		5,000.00	543,128.65
Check	1/15/2010	1021		Downpayment Pro		7,917.17	535,211.48
Deposit	1/15/2010			Deposit	40,687.50		575,898.98
Deposit	1/18/2010			Deposit	414.99		576,313.97
Transfer	1/19/2010			VOID: 2/2 Trace P	0.00		576,313.97
Check	1/19/2010	Tra..		2/2 Trace Payroll f.		8,320.44	567,993.53
Check	1/21/2010	1025		Balance of down p.		844.66	567,148.87
Check	1/21/2010	1022		Act # IBX-191355-2		1,427.14	565,721.73
Check	1/21/2010	1023		Act # 940 383-610		1,462.79	564,258.94
Check	1/25/2010	1026		Re: Letter of credit		2,168.70	562,090.24
Check	1/25/2010	1027		Expense reimburs.		26.88	562,063.36
Check	1/25/2010	1028		Multiple Invoices		415.68	561,647.68
Check	1/25/2010	1029		Inv # 11298		219.32	561,428.36
Check	1/25/2010	1030		Inv # 07552945		813.89	560,614.47
Check	1/25/2010	1031		Valley Healthcare		30,882.76	529,731.71
Deposit	1/25/2010			Deposit	848.03		530,779.74
Check	1/26/2010	1032		Expense reimburs		31.85	530,747.89
Total WF MPFC 3, Series II					45,525.19	61,289.41	530,747.89
WF MPFC 4, Series I							233,260.08
Check	1/5/2010	1023		Act # 441		5,800.74	227,459.34
Check	1/5/2010	1024		Inv # 106; Decem		600.00	226,859.34
Check	1/5/2010	1025		Act # C 00450147		2,074.28	224,785.06
Check	1/7/2010	Tra.		Loan to cover shor		50,000.00	174,785.06
Check	1/8/2010	1026		Multiple Invoices		4,134.00	170,651.06
Check	1/14/2010	1027		Inv # 1003		1,200.00	169,451.06
Check	1/15/2010	Wir.		Consulting service.		5,000.00	164,451.06
Check	1/15/2010	Wir..		Consulting service.		5,000.00	159,451.06
Check	1/20/2010	1028		Inv # 107		600.00	158,851.06
Check	1/21/2010			Service Charge		9.51	158,841.55
Check	1/25/2010	Wir...		Inv # 6		5,292.50	153,549.05
Check	1/25/2010	1029		Act # 441		5,271.15	148,277.90

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Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/25/2010	1030		Inv # 11298		609.53	147,688.37
Check	1/29/2010	Tra		Transfer to cover		50,000.00	97,688.37
Total WF MPFC 4, Series I					0 00	135 591 71	97,688 37
WF MPFC 4, Series II							2,142 07
Check	1/5/2010	1056		Act # C 00450150		408.07	1,734.00
Check	1/5/2010	1061		Expense reimburs.		640 00	1 094.00
Check	1/5/2010	1062		Act # 0107593305		3,513 86	-2,419 86
Check	1/5/2010	1063		Inv # C-1764a		1 200 00	-3,619 86
Deposit	1/7/2010			Deposit	50 000.00		46 380 14
Deposit	1/8/2010			Deposit	12,030.00		58,410.14
Check	1/14/2010	1064		Inv # 10160		200 00	58,210.14
Check	1/14/2010	1065		Act # 25379-47043		2,256 82	55 953 32
Check	1/14/2010	1066		Act # 0-3101-2017		4,400 20	51,553 12
Check	1/20/2010	1067		Act # 29579-4704..		8,819.92	42,733.20
Check	1/20/2010	1068		Act # 16-025-0019		3 844.35	38 888.85
Check	1/20/2010	1069		Inv # 549674		11,463 00	27,425 85
Check	1/20/2010	1070		Multiple Invoices		697 21	26,728 64
Check	1/20/2010	1071		Act # 0107593305		3 764 85	22 963 79
Check	1/20/2010	1072		Act # 831-000-078.		626.50	22,337.29
Check	1/25/2010	1073		Inv # 11298		10 35	22,326.94
Deposit	1/29/2010			Deposit	50,000 00		72,326 94
Check	1/29/2010	Wir		Multiple Invoices		28,491 00	43,835.94
Check	1/31/2010			Service Charge		36.78	43,799.16
Total WF MPFC 4, Series II					112,030 00	70,372.91	43,799.16
WF MPFC 5							1,158,069 33
Deposit	1/4/2010			Deposit	10,000.00		1,168,069 33
Check	1/5/2010	1009		Act # C 00450155.		1,166 85	1 166,902.48
Deposit	1/11/2010			Deposit	164 687 50		1,331 589.98
Check	1/25/2010	1010		Inv # 11298		1,021 68	1,330,568.30
Total WF MPFC 5					174,687.50	2 188 53	1 330,568 30
WF MPFC 6							505,053.59
Check	1/5/2010	1004		Multiple Act #'s		2,953 19	502,100 40
Deposit	1/20/2010			Deposit	6 000 00		508 100 40
Deposit	1/21/2010			Deposit	4,500.00		512,600 40
Deposit	1/22/2010			Deposit	1,500.00		514,100 40
Check	1/25/2010	1005		Inv # 11298		165 12	513,935.28
Total WF MPFC 6					12,000 00	3,118 31	513,935 28
WF NHBC - AP Disbursement Act							72.00
Check	1/31/2010			Service Charge		14.00	58.00
Total WF NHBC - AP Disbursement Act					0 00	14 00	58 00
WF NHBC - Cigna Holding account							61.95
Transfer	1/26/2010			Cigna funding thro.	252 623 51		252 685 46
Check	1/31/2010			Service Charge		18.99	252,666.47
Total WF NHBC - Cigna Holding account					252,623.51	18 99	252 666 47
WF NHBC - Operating Acct.							180,704 57
Check	1/4/2010	1399		November 2009-C		156 86	180 547 71
Check	1/4/2010	1400		November 2009-C.		323 14	180,224.57
Check	1/4/2010	1401		VOID: November .	0 00		180,224.57
Check	1/4/2010	1402		November 2009-C.		1,538 41	178,686 16
Check	1/4/2010	1403		November 2009-C		1 017 70	177,668 46
Check	1/4/2010	1404		November 2009-C.		118 12	177,550.34
Check	1/4/2010	1405		November 2009-C.		244.33	177 306 01
Check	1/4/2010	1406		VOID: November .	0 00		177,306 01
Check	1/4/2010	1407		November 2009-C		943 82	176,362 19
Check	1/4/2010	1408		November 2009-C.		205 29	176,156.90
Check	1/4/2010	1409		November 2009-C		1 441.05	174 715 85
Check	1/4/2010	1410		November 2009-C		283 39	174,452 46
Check	1/4/2010	1411		Jan-July 2009		4,042 83	170,409.63
Check	1/4/2010	1412		Jan-July 2009		6,370.13	164 039 50
Check	1/4/2010	1413		Jan-July 2009		5 684.50	158 355 00
Check	1/4/2010	1414		Jan-July 2009		797 99	157,557 01
Check	1/4/2010	1415		Jan-July 2009		1,931 13	155,625.88

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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/4/2010	1416		Jan-July 2009		7,069.65	148,556.23
Check	1/4/2010	1417		Jan-July 2009		24,437.15	124,119.08
Check	1/4/2010	1418		Jan-July 2009		9,010.38	115,108.70
Check	1/4/2010	1419		Jan-July 2009		6,066.15	109,042.55
Check	1/4/2010	1420		Jan-July 2009		4,643.39	104,399.16
Check	1/4/2010	1421		Jan-July 2009		102.48	104,296.68
Check	1/4/2010	1422		Jan-July 2009		2,746.02	101,550.66
Check	1/4/2010	1423		Jan-July 2009		6,107.32	95,443.34
Check	1/4/2010	1424		Jan-July 2009		5,081.86	90,361.48
Check	1/4/2010	1425		Jan-July 2009		2,419.99	87,941.49
Check	1/4/2010	1426		Jan-July 2009		346.77	87,594.72
Check	1/4/2010	1427		Jan-July 2009		28.04	87,566.68
Check	1/4/2010	1428		Jan-July 2009		1,714.48	85,852.20
Check	1/4/2010	1429		Jan-July 2009		16,271.97	69,580.23
Check	1/4/2010	1430		Jan-July 2009		1,349.19	68,231.04
Check	1/4/2010	1431		Jan-July 2009		31.87	68,199.17
Check	1/4/2010	1432		Jan-July 2009		13,466.89	54,732.28
Check	1/4/2010	1433		Jan-July 2009		7,694.92	47,037.36
Check	1/4/2010	1434		Jan-July 2009		2,922.56	44,114.80
Check	1/4/2010	1435		Jan-July 2009		6,399.42	37,715.38
Check	1/4/2010	1436		Jan-July 2009		19,870.57	17,844.81
Check	1/4/2010	1437		Jan-July 2009		745.43	17,099.38
Deposit	1/4/2010			Deposit	100,589.92		117,689.30
Deposit	1/4/2010			Deposit	14,124.14		131,813.44
Check	1/5/2010	1395		Multiple Invoices		375.34	131,438.10
Check	1/5/2010	1396		Act # 72 10857037		479.15	130,958.95
Deposit	1/5/2010			Deposit	157,832.48		288,791.43
Deposit	1/6/2010			Deposit	5,436.83		294,228.26
Deposit	1/7/2010			Deposit	40,665.60		334,893.86
Deposit	1/7/2010			Deposit	4,910.91		339,804.77
Deposit	1/8/2010			Deposit	28,669.56		368,474.33
Deposit	1/11/2010			Deposit	73,043.91		441,518.24
Check	1/12/2010	1440		Nov 09 Fees		2,000.00	439,518.24
Check	1/12/2010	1441		Nov 09 Fees		37,097.29	402,420.95
Check	1/12/2010	1442		Nov 09 Fees		36,834.57	365,586.38
Check	1/12/2010	1443		Nov 09 Fees		10,861.77	354,724.61
Check	1/12/2010	1444		Nov 09 Fees		2,361.22	352,363.39
Check	1/12/2010	1445		Nov 09 Fees		2,612.04	349,751.35
Check	1/12/2010	1446		Nov 09 Fees		120.58	349,630.77
Check	1/12/2010	1447		Nov 09 Fees		21.07	349,609.70
Check	1/12/2010	1448		Nov 09 Fees		12,952.50	336,657.20
Check	1/12/2010	1449		Nov 09 Fees		4,266.67	332,390.53
Check	1/12/2010	1450		Nov 09 Fees		17,187.01	315,203.52
Check	1/12/2010	1451		Nov 09 Fees		318.42	315,085.10
Check	1/12/2010	1452		Nov 09 Fees		14,571.94	300,513.16
Check	1/12/2010	1453		Nov 08 Fees		1,103.93	299,409.23
Check	1/12/2010	1454		Nov 09 Fees		2,637.75	296,771.48
Check	1/12/2010	1455		Nov 09 Fees		42.47	296,729.01
Check	1/12/2010	1456		Nov 09 Fees		1,134.65	295,594.36
Check	1/12/2010	1457		Nov 09 Fees		11,624.58	283,969.78
Check	1/12/2010	1458		Nov 09 Fees		213.44	283,756.34
Check	1/12/2010	1459		Nov 09 Fees		252.55	283,503.79
Check	1/12/2010	1460		Nov 09 Fees		976.94	282,526.85
Check	1/12/2010	1461		Nov 09 Fees		4,503.57	278,023.28
Check	1/12/2010	1462		Nov 09 Fees		3,734.10	274,289.18
Check	1/12/2010	1463		Nov 09 Fees		6,549.76	267,739.42
Check	1/12/2010	1464		Nov 09 Fees		2,937.03	264,802.39
Check	1/12/2010	1465		Nov 09 Fees		975.59	263,826.80
Deposit	1/12/2010			Deposit	18,862.74		282,689.54
Deposit	1/13/2010			Deposit	14,106.06		296,795.60
Check	1/14/2010	1439		Inv # 661219		191.96	296,603.64
Check	1/14/2010	1466		Consulting fees &		39,761.19	256,842.45
Check	1/14/2010	1467		Group # 027434		19,708.93	237,133.52
Check	1/14/2010	1468		Multiple Invoices		537.22	236,596.30
Check	1/14/2010	1469		Expense reimburs..		399.00	236,197.30
Check	1/14/2010	1470		Multiple Invoices		486.16	235,711.14
Check	1/14/2010	1471		Multiple Invoices		2,815.75	232,895.39
Check	1/14/2010	1472		Inv # 510552		3,700.82	229,194.57

Medical Capital Holdings, Inc.
Monthly General Ledger
 As of January 31, 2010

Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
						215 79	228,998 78
Check	1/14/2010	1473		Inv # 10275366		134 10	228,864 68
Check	1/14/2010	1474		Multiple Invoices		1,121 49	227 743 19
Check	1/14/2010	1475		Multiple PO boxes		189 29	227,553 90
Check	1/14/2010	1476		Inv # 5349049-DC		3,993.05	223,560.85
Check	1/14/2010	1477		Inv # 3864		3 641.13	219,919.72
Check	1/14/2010	1478		Act # 171-785-044.		39.99	219 879.73
Check	1/14/2010	1479		Inv # 2894548		1,704 54	218,175.19
Check	1/14/2010	1480	is	Multiple Act #s		149 53	218,025 66
Check	1/14/2010	1481		Multiple Invoices		580 08	217 445 58
Check	1/14/2010	1482		Act # 8000-9000-0		420 64	217,024 94
Check	1/14/2010	1483		Inv # 6765354932		150 00	216,874 94
Check	1/14/2010	1484		License renewal 2		207 98	216 666 96
Check	1/14/2010	1485		Inv # 1047391		690.50	215,976 46
Check	1/14/2010	1486		Inv # 2870166696		19 870.57	196,105.89
Check	1/14/2010	1487		January payment		192.70	195 913.19
Check	1/14/2010	1488		Expense reimburs		3,617 45	192,295.74
Check	1/14/2010	1489		Act # 136199		1 199 92	191,095 82
Check	1/14/2010	1490		November 2009 -		9,191 14	181 904 68
Check	1/14/2010	1491		November 2009 -		21 69	181,882 99
Check	1/14/2010	1492		November 2009 -		4 536 54	177 344 45
Check	1/14/2010	1493		June 2009 - Client.		14,782 51	162 561 94
Check	1/14/2010	1494		June 2009 - Client.			180,875.92
Deposit	1/15/2010			Deposit	18 313.98		73,631 72
Transfer	1/19/2010			Payroll for PE 01/		107 244.20	88,066.72
Deposit	1/19/2010			Deposit	14,435 00		88,108.13
Deposit	1/19/2010			Deposit	41 41		88,108 13
Deposit	1/19/2010			VOID: Deposit	0 00		118,657 15
Deposit	1/20/2010			Deposit	30 549 02		106,587 92
Check	1/21/2010	1497		Group #027434		12 069 23	106 314 13
Check	1/21/2010	1498		Invoice #9-44-27957		273 79	105,906 45
Check	1/21/2010	1499		Invoice #00A3709.		407.68	105,030.45
Check	1/21/2010	1500		Invoice #K158206		876.00	102 780.45
Check	1/21/2010	1501		Jan-10 Consulting.		2 250.00	84,394.19
Check	1/21/2010	1502		Consulting/Comm		18,366.26	84,101 09
Check	1/21/2010	1503		Invoice #3690202		293 10	83 704 59
Check	1/21/2010	1504		Invoice #1201091..		396 50	51,077 34
Check	1/21/2010	1505		Jan-July 2009 PE.		32,627 25	49,577 34
Check	1/21/2010	1506		Invoice #TCC-107		1 500 00	49,139.62
Check	1/21/2010	1507		Computer Eqiptm.		437.72	30,493.72
Check	1/21/2010	1508		Jan-July 2009 PE		18,645.90	17,668.72
Check	1/21/2010	1509		Jan-July 2009 PE		12 825.00	6,962.22
Check	1/21/2010	1510		Jan-July 2008 PE		10,706 50	6,512 22
Check	1/21/2010	1511		Jan-July 2009 PE.		450 00	6 453 22
Check	1/21/2010	1512		Jan-July 2009 PE.		59 00	4,938 18
Check	1/21/2010	1513		Jan-July 2009 PE ..		1,515 04	3,960 63
Check	1/21/2010	1495		Inv # 677758		977.55	34 485.61
Deposit	1/21/2010			Deposit	30,524 98		34,538.37
Deposit	1/21/2010			Deposit	52 76		49,727.91
Deposit	1/21/2010			Deposit	15,189 54		48 069 02
Check	1/22/2010	1496		Client ID # 327704		1,658 89	54,453 75
Deposit	1/22/2010			Deposit	6 384.73		361,164 38
Transfer	1/25/2010			Final sweep of B o.	306,710.63		359 987.18
Transfer	1/25/2010			Payroll correction .		1,177 20	385,178.78
Deposit	1/25/2010			Deposit	25 191 60		132,555 27
Transfer	1/26/2010			Cigna funding thro .		252 623 51	194 008 35
Deposit	1/26/2010			Deposit	61,453 08		272,910 16
Deposit	1/27/2010			Deposit	78,901.81		262,067 01
Check	1/28/2010	Tra .		401 K PE 06/15, 0.		10 843 15	261 539.01
Check	1/28/2010	1514		Expense reimburs .		528.00	258,630.95
Check	1/28/2010	1515		Expense reimburs .		2,908.08	257,888 43
Check	1/28/2010	1516		Expense reimburs .		742 52	254,469.22
Check	1/28/2010	1517		Act # 171-785-044.		3,419 21	254,173 66
Check	1/28/2010	1518		Multiple Invoice		295 56	250,180.61
Check	1/28/2010	1519		Inv # 0004027		3,993 05	250,113.56
Check	1/28/2010	1520		Inv # DJ84052171		67.05	250,023 49
Check	1/28/2010	1521	is	Inv # 01JH6292		90.07	248 339 18
Check	1/28/2010	1522		Inv # 3689365		1,684.31	248,302 20
Check	1/28/2010	1523	t	Act # 6879 4502 1 ..		36 98	

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/28/2010	1524		Act # 620104 20		505 40	247,796 80
Deposit	1/28/2010			Deposit	10,515.35		258,312 15
Deposit	1/28/2010			Deposit	6,004.01		264,316 16
Deposit	1/29/2010			Deposit	26,361 06		290,677.22
Check	1/31/2010			Service Charge		45 31	290,631.91
Total WF NHBC - Operating Acct					1,088,871 11	978,943 77	290,631 91
WF NHBC - Payroll							58 00
Transfer	1/19/2010			Payroll for PE 01/	107,244 20		107,302.20
Check	1/19/2010	Debit		NHBC Payroll tax		34 359 86	72 942.34
Check	1/19/2010	300		PE 01/15/10		2,944 36	69,997.98
Check	1/19/2010	300		PE 01/15/10		1,404 25	68,593 73
Check	1/19/2010	300	r	PE 01/15/10		1 011 62	67 582 11
Check	1/19/2010	300		PE 01/15/10		1,071 64	66,510.47
Check	1/19/2010	300		PE 01/15/10		1,690 84	64,818.63
Check	1/19/2010	502		PE 01/15/10		7 148 41	57 671 22
Check	1/19/2010	300		PE 01/15/10		1,795 67	55,875 55
Check	1/19/2010	300		PE 01/15/10		1,376 64	54,498 91
Check	1/19/2010	502		PE 01/15/10		2,606.03	51 892.88
Check	1/19/2010	502		PE 01/15/10		3,556.70	48,336.18
Check	1/19/2010	502		PE 01/15/10		801 13	47,735 05
Check	1/19/2010	300		PE 01/15/10		2 854 69	44,880 36
Check	1/19/2010	300		PE 01/15/10		2,273 37	42,606 99
Check	1/19/2010	300		PE 01/15/10		1,581 94	41,025 05
Check	1/19/2010	300		PE 01/15/10		3 508 49	37,516.58
Check	1/19/2010	300	iki	PE 01/15/10		2,227.73	35,288.83
Check	1/19/2010	300		PE 01/15/10		250 00	35,038 83
Check	1/19/2010	502		PE 01/15/10		774 32	34,264 51
Check	1/19/2010	300		PE 01/15/10		1,033 59	33,230 92
Check	1/19/2010	502		PE 01/15/10		2,017.72	31,213 20
Check	1/19/2010	300		PE 01/15/10		1 264 91	29,948 29
Check	1/19/2010	300		PE 01/15/10		1,044 19	28,904 10
Check	1/19/2010	300		PE 01/15/10		1 001 14	27,902 96
Check	1/19/2010	300		PE 01/15/10		1 247 37	26,655 59
Check	1/19/2010	300		PE 01/15/10		1,244.91	25,410.68
Check	1/19/2010	502		PE 01/15/10		1 269 36	24 141 32
Check	1/19/2010	300		PE 01/15/10		1,509 16	22,632 16
Check	1/19/2010	300		PE 01/15/10		2,255 43	20,376 73
Check	1/19/2010	300		PE 01/15/10		791.76	19,584.97
Check	1/19/2010	300		PE 01/15/10		1,089.27	18,495.70
Check	1/19/2010	300		PE 01/15/10		735 45	17,760 25
Check	1/19/2010	502		PE 01/15/10		591 37	17,168 88
Check	1/19/2010	300		PE 01/15/10		3,640 95	13,527 93
Check	1/19/2010	300		PE 01/15/10		2,400.34	11 127.59
Check	1/19/2010	300		PE 01/15/10		5,468 35	5,659 24
Check	1/19/2010	300		PE 01/15/10		1,633 51	4,025 73
Check	1/19/2010	300		PE 01/15/10		1 360 52	2 665 21
Check	1/19/2010	300	d	PE 01/15/10		577.03	2,088.18
Check	1/19/2010	300		PE 01/15/10-Saving		250.00	1,838 18
Check	1/19/2010	300		PE 01/15/10		980 18	858 00
Check	1/19/2010	300	d	PE 01/15/10		800 00	58 00
Check	1/31/2010			Service Charge		54.00	4.00
Total WF NHBC - Payroll					107,244 20	107 298 20	4 00
Accounts Receivable							0 00
Total Accounts Receivable							0 00
Undeposited Funds							0 00
Total Undeposited Funds							0 00
Accumulated Depreciation							0 00
Total Accumulated Depreciation							0 00
Furniture and Equipment							0 00
Total Furniture and Equipment							0 00
MCC Loan to MPFC 4, II							25 000 00

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Total MCC Loan to MPFC 4, II							25,000.00
MCH Security Deposit							4,941.00
Total MCH Security Deposit							4,941.00
MPFC 2, Loan to MCC							350,000.00
Total MPFC 2, Loan to MCC							350,000.00
MPFC 2, Loan to MPFC 4, II							175,000.00
Total MPFC 2, Loan to MPFC 4, II							175,000.00
MPFC 3, I Loan to MCC							150,000.00
Total MPFC 3, I Loan to MCC							150,000.00
MPFC 3, II Loan to MCC							100,000.00
Total MPFC 3, II Loan to MCC							100,000.00
MPFC 4, I Loan to MPFC 4, II							100,000.00
Check	1/7/2010	Tra.		Loan to cover shor	50,000.00		150,000.00
Check	1/29/2010	Tra.		Transfer to cover . .	50,000.00		200,000.00
Total MPFC 4, I Loan to MPFC 4, II					100,000.00	0.00	200,000.00
NHBC Loan to MCC							0.00
Total NHBC Loan to MCC							0.00
Utility Security Deposit							122,278.00
Total Utility Security Deposit							122,278.00
MCC loan from MPFC 2							-350,000.00
Total MCC loan from MPFC 2							-350,000.00
MCC loan from MPFC 3 I							-150,000.00
Total MCC loan from MPFC 3 I							-150,000.00
MCC loan from MPFC 3 II							-100,000.00
Total MCC loan from MPFC 3 II							-100,000.00
MCC Loan from NHBC							0.00
Total MCC Loan from NHBC							0.00
MPFC 4, II Loan from MCC							-25,000.00
Total MPFC 4, II Loan from MCC							-25,000.00
MPFC 4, II Loan from MPFC 2							-175,000.00
Total MPFC 4, II Loan from MPFC 2							-175,000.00
MPFC 4, II Loan from MPFC 4, I							-100,000.00
Deposit	1/7/2010			Loan to cover shor .		50,000.00	-150,000.00
Deposit	1/29/2010			Transfer to cover .		50,000.00	-200,000.00
Total MPFC 4, II Loan from MPFC 4, I					0.00	100,000.00	-200,000.00
Payroll Liabilities							0.00
Total Payroll Liabilities							0.00
Security deposits held							0.00
Deposit	1/8/2010	169		Southwest Atlanta .		12,000.00	-12,000.00
Total Security deposits held					0.00	12,000.00	-12,000.00
Capital Stock							0.00
Total Capital Stock							0.00
Dividends Paid							0.00
Total Dividends Paid							0.00
Opening Balance Equity							0.00
Total Opening Balance Equity							0.00

**Medical Capital Holdings, Inc.
Monthly General Ledger
As of January 31, 2010**

Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Retained Earnings							-17,004,418.80
Total Retained Earnings							-17,004,418.80
Account Receivable Collection							0.00
Deposit	1/4/2010			Omega Health Care		10,000.00	-10,000.00
Deposit	1/7/2010	140		R&B Medical		500.00	-10,500.00
Deposit	1/11/2010	374		Provider #ZZZ672		1,433.41	-11,933.41
Deposit	1/11/2010	374		Provider #ZZZ672		2,141.26	-14,074.67
Deposit	1/15/2010			Transfac		40,687.50	-54,762.17
Deposit	1/18/2010	129		Payee #13967815		414.99	-55,177.16
Deposit	1/18/2010	1796		Dr Shepps Settle		540,815.30	-595,992.46
Check	1/25/2010	1031		Valley Healthcare	30,882.76		-565,109.70
Deposit	1/25/2010	903		Provider #ZZZ672		848.03	-565,957.73
Total Account Receivable Collection					30,882.76	596,840.49	-565,957.73
Brooklin Psychiatric Center INC							0.00
Total Brooklin Psychiatric Center INC							0.00
Commission Income							0.00
Total Commission Income							0.00
Loan Collections							0.00
Deposit	1/11/2010		Velocity Services, Inc	Velocity		164,687.50	-164,687.50
Deposit	1/20/2010		Spherios Managem	Loan Collection		6,000.00	-170,687.50
Deposit	1/21/2010		Spherios Managem	Loan Collection		4,500.00	-175,187.50
Deposit	1/22/2010		Spherios Managem	Jan Payment		1,500.00	-176,687.50
Total Loan Collections					0.00	176,687.50	-176,687.50
NHBC Revenue							0.00
Deposit	1/4/2010			Multiple Check De		100,589.92	-100,589.92
Deposit	1/4/2010		Cigna Healthcare	Cigna Deposit		14,124.14	-114,714.06
Deposit	1/5/2010			Multiple Check De		157,832.48	-272,546.54
Deposit	1/6/2010			Multiple Check De		5,436.83	-277,983.37
Deposit	1/7/2010			Multiple Check De		40,665.60	-318,648.97
Deposit	1/7/2010		Cigna Healthcare	Cigna		4,910.91	-323,559.88
Deposit	1/8/2010			Multiple Check De		28,669.56	-352,229.44
Deposit	1/11/2010			Multiple Checks		73,043.91	-425,273.35
Deposit	1/12/2010			Multiple Check De		18,862.74	-444,136.09
Deposit	1/13/2010		Cigna Healthcare	Cigna		14,106.06	-458,242.15
Deposit	1/15/2010			Multiple Check De		18,313.98	-476,556.13
Deposit	1/19/2010			-MULTIPLE-		14,435.00	-490,991.13
Deposit	1/19/2010			Multiple Check De		41.41	-491,032.54
Deposit	1/19/2010			Multiple Check De	0.00		-491,032.54
Deposit	1/20/2010			Multiple Check De		30,549.02	-521,581.56
Deposit	1/20/2010		Cigna Healthcare	Cigna		30,524.98	-552,106.54
Deposit	1/21/2010		Cigna Healthcare	Cigna		52.76	-552,159.30
Deposit	1/21/2010			Multiple Check De		15,189.54	-567,348.84
Deposit	1/21/2010			Multiple Check De		6,384.73	-573,733.57
Deposit	1/22/2010			Multiple Check De		25,191.60	-598,925.17
Deposit	1/25/2010			Multiple Check De		61,453.08	-660,378.25
Deposit	1/26/2010			Multiple Check De		78,901.81	-739,280.06
Deposit	1/27/2010			Multiple Check De		10,515.35	-749,795.41
Deposit	1/28/2010		Cigna Healthcare	Cigna Deposit		6,004.01	-755,799.42
Deposit	1/28/2010			Multiple Check De		26,361.06	-782,160.48
Deposit	1/29/2010			Multiple Check De			
Total NHBC Revenue					0.00	782,160.48	-782,160.48
Rental Income							0.00
Deposit	1/8/2010	169	IntelliDyne, LLC	Base Rent		30.00	-30.00
Total Rental Income					0.00	30.00	-30.00
Sale of Assets/Disposition							0.00
Total Sale of Assets/Disposition							0.00
Services Income							0.00
Total Services Income							0.00
Turnover/Seizure							0.00
Deposit	1/4/2010	270	Stub Hub!	Disney on Ice-Wor		136.00	-136.00

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Deposit	1/25/2010	107	Anaheim Ducks Ho.	Closure of Accoun		320.40	-456.40
					0 00	456.40	-456.40
Total Turnover/Seizure							0 00
Unclassified Income							0 00
Total Unclassified Income							0 00
Advertising and Promotion							640.00
Check	1/5/2010	1061	Thomas Seaman C.	Expense reimburs .	640.00		640.00
					640 00	0 00	640 00
Total Advertising and Promotion							0 00
Annual registration / renewal							0.00
Total Annual registration / renewal							0.00
Appraisal Fees							0.00
Check	1/5/2010	1063	Province Consulting ..	Inv # C-1764a; Tr..	1,200 00		1 200.00
Check	1/7/2010	1013	The J. Lester Comp .	Retainer for apprai .	2 500.00		3,700.00
					3,700 00	0 00	3,700 00
Total Appraisal Fees							0 00
Automobile Expense							0 00
Total Automobile Expense							0 00
Bank Service Charges							0 00
Check	1/5/2010	1031	City National Bank	Act # C 00450142 .	37 78		37 78
Check	1/5/2010	1017	City National Bank	Act # 0045014994.	1 054 62		1 092 40
Check	1/5/2010	1025	City National Bank	Act # C 00450147 .	2 074 28		3,166.68
Check	1/5/2010	1056	City National Bank	Act # C 00450150 .	408.07		3 574.75
Check	1/5/2010	1009	City National Bank	Act # C 00450155	1 166.85		4,741.60
Check	1/5/2010	1004	City National Bank	-MULTIPLE-	2,953.19		7,694.79
Check	1/21/2010			Service Charge	18 48		7 713.27
Check	1/21/2010			Service Charge	9 51		7,722.78
Check	1/25/2010	Debit	Bank of America	Wire transfer fee f.	10 00		7,732 78
Check	1/31/2010			Service Charge	36 78		7 769 56
Check	1/31/2010			Service Charge	3 00		7,772 56
Check	1/31/2010			Service Charge	102 00		7,874 56
Check	1/31/2010			Service Charge	14 00		7 888 56
Check	1/31/2010			Service Charge	54 00		7,942.56
Check	1/31/2010			Service Charge	18.99		7 961.55
Check	1/31/2010			Service Charge	45.31		8 006.86
Check	1/31/2010			Service Charge	0.01		8,006.87
					8,006 87	0 00	8 006 87
Total Bank Service Charges							0 00
Business Analyst Consulting							0 00
Total Business Analyst Consulting							0 00
Business Operating Expenses							0.00
Business Licenses and Permits							0.00
Check	1/14/2010	1477	I/O Capital Princass .	Inv # 3864; Client .	3 993.05		3,993.05
Check	1/14/2010	1484	City of Scottsdale	License renewal 2 .	150.00		4,143.05
Check	1/25/2010	1043	Plains Capital Bank	Re: Letter of credit	2,168.70		6 311 75
Check	1/25/2010	1026	Plains Capital Bank	Re: Letter of credit	2 168 70		8,480.45
Check	1/28/2010	1519	I/O Capital Princess .	Inv # 0004027; Cll .	3,993.05		12,473.50
					12,473 50	0.00	12 473.50
Total Business Licenses and Permits							0 00
Consulting services							600.00
Check	1/5/2010	1024	Jason French	Inv # 106; Decern.	600.00		600.00
Check	1/14/2010	1466	Desiree Byrne	December consult .	2 333.32		2,933.32
Check	1/15/2010	Wir.	Christian Tureaud	Consulting service	5,000.00		7,933 32
Check	1/15/2010	Wir .	David Salzberg	Consulting service .	5,000 00		12 933.32
Check	1/20/2010	1028	Jason French	Inv # 107; January.	600 00		13,533 32
Check	1/21/2010	1501	Courtney Camahan	Jan-10 Consulting .	2,250 00		15,783.32
Check	1/21/2010	1502	Desiree Byrne	January Consultin.	2,174.31		17,957.63
					17,957 63	0.00	17,957.63
Total Consulting services							0 00
Management fees							5 000.00
Check	1/14/2010	1034	Nu View Life Scienc	December manag .	5,000.00		5 000 00
Check	1/14/2010	1020	Nu View Life Scienc	December manag	5,000.00		10,000.00
					10 000 00	0.00	10,000.00
Total Management fees							0 00

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
							0 00
Outside Services							
Check	1/5/2010	1244	Horizon Communic.	Inv # SRA11145;	98.75		98.75
Check	1/8/2010	1026	Vinca Jarrett & Ass	-MULTIPLE-	4,134.00		4,232.75
Check	1/12/2010	1266	Douglas Jones	Survey of Homest.	2,550.00		6,782.75
Check	1/14/2010	1027	Bellaveda, Inc.	Inv # 1003; Distrib	1,200.00		7,982.75
Check	1/14/2010	1260	Intergrated Access	Inv # 29734; Set u	490.00		8,472.75
Check	1/20/2010	1069	ABM Engineering S.	Inv # 549674; Cus	11,463.00		19,935.75
Check	1/21/2010	1500	Jobing com	Invoice #K158206	876.00		20,811.75
Check	1/21/2010	1504	Health Systems Int	Invoice #1201091.	396.50		21,208.25
Check	1/25/2010	Wir	Vinca Jarrett & Ass	Inv # 6; Services 0	5,292.50		26,500.75
Check	1/28/2010	1518	Benson Systems	-MULTIPLE-	295.50		26,798.31
Check	1/28/2010	1520	Cintas Document M.	Inv # DJ84052171	67.05		26,863.36
Check	1/28/2010	1522	Emdeon Business ..	Inv # 3689365; Cu.	1,684.31		28,547.67
Check	1/29/2010	Wir	ABM Engineering S.	-MULTIPLE-	28,491.00		57,038.67
					57,038.67	0 00	57,038.67
Total Outside Services							
Rent Expense							
Check	1/5/2010	1246	Federal Disposal S	Inv # JAN2010; St	1,000.00		1,000.00
Check	1/5/2010	1023	Coast Business Ce	Act # 441; Januar	5,800.74		6,800.74
Check	1/8/2010	1253	The Irvine Compan.	January rent	4,492.00		11,292.74
Check	1/14/2010	1259	ACE Parking Mana	Inv # GB0777146	440.00		11,732.74
Check	1/14/2010	1489	Regus Managemen	Act # 136199; Inv	3,617.45		15,350.19
Check	1/25/2010	1029	Coast Business Ce	Act # 441	5,271.15		20,621.34
					20,621.34	0 00	20,621.34
Total Rent Expense							
Repair & Maintenance							
Check	1/14/2010	1258	The Irvine Compan.	Inv # 010110; Upg	534.75		534.75
Check	1/14/2010	1064	MCM Consulting Gr	Inv # 10160; PC s	200.00		734.75
					734.75	0 00	734.75
Total Repair & Maintenance							
Supplies							
Deposit	1/4/2010	4948	Thomas Seaman C.	Boxes Purchased		53.83	-53.83
Check	1/14/2010	1473	Ingenix	Inv # 10275366	215.79		161.96
Check	1/14/2010	1479	Cheryl & Company	Inv # 2694548;	39.99		201.95
					255.78	53.83	201.95
Total Supplies							
Utilities							
Check	1/5/2010	1247	City of Tustin	-MULTIPLE-	688.27		688.27
Check	1/5/2010	1062	Department of Wat.	Act # 0107593305.	3,513.86		4,202.13
Check	1/14/2010	1256	Southern California	Act # 2-31-868-16.	2,226.95		6,429.08
Check	1/14/2010	1032	Atmos Energy	Customer # 00019	122.29		6,551.37
Check	1/14/2010	1033	AT & T	Act # 940383-640	781.23		7,332.60
Check	1/14/2010	1035	City of Denton	Act # 4180691-07;	16,995.98		24,328.58
Check	1/14/2010	1018	Atmos Energy	Customer # 00019.	122.29		24,450.87
Check	1/14/2010	1019	AT & T	Act # 940383-640.	781.22		25,232.09
Check	1/14/2010	1065	Georgia Power	Act # 25379-4704.	2,256.82		27,488.91
Check	1/14/2010	1066	SCANA Energy	Act # 0-3101-2017.	4,400.20		31,889.11
Check	1/14/2010	1478	AT & T	Act # 171-785-044	3,641.13		35,530.24
Check	1/14/2010	1480	Cox Communications	-MULTIPLE-	1,704.54		37,234.78
Check	1/14/2010	1481	Central Messaging	-MULTIPLE-	149.53		37,384.31
Check	1/14/2010	1486	AT & T Mobility	Inv # 2870166696.	690.50		38,074.81
Check	1/20/2010	1067	Georgia Power	Act # 29579-4704	8,819.92		46,894.73
Check	1/20/2010	1070	AT&T	-MULTIPLE-	697.21		47,591.94
Check	1/20/2010	1071	Department of Wat.	Act # 0107593305	3,764.85		51,356.79
Check	1/20/2010	1072	AT & T	Act # 831-000-078	626.50		51,983.29
Check	1/21/2010	1264	T-Mobile	Act # 470642158;	210.21		52,193.50
Check	1/21/2010	1037	AT & T	Act # 940 383-610	1,462.80		53,656.30
Check	1/21/2010	1023	AT & T	Act # 940 383-610.	1,462.79		55,119.09
Check	1/28/2010	1517	AT & T	Act # 171-785-044	3,419.21		58,538.30
					58,538.30	0 00	58,538.30
Total Utilities							
Business Operating Expenses - Other							
Total Business Operating Expenses - Other							
							0 00
Total Business Operating Expenses							
					177,619.97	53.83	177,566.14
Computer and Internet Expenses							
Check	1/21/2010	1507	Mark Kopchynski	Computer Purchase	437.72		437.72

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/28/2010	1523	Dell Business Credit	Act # 6879 4502 1	36.98		474.70
Total Computer and Internet Expenses					474.70	0.00	474.70
Continuing Education							0.00
Total Continuing Education							0.00
Depreciation Expense							0.00
Total Depreciation Expense							0.00
Dues and Subscriptions							0.00
Total Dues and Subscriptions							0.00
Facility Maintenance							0.00
Total Facility Maintenance							0.00
Home Stretch Other							0.00
Check	1/5/2010	1240	Atlantis Dive Comp ..	Invoice 12/07/09; .	500.00		500.00
Check	1/5/2010	1241	Coastal Pacific Mari .	Order # 6449; Mar .	2,203.84		2,703.84
Check	1/5/2010	1242	Carlson & Beauloye .	Replacement filter	298.89		3,000.73
Check	1/5/2010	1243	Hills Boat Service	Fuel & Oil for Hom.	1,500.00		4,500.73
Total Home Stretch Other					4,500.73	0.00	4,500.73
Homestretch Slip rental							0.00
Total Homestretch Slip rental							0.00
Homestretch Utilities							0.00
Total Homestretch Utilities							0.00
Insurance Expense							0.00
Check	1/5/2010	1248	The Hartford	Act # 72 1085703.	479.15		479.15
Check	1/5/2010	1396	The Hartford	Act # 72 1085703 .	479.15		958.30
Check	1/15/2010	1036	Scarbrough, Medlin .	Downpayment Pro .	7,917.17		8,875.47
Check	1/15/2010	1021	Scarbrough Medlin .	Downpayment Pro .	7,917.17		16,792.64
Check	1/20/2010	1068	AICCO, Inc	Act # 16-025-0019 .	3,844.35		20,638.99
Check	1/21/2010	1040	Scarbrough Medlin .	Balance of down p	844.67		21,481.66
Check	1/21/2010	1025	Scarbrough, Medlin .	Balance of down p.	844.66		22,326.32
Check	1/21/2010	1038	AFS / IBEX Financi	Act # IBX-191355-	1,427.14		23,753.46
Check	1/21/2010	1022	AFS / IBEX Financi..	Act # IBX-191355-	1,427.14		25,180.60
Check	1/25/2010	1015	First Insurance Fun .	Act # 03627-0001-	1,281.04		26,461.64
Total Insurance Expense					26,461.64	0.00	26,461.64
Interest Expense							0.00
Total Interest Expense							0.00
Legal Fees							0.00
Total Legal Fees							0.00
Meals and Entertainment							0.00
Total Meals and Entertainment							0.00
Movie Screening							0.00
Total Movie Screening							0.00
Moving & Storage							0.00
Check	1/21/2010	1263	Richard Marshall	Expense reimburs .	89.25		89.25
Total Moving & Storage					89.25	0.00	89.25
NHBC - Direct Expenses							0.00
Client fees							0.00
Check	1/4/2010	1399	ACMG	November 2009-C.	156.86		156.86
Check	1/4/2010	1400	Affordable Benefit A .	November 2009-C.	323.14		480.00
Check	1/4/2010	1401	Auxiant	November 2009-C .	0.00		480.00
Check	1/4/2010	1402	Benefit Administratl..	November 2009-C .	1,538.41		2,018.41
Check	1/4/2010	1403	Benefit Managemen .	November 2009-C .	1,017.70		3,036.11
Check	1/4/2010	1404	Benefit Plan Admini ..	November 2009-C .	118.12		3,154.23
Check	1/4/2010	1405	Alliance	November 2009-C .	244.33		3,398.56
Check	1/4/2010	1406	Fox Everett	November 2009-C .	0.00		3,398.56
Check	1/4/2010	1407	Health Partners Inc	November 2009-C .	943.82		4,342.38

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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/4/2010	1408	Hewitt Coleman	November 2009-C.	205.29		4,547.67
Check	1/4/2010	1409	S&S Healthcare	November 2009-C.	1,441.05		5,988.72
Check	1/4/2010	1410	Tucker Administrators	November 2009-C.	283.39		6,252.11
Check	1/14/2010	1490	Auxiant	November 2009 -	1,199.92		7,452.03
Check	1/14/2010	1491	Fox Everett	November 2009 -	8,191.14		16,643.17
Check	1/14/2010	1492	Allianca	November 2009 -	21.89		16,864.86
Check	1/14/2010	1493	Benefit Administrati.	June 2009 - Client	4,538.54		21,203.40
Check	1/14/2010	1494	Fox Everett	June 2009 - Client	14,782.51		35,985.91
Check	1/21/2010	1503	Emdeon Business	Invoice #3690202	293.10		36,279.01
Total Client fees					36,279.01	0.00	36,279.01
Client refunds							0.00
Total Client refunds							0.00
Commissions							0.00
Check	1/14/2010	1466	Desiree Byrne	November commi.	37,427.87		37,427.87
Check	1/21/2010	1502	Desiree Byrne	December 2009 C.	16,211.95		53,639.82
Total Commissions					53,639.82	0.00	53,639.82
Network fees							0.00
Check	1/4/2010	1411	Beechstreet	January-July 2009.	4,042.83		4,042.83
Check	1/4/2010	1412	Texas True Choice	January-July 2009	6,370.13		10,412.96
Check	1/4/2010	1413	Interplan Corporation	January-July 2009.	5,684.50		16,097.46
Check	1/4/2010	1414	Primary Health HP	January-July 2009	797.99		18,895.45
Check	1/4/2010	1415	American PPO	January-July 2009	1,931.13		18,826.58
Check	1/4/2010	1416	America's PPO	January-July 2009.	7,069.65		25,896.23
Check	1/4/2010	1417	Cofinity - Group He.	January-July 2009.	24,437.15		50,333.38
Check	1/4/2010	1418	Devon Health Servi.	January-July 2009.	9,010.38		59,343.76
Check	1/4/2010	1419	Encore PPO	January-July 2009.	6,066.15		65,409.91
Check	1/4/2010	1420	First Choice Health	January-July 2009	4,643.39		70,053.30
Check	1/4/2010	1421	Fortified Provider N.	January-July 2009.	102.48		72,901.80
Check	1/4/2010	1422	Health Care Direct -	January-July 2009.	2,746.02		79,009.12
Check	1/4/2010	1423	Health Choice of AI	January-July 2009	6,107.32		84,090.98
Check	1/4/2010	1424	HFN, Inc.	January-July 2009.	5,081.88		86,510.97
Check	1/4/2010	1425	Independent Medic	January-July 2009.	2,419.99		86,857.74
Check	1/4/2010	1426	Interwest Health	January-July 2009.	346.77		86,885.78
Check	1/4/2010	1427	Medical Resources.	January-July 2009.	28.04		88,600.26
Check	1/4/2010	1428	Preferred Health Pa.	January-July 2009.	1,714.48		104,872.23
Check	1/4/2010	1429	Prime Health	January-July 2009.	16,271.97		106,221.42
Check	1/4/2010	1430	Bluegrass Family H.	January-July 2009	1,349.19		106,253.29
Check	1/4/2010	1431	Tennessee Health	January-July 2009.	31.87		119,720.18
Check	1/4/2010	1432	MultiPlan, Inc	January-July 2009.	13,466.89		127,416.10
Check	1/4/2010	1433	PHCS	January-July 2009.	7,694.92		130,337.66
Check	1/4/2010	1434	Galaxy	January-July 2009	2,922.56		136,737.08
Check	1/4/2010	1435	Three Rivers Provid	January-July 2009.	6,399.42		156,807.65
Check	1/4/2010	1436	First Health	January-July 2009.	19,870.57		157,353.08
Check	1/4/2010	1437	Health Partners Inc.	January-July 2009.	745.43		159,353.08
Check	1/12/2010	1440	Cofinity - Group He	Nov 09 Fees	2,000.00		198,450.37
Check	1/12/2010	1441	First Health	Nov 09 Fees	37,097.29		233,084.94
Check	1/12/2010	1442	MultiPlan, Inc	Nov 09 Fees	36,634.57		243,946.71
Check	1/12/2010	1443	PPO Next	Nov 09 Fees	10,861.77		248,919.97
Check	1/12/2010	1444	Preferred Health Pa.	Nov 09 Fees	2,361.22		249,081.62
Check	1/12/2010	1445	Prime Health	Nov 09 Fees	2,812.04		262,014.12
Check	1/12/2010	1446	Bluegrass Family H.	Nov 09 Fees	120.58		266,280.79
Check	1/12/2010	1447	Tennessee Health	Nov 09 Fees	21.07		283,467.80
Check	1/12/2010	1448	Texas True Choice	Nov 09 Fees	12,952.50		283,467.80
Check	1/12/2010	1449	Three Rivers Provid	Nov 09 Fees	4,266.67		283,467.80
Check	1/12/2010	1450	PHCS	Nov 09 Fees	17,187.01		283,467.80
Check	1/12/2010	1451	Medcost LLC	Nov 09 Fees	318.42		298,358.16
Check	1/12/2010	1452	Interplan Corporation	Nov 09 Fees	14,571.94		299,462.09
Check	1/12/2010	1453	Independent Medic.	Nov 09 Fees	1,103.93		302,099.84
Check	1/12/2010	1454	Primary Health HP	Nov 09 Fees	2,637.75		302,142.31
Check	1/12/2010	1455	Health Partners, Inc.	Nov 09 Fees	42.47		303,276.96
Check	1/12/2010	1456	HFN, Inc	Nov 09 Fees	1,134.65		314,901.54
Check	1/12/2010	1457	Galaxy	Nov 09 Fees	11,624.58		315,114.98
Check	1/12/2010	1458	Health Care Direct -	Nov 09 Fees	213.44		315,367.53
Check	1/12/2010	1459	Health Choice of AI.	Nov 09 Fees	252.55		316,344.47
Check	1/12/2010	1460	First Choice Health	Nov 09 Fees	976.94		

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/12/2010	1461	Encore PPO	Nov 09 Fees	4,503.57		320,848.04
Check	1/12/2010	1462	Devon Health Servi.	Nov 09 Fees	3,734.10		324,582.14
Check	1/12/2010	1463	Beechstreet	Nov 09 Fees	6,549.76		331,131.90
Check	1/12/2010	1464	America's PPO	Nov 09 Fees	2,937.03		334,068.93
Check	1/12/2010	1465	American PPO	Nov 09 Fees	975.59		335,044.52
Check	1/14/2010	1487	First Health	January payment,	19,870.57		354,915.09
Check	1/21/2010	1506	The New Covenant	Invoice #TCC1076	1,500.00		356,415.09
Check	1/21/2010	1509	Encore PPO	Jan-July 2009 PE.	12,825.00		369,240.09
Total Network fees					369,240.09	0.00	369,240.09
Office Expense							0.00
Check	1/14/2010	1468	CDW Direct, LLC	-MULTIPLE-	537.22		537.22
Check	1/14/2010	1469	Donald Paulsen	Expense reimburs.	399.00		936.22
Check	1/14/2010	1470	Lindy Office Products	-MULTIPLE-	466.16		1,402.38
Check	1/14/2010	1471	Health E Connex	-MULTIPLE-	2,815.75		4,218.13
Check	1/14/2010	1472	QDI wireless com	Inv # 510552;	3,700.82		7,918.95
Check	1/14/2010	1474	Cintas Document M.	-MULTIPLE-	134.10		8,053.05
Check	1/14/2010	1475	PostalMax	-MULTIPLE-	1,121.49		9,174.54
Check	1/14/2010	1476	Pitney Bowes Glob.	Inv # 5349049-DC	189.29		9,363.83
Check	1/14/2010	1483	Wells Fargo Financ.	Inv # 6765354932;	420.64		9,784.47
Check	1/14/2010	1485	The Trizetto Group,	Inv # 1047391; Da...	207.98		9,992.45
Check	1/21/2010	1498	FedEx	Invoice #9-44-27957	273.79		10,266.24
Check	1/21/2010	1499	Arrowhead	Invoice #00A3709.	407.68		10,673.92
Check	1/28/2010	1521	Lindy Office Products	Inv # 01JH6292; C	90.07		10,763.99
Total Office Expense					10,763.99	0.00	10,763.99
PEPM fees							0.00
Total PEPM fees							0.00
PEPM Network fee							0.00
Check	1/21/2010	1505	First Health	-MULTIPLE-	32,627.25		32,627.25
Check	1/21/2010	1508	PHCS	Jan-July 2009 PE	18,645.90		51,273.15
Check	1/21/2010	1510	Beechstreet	Jan-July 2009 PE	10,706.50		61,979.65
Check	1/21/2010	1511	Medcost LLC	Jan-July 2009 PE.	450.00		62,429.65
Check	1/21/2010	1512	Interwest Health	Jan-July 2009 PE.	59.00		62,488.65
Check	1/21/2010	1513	First Choice Health	Jan-July 2009 PE.	1,515.04		64,003.69
Total PEPM Network fee					64,003.69	0.00	64,003.69
NHBC - Direct Expenses - Other							0.00
Total NHBC - Direct Expenses - Other							0.00
Total NHBC - Direct Expenses					533,926.60	0.00	533,926.60
Office Supplies							0.00
Check	1/7/2010	1252	Intuit Software, Inc.	Quickbooks Enter.	2,446.89		2,446.89
Check	1/26/2010	1268	Alison Juroe	Expense reimburs.	219.03		2,665.92
Total Office Supplies					2,665.92	0.00	2,665.92
Operating Expenses							0.00
Check	1/26/2010	1032	Ian M. Hom	Expense reimburs.	31.85		31.85
Check	1/26/2010	1048	Ian M Hom	Expense reimburs.	31.85		63.70
Check	1/28/2010	1514	Donald Paulsen	Expense reimburs.	528.00		591.70
Check	1/28/2010	1515	John Morris	Expense reimburs.	2,908.08		3,499.78
Check	1/28/2010	1516	Kevin Glass	Expense reimburs.	742.52		4,242.28
Total Operating Expenses					4,242.28	0.00	4,242.28
Payroll Expenses							0.00
401K							0.00
Check	1/22/2010	1267	John Hancock USA	Client ID # 327704.	1,352.78		1,352.78
Check	1/22/2010	1496	John Hancock USA	Client ID # 327704.	1,658.89		3,011.67
Deposit	1/28/2010		NHBC	401 K PE 06/15, 0		10,843.15	-7,831.48
Check	1/28/2010	Tra.	Medical Capital Hol	401 K PE 06/15, 0	10,843.15		3,011.67
Check	1/28/2010	Wir.	John Hancock USA	401 K PE 06/15, 0.	16,884.32		19,895.99
Total 401K					30,739.14	10,843.15	19,895.99
ADP Payroll Service							0.00
Check	1/5/2010	1245	ADP, Inc.	Inv # 631580; Co.	195.14		195.14
Check	1/5/2010	1395	ADP, Inc.	-MULTIPLE-	375.34		570.48

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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
							892.31
Check	1/6/2010	1251	ADP, Inc.	-MULTIPLE-	321 83		
Check	1/14/2010	1439	ADP, Inc.	Inv # 661219; Pay	191 96		1,084 27
Check	1/14/2010	1255	ADP, Inc.	Inv # 664996; CC	94 14		1,178 41
Check	1/14/2010	1261	ADP, Inc.	-MULTIPLE-	658 10		1,836 51
Check	1/21/2010	1265	ADP, Inc.	Inv # 678953; CC	111 00		1,947 51
Check	1/21/2010	1495	ADP, Inc.	Inv # 677758; CC	977 55		2,925.06
Total ADP Payroll Service					2,925.06	0.00	2,925.06
Medical Capital Payroll taxes							0.00
Total Medical Capital Payroll taxes							0.00
Medical Insurance							0.00
Check	1/14/2010	1467	Blue Cross Blue Shi.	January premium,	19,708 93		19 708 93
Check	1/21/2010	1497	Blue Cross Blue Shi.	(1/2 mo. Invoice)	12,069 23		31,778 16
Check	1/28/2010	1524	Humana Health Pla	Act # 620104 20	505.40		32,283.56
Total Medical Insurance					32,283.56	0.00	32,283.56
Payroll and Taxes							0.00
Homestretch Crew							0.00
Check	1/6/2010	Wir	Jeffrey M Davey	Professional Servi	3,100 00		3,100 00
Check	1/15/2010	Wir	Jeffrey M Davey	Professional Servi	3 100 00		6,200 00
Check	1/19/2010	300	William J Courtney	PE 01/15/10	2,949 57		9 149 57
Check	1/19/2010	300	Ian M. Horn	PE 01/15/10	1,953 38		11,102 95
Check	1/19/2010	300	Kerry D. Sowder	PE 01/15/10	1,281 41		12,384.36
Check	1/19/2010	300	Leslie E White	PE 01/15/10	1,322.51		13 706.87
Total Homestretch Crew					13 706.87	0.00	13,706.87
MCC							0.00
Check	1/4/2010	Debit	ADP - Payroll Depo	MCH- Payroll tax	7 642 85		7,642 85
Check	1/5/2010	901	Kim Pham	Payroll for PE 12/	2,288 13		9 930 98
Check	1/5/2010	901	Susan Shenouda	Payroll for PE 12/	1,857 28		11,788 26
Check	1/5/2010	901	Tracey R. Marcyan	Payroll for PE 12/	3 051 45		14,839.71
Check	1/5/2010	901	Thomas Cofer	Payroll for PE 12/	1,961.66		16,801.37
Check	1/5/2010	901	Brooks Vicerai	Payroll for PE 12/	637.62		17,438.99
Check	1/5/2010	901	Estelita Ledda	Payroll for PE 12/	1 460 36		18,899.35
Check	1/5/2010	901	Diane Miller	Payroll for PE 12/	1,390 02		20 289 37
Check	1/5/2010	901	Roxana Y. Valle	Payroll for PE 12/	1,221 64		21,511.01
Check	1/19/2010	Debit	ADP - Payroll Depo.	MCH Payroll taxes...	8,209.96		29,720 97
Check	1/19/2010	300	Kim Pham	PE 01/15/10	1,902.29		31 623.26
Check	1/19/2010	300	Susan Shenouda	PE 01/15/10	1,584.84		33,208.10
Check	1/19/2010	300	Tracey R. Marcyan	PE 01/15/10	2,000.00		35,208.10
Check	1/19/2010	300	Tracey R. Marcyan	PE 01/15/10	1,873.18		36,881 28
Check	1/19/2010	300	Thomas Cofer	PE 01/15/10	2 812 70		39,693.98
Check	1/19/2010	300	Estelita Ledda	PE 01/15/10	1,564 27		41 258 25
Check	1/19/2010	300	Diane Miller	PE 01/15/10	1,309.74		42,567 99
Check	1/19/2010	300	Roxana Y. Valle	PE 01/15/10	1 135 19		43,703.18
Total MCC					43,703.18	0.00	43 703.18
NHBC							0.00
Check	1/4/2010	Debit	NHBC - Payroll ta.		29,615 28		29 615 28
Check	1/5/2010	010	Payroll for PE 12/		6,990.63		36,605 91
Check	1/5/2010	502	Payroll for PE 12/		1,983.54		38,589.45
Check	1/5/2010	502	Payroll for PE 12/		3,402.41		41 991 86
Check	1/5/2010	502	Payroll for PE 12/		601 13		42,592.99
Check	1/5/2010	010	Payroll for PE 12/		2,854.67		45,447.66
Check	1/5/2010	010	Payroll for PE 12/		2,273 38		47 721 04
Check	1/5/2010	010	Payroll for PE 12/		1,581.95		49,302 99
Check	1/5/2010	010	Payroll for PE 12/		3,508.48		52,811 47
Check	1/5/2010	010	Payroll for PE 12/		2,227.73		55,039.20
Check	1/5/2010	010	Payroll for PE 12/		1,230 16		56,269.36
Check	1/5/2010	502	Payroll for PE 12/		1,028.77		57,298 13
Check	1/5/2010	010	Payroll for PE 12/		1,011 61		58,309 74
Check	1/5/2010	010	Payroll for PE 12/		1,299.79		59,609 53
Check	1/5/2010	010	Payroll for PE 12/		1,452.81		61,062.34
Check	1/5/2010	010	Payroll for PE 12/		2 944 36		64,006.70
Check	1/5/2010	010	Payroll for PE 12/		1,033 60		65 040 30
Check	1/5/2010	010	Payroll for PE 12/		1,226 41		66 266 71
Check	1/5/2010	010	Payroll for PE 12/		1,264.90		67,531.61

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/5/2010	010.		Payroll for PE 12/	1,109.11		68,640.72
Check	1/5/2010	010..		Payroll for PE 12/.	1,071.65		69,712.37
Check	1/5/2010	010 .		Payroll for PE 12/ .	1 001 13		70,713.50
Check	1/5/2010	010 .		Payroll for PE 12/ .	1,690.85		72,404.35
Check	1/5/2010	010 .		Payroll for PE 12/ .	1,247.35		73,651.70
Check	1/5/2010	010 .		Payroll for PE 12/ .	1,244.91		74,896.61
Check	1/5/2010	010 .		Payroll for PE 12/ .	2 732.84		77,629.25
Check	1/5/2010	010 .		Payroll for PE 12/ .	1,404.25		79,033.50
Check	1/5/2010	502.		Payroll for PE 12/ .	1,334.26		80,367.76
Check	1/5/2010	010 .		Payroll for PE 12/ .	1 509 16		81,876.92
Check	1/5/2010	010 .		Payroll for PE 12/ .	2,255.43		84,132.35
Check	1/5/2010	010 ..		Payroll for PE 12/ .	1,198.10		85,328.45
Check	1/5/2010	010.		Payroll for PE 12/ .	791.76		86,120.21
Check	1/5/2010	010 .		Payroll for PE 12/ .	1,008.44		87 128 65
Check	1/5/2010	010 .		Payroll for PE 12/.	1,795.68		88,924.33
Check	1/5/2010	010 .		Payroll for PE 12/.	1 089.25		90,013.58
Check	1/5/2010	010.		Payroll for PE 12/ .	1,376.65		91 390 23
Check	1/5/2010	010 .		Payroll for PE 12/ .	735.45		92,125.68
Check	1/5/2010	010 .	ld	Payroll for PE 12/ .	1 222 20		93,347.88
Check	1/5/2010	010 ..		Payroll for PE 12/ .	847.95		94 195.83
Check	1/12/2010	Debit		Payroll taxes for 4.	158.14		94,353.97
Check	1/19/2010	Debit		NHBC Payroll tax .	34 359 86		128,713.83
Check	1/19/2010	300 .		PE 01/15/10	2,944.36		131,658.19
Check	1/19/2010	300		PE 01/15/10	1,404.25		133,062.44
Check	1/19/2010	300.	r	PE 01/15/10	1,011.62		134,074.06
Check	1/19/2010	300		PE 01/15/10	1,071.84		135,145.70
Check	1/19/2010	300 .		PE 01/15/10	1,690.84		136,836.54
Check	1/19/2010	502		PE 01/15/10	7,148.41		143,984.95
Check	1/19/2010	300.		PE 01/15/10	1,795.67		145,780.62
Check	1/19/2010	300 .		PE 01/15/10	1,378.84		147,157.26
Check	1/19/2010	502 ..		PE 01/15/10	2,606.03		149 763.29
Check	1/19/2010	502		PE 01/15/10	3,556.70		153,319.99
Check	1/19/2010	502.		PE 01/15/10	601.13		153,921.12
Check	1/19/2010	300 .		PE 01/15/10	2,854.69		156 775 81
Check	1/19/2010	300 .		PE 01/15/10	2,273.37		159,049.18
Check	1/19/2010	300		PE 01/15/10	1 581 94		160,631.12
Check	1/19/2010	300..		PE 01/15/10	3,508.49		164,139.61
Check	1/19/2010	300 .	iki	PE 01/15/10	2,227.73		166,367.34
Check	1/19/2010	300 .		PE 01/15/10	250.00		166,617.34
Check	1/19/2010	502.		PE 01/15/10	774.32		167,391.66
Check	1/19/2010	300 .		PE 01/15/10	1,033.59		168,425.25
Check	1/19/2010	502 ..		PE 01/15/10	2,017.72		170,442.97
Check	1/19/2010	300		PE 01/15/10	1,264.91		171,707.88
Check	1/19/2010	300.		PE 01/15/10	1 044 19		172,752.07
Check	1/19/2010	300 .		PE 01/15/10	1,001.14		173 753.21
Check	1/19/2010	300 .		PE 01/15/10	1,247.37		175,000.58
Check	1/19/2010	300 .		PE 01/15/10	1 244 91		176,245.49
Check	1/19/2010	502 .		PE 01/15/10	1,269.36		177,514.85
Check	1/19/2010	300 .		PE 01/15/10	1,509.16		179,024.01
Check	1/19/2010	300 .		PE 01/15/10	2 255 43		181,279.44
Check	1/19/2010	300.		PE 01/15/10	791.76		182,071.20
Check	1/19/2010	300 .		PE 01/15/10	1,089.27		183,160.47
Check	1/19/2010	300 .		PE 01/15/10	735.45		183,895.92
Check	1/19/2010	502.		PE 01/15/10	591.37		184,487.29
Check	1/19/2010	300 .		PE 01/15/10	3,640.95		188,128.24
Check	1/19/2010	300 ..		PE 01/15/10	2 400.34		190,528.58
Check	1/19/2010	300		PE 01/15/10	5,468.35		195,996.93
Check	1/19/2010	300.		PE 01/15/10	1,633.51		197,630.44
Check	1/19/2010	300 .		PE 01/15/10	1 360 52		198,990.96
Check	1/19/2010	300 .	ld	PE 01/15/10	577.03		199 567.99
Check	1/19/2010	300 .		PE 01/15/10	250.00		199,817.99
Check	1/19/2010	300 .		PE 01/15/10	980.18		200,798.17
Check	1/19/2010	300..	ld	PE 01/15/10	800.00		201,598.17
Check	1/22/2010	1122		Payroll correction, .	1,019.06		202,617.23
Total NHBC					202,617.23	0.00	202,617.23
Trace							0.00
Check	1/4/2010	Debit		-MULTIPLE-	4,576.77		4 576 77

Medical Capital Holdings, Inc.
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Check	1/5/2010	901		Payroll for PE 12/	2,949.56		7,526.33
Check	1/5/2010	901.		Payroll for PE 12/	3,906.75		11,433.08
Check	1/5/2010	901 .		Payroll for PE 12/	2,562.81		13,995.89
Check	1/5/2010	901 .		Payroll for PE 12/	2,645.02		16,640.91
Check	1/19/2010	Debit		-MULTIPLE-	4,576.69		21,217.60
Check	1/19/2010	300.		PE 01/15/10	1,953.38		23,170.98
Check	1/19/2010	300..		PE 01/15/10	1,281.41		24,452.39
Check	1/19/2010	300 .		PE 01/15/10	1,322.52		25,774.91
Deposit	1/19/2010			1/2 Trace Payroll f .		8,320.44	17,454.47
Check	1/19/2010	Tra .		1/2 Trace Payroll f .	8,320.44		25,774.91
Deposit	1/19/2010			2/2 Trace Payroll f		8,320.44	17,454.47
Check	1/19/2010	Tra.		2/2 Trace Payroll f	8,320.44		25,774.91
Total Trace					42,415.79	16,640.88	25,774.91
Payroll and Taxes - Other							0.00
Total Payroll and Taxes - Other							0.00
Total Payroll and Taxes					302,443.07	16,640.88	285,802.19
Payroll Expenses - Other							0.00
Total Payroll Expenses - Other							0.00
Total Payroll Expenses					368,390.83	27,484.03	340,906.80
Postage and Delivery							0.00
Check	1/14/2010	1482		Act # 8000-9000-0	580.08		580.08
Check	1/25/2010	1005		Inv # 11298; 1099 .	4.57		584.65
Check	1/25/2010	1014		Inv # 11298; 1099 .	164.59		749.24
Check	1/25/2010	1044		Expense reimburs .	26.88		776.12
Check	1/25/2010	1046		Inv # 11298; Post .	96.33		872.45
Check	1/25/2010	1027		Expense reimburs .	26.88		899.33
Check	1/25/2010	1029		Inv # 11298; Post .	219.32		1,118.65
Check	1/25/2010	1030		Inv # 11298; Post .	609.53		1,728.18
Check	1/25/2010	1010		Inv # 11298; Post .	1,021.68		2,749.86
Check	1/25/2010	1073		Inv # 11298; Post .	10.35		2,760.21
Check	1/25/2010	1005		Inv # 11298; Post .	165.12		2,925.33
Total Postage and Delivery					2,925.33	0.00	2,925.33
Pre-Receiver Expense							0.00
Total Pre-Receiver Expense							0.00
Printing and Reproduction							0.00
Total Printing and Reproduction							0.00
Professional Fees							0.00
Total Professional Fees							0.00
Radiation Monitoring							0.00
Total Radiation Monitoring							0.00
Receiver's expenses							0.00
Check	1/14/2010 .	1254		Case # F1029090	165.39		165.39
Check	1/14/2010	1257		Expense reimburs .	92.06		257.45
Check	1/21/2010	1262		Inv # 58001; Re-k .	101.53		358.98
Check	1/25/2010	1041		Inv dated 112809;	299.50		658.48
Check	1/25/2010	1042		Inv # 17124845; C.	448.40		1,106.88
Total Receiver's expenses					1,106.88	0.00	1,106.88
Security Services							0.00
Check	1/25/2010	1045		-MULTIPLE-	415.68		415.68
Check	1/25/2010	1028		-MULTIPLE-	415.68		831.36
Check	1/25/2010	1047		Inv # 07552945; A .	613.90		1,445.26
Check	1/25/2010	1030		Inv # 07552945; A.	613.89		2,059.15
Total Security Services					2,059.15	0.00	2,059.15
Taxes							0.00
Property tax							0.00
Deposit	1/4/2010	150 ..		Supplemental Refu		1,569.18	-1,569.18

**Medical Capital Holdings, Inc.
 Monthly General Ledger
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Cash Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
					0 00	1,569 18	-1,569 18
							0 00
							0.00
							0.00
							0.00
					0 00	1 569.18	-1 569 18
							0.00
							0 00
							0 00
Check	1/14/2010	1488	John Morris	Expense reimburs.	192.70		192.70
					192 70	0 00	192.70
							0 00
							0 00
							0.00
							0.00
							0 00
							0 00
							0.00
							0 00
							0 00
							0.00
TOTAL					4,195,930.53	4,195,930.53	0.00