

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(BALTIMORE DIVISION)**

In re:	*	Chapter 11
TMST, INC., f/k/a	*	Case Nos. 09-17787-NVA,
THORNBURG MORTGAGE, INC.,	*	09-17790 through 17792-NVA
<i>et al.</i> ,	*	(Jointly Administered)
Debtors.	*	
* * * * * * * * * * * *		

CHAPTER 11 TRUSTEE’S MONTHLY OPERATING REPORT

Joel I. Sher, Chapter 11 Trustee for (i) TMST, Inc., f/k/a Thornburg Mortgage, Inc.; (ii) TMST Acquisition Subsidiary, Inc., f/k/a Thornburg Acquisition Subsidiary, Inc.; (iii) TMST Home Loans, Inc., f/k/a Thornburg Mortgage Home Loans, Inc.; and (iv) TMST Hedging Strategies, Inc. f/k/a Thornburg Hedging Strategies, Inc. files his Monthly Operating Report for the period May 1, 2020 through May 31, 2020.

Dated: June 29, 2020	<div style="text-align: right;"><u>/s/ Joel I. Sher</u> Joel I. Sher, Bar No. 00719 SHAPIRO SHER GUINOT & SANDLER 250 W. Pratt Street, Suite 2000 Baltimore, Maryland 21201 Tel: (410) 385-4277 Email: jis@shapirosher.com</div> <div style="text-align: right; margin-top: 20px;"><i>Chapter 11 Trustee for TMST, Inc., f/k/a Thornburg Mortgage, Inc., et. al.</i></div>
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY on this 29th day of June, 2020, a copy of the *Chapter 11 Trustee's Monthly Operating Report* was served on the parties listed below by first-class mail, unless said party is a registered CM/ECF participant and the Notice of Electronic Filing indicates that notice was electronically mailed to said party.

OFFICE OF THE UNITED STATES TRUSTEE
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

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7 St. Paul Street
Baltimore, MD 21202

/s/ Joel I. Sher
Joel I. Sher

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al. (1) CASE NUMBER: 09-17787

OFFICE OF THE UNITED STATES TRUSTEE - BALTIMORE DIVISION
MONTHLY OPERATING REPORT
CHAPTER 11
BUSINESS DEBTORS

Form 2-A
COVER SHEET AND QUESTIONNAIRE

For Period Ended May 31, 2020

Accounting Method: ☒ Accrual Basis ☐ Cash Basis**THIS REPORT IS DUE 20 DAYS AFTER THE END OF THE MONTH**Mark One Box for Each
Required Document:Debtor must attach each of the following reports/documents unless the U. S. Trustee
has waived the requirement in writing. File the original with the Clerk of Court.
Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Disbursements Summary (Form 2-F)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts (See Exhibit A)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts (See Exhibit A)

QUESTIONNAIRE**Yes No**

Please answer the questions below:

- | | | |
|---|---------------|---------------|
| 1. Is the business still operating? | <u>X</u> (2) | <u> </u> |
| 2. Were any assets (other than inventory) sold this month? | <u> </u> | <u>X</u> |
| 3. Were all employees timely paid this month? | <u>X</u> | <u> </u> |
| 4. Are all insurance policies and operating licenses current and in effect? | <u>X</u> (3) | <u> </u> |
| 5. Did you open any new bank accounts this month? | <u> </u> | <u>X</u> |
| 6. Did you deposit all receipts into your DIP account this month? | <u>X</u> | <u> </u> |
| 7. Have all taxes been timely paid (payroll, sales, etc.)? | <u>X</u> | <u> </u> |
| 8. Are you current on U.S. Trustee quarterly fees payments? | <u>X</u> | <u> </u> |

I declare under penalty of perjury that the following Monthly Operating Report, and any statements and attachments thereto are true, accurate and correct to the best of my belief.

Executed on: 6/29/2020 Print Name: Joel I. SherSignature: /s/ Joel I. SherTitle: Chapter 11 Trustee

- (1) Includes the following Debtors: TMST, Inc. f/k/a Thornburg Mortgage, Inc. (Case No. 09-17787), TMST Home Loans, Inc. f/k/a Thornburg Mortgage Home Loans, Inc. (Case No. 09-17791), TMST Hedging Strategies, Inc. f/k/a Thornburg Mortgage Hedging Strategies, Inc. (Case No. 09-17792), and TMST Acquisition Subsidiary, Inc. f/k/a Thornburg Acquisition Subsidiary, Inc. (Case No. 09-17790). The Adfitech, Inc. Monthly Operating Report is filed separately under Case No. 09-17788.
- (2) The Chapter 11 Trustee is in the process of winding-up all operations.
- (3) TMST Home Loans, Inc. is currently in the process of withdrawing state licenses due to the sale of the Servicing Portfolio.

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DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787**Form 2-B****CASH RECEIPTS AND DISBURSEMENTS STATEMENT (1)**For Period: 5/1/2020 to 5/31/2020**CASH FLOW SUMMARY**

	Current Month	Accumulated
Beginning Cash Balance	<u>\$ 73,572,506 (2)</u>	<u>\$ 16,847,967 (2)</u>
2. Cash Receipts		
Operations	1,274 (3)	30,434,045
Sale of Assets	-	81,041,433
Loans/advances	-	18,364,080
Other	-	126,601,293
Account Transfer	-	106,550,052
Total Cash Receipts	<u>\$ 1,274</u>	<u>\$ 362,990,903</u>
3. Cash Disbursements		
Operations	153,805	43,015,683
Professional fees/U.S. Trustee fees	383,749	49,479,748
Other	-	107,757,160
Account Transfer	-	106,550,052
Total Cash Disbursements	<u>\$ 537,554 (4)</u>	<u>\$ 306,802,643 (4)</u>
4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)	<u>(536,280)</u>	<u>56,188,260</u>
5. Ending Cash Balance (to Form 2-C)	<u>\$ 73,036,226 (5)</u>	<u>\$ 73,036,226 (5)</u>

CASH BALANCE SUMMARY

Account Name/Number	Institution	Bank Balance	Deposits In Transit	Outstanding Checks	Book Balance
xxxxxx2822	New Mexico Bank & Trust	6,001,440	0	88,781	5,912,659
xxxxxx1650	New Mexico Bank & Trust	51,812,629	0	0	51,812,629
xxxxxx1807	New Mexico Bank & Trust	5,542	0	0	5,542
xxxxxx2954	New Mexico Bank & Trust	1,198	0	0	1,198
xxxxxx2989	New Mexico Bank & Trust	794	0	0	794
xxxxxx5856	New Mexico Bank & Trust	446,396	0	0	446,396
xxxxxx2842	New Mexico Bank & Trust	4,000,002	0	0	4,000,002
xxxxxx9638	The Bank of New York Mellon	1,002 (6)	0		1,002
xxxxxx9639	The Bank of New York Mellon	0 (6)	0	0	0
xxxxxx9681	SunTrust Bank	10,856,006	0	0	10,856,006
xxxxxx5972	SunTrust Bank	0	0	0	0
		<u>\$ 73,125,007</u>	<u>\$ -</u>	<u>\$ 88,781</u>	<u>\$ 73,036,226 (5)</u>

(1) The term "cash" as used herein includes all forms of currency (e.g., checks, cash, money orders, etc.)

(2) Accumulated beginning cash balance is the cash available at the commencement of the case.
Current month beginning cash balance equals the previous month's ending balance.

(3) Includes earned interest on United States Treasury Bill purchased at a discount.

(4) All disbursements for TMST, Inc. and its affiliates are made from TMST, Inc.'s operating account.

(5) Current Month, Accumulated, and Book cash balances are the same.

(6) TMST, Inc. did not receive a more recent statement. Thus, the December 2013 statement is included in Exhibit A.

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period: 5/1/2020 to 5/31/2020

CASH DISBURSEMENTS DETAIL

Account No:

xxxxxxx2822

(attach additional sheets as necessary)

Date	Check No.	Payee	Description (Purpose)	Amount
5/6/2020	WIRE	ADP Inc.	Payroll - Direct deposits	\$ 21,270
5/7/2020	WIRE	ADP, Inc.	Payroll taxes	11,649
5/8/2020	WIRE	Susman Godfrey LLP	Professional services	85,691
5/8/2020	WIRE	Shapiro Sher Guinot & Sandler	Professional services	14,141
5/8/2020	WIRE	Tydings & Rosenberg LLP	Professional services	3,744
5/8/2020	WIRE	Grant Thornton LLP	Professional services	2,953
5/8/2020	WIRE	Shapiro Sher Guinot & Sandler	Professional services	87,216
5/8/2020	WIRE	Grant Thornton LLP	Professional services	8,975
5/8/2020	WIRE	Quinn Emanuel Urquhart Oliver & Hedges LLP	Professional services	3,759
5/8/2020	WIRE	KPMG LLP	Professional services	176,061
5/20/2020	WIRE	ADP Inc.	Payroll - Direct deposits	21,270
5/21/2020	WIRE	ADP, Inc.	Payroll taxes	11,649
5/29/2020	9319	American Stock Transfer & Trust	Transfer Agent	1,469
5/29/2020	9320	Crystal Springs	Office Supplies	17
5/29/2020	9321	FedEX	Shipping	75
5/29/2020	9322	Midcon Data Services LLC	Document Storage	2,655
5/29/2020	9323	Epiq Bankruptcy Solutions, LLC	Professional services	1,209
5/29/2020	9324	TBConsulting	Contract Services	51,919
5/29/2020	9325	Iron Mountain Information Management	Document Storage	861
5/29/2020	9326	AT&T TeleConference Service	TeleConference Service	48
5/29/2020	9327	Bloomberg LP	Information Services	7,320
5/29/2020	9328	Legility	Information Services	14,893
5/29/2020	9329	Crumbacher Business Systems Inc.	Office Supplies	20
5/29/2020	9330	First Interstate Plaza	Office Lease_Rent	6,861
5/29/2020	9331	TMST Employee	Expense reimbursement	30
5/29/2020	9332	Level 3 Communications	Information Services	1,281
5/29/2020	9333	Lantana Communications	Information Services	125
Total Cash Disbursements				\$ <u>537,160</u> (1)

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 2

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B
CASH RECEIPTS STATEMENT

For Period: 5/1/2020 to 5/31/2020**CASH RECEIPTS DETAIL***(attach additional sheets as necessary)***Account No:****xxxxxxx2822**

Date	Payor	Description (Purpose)	Amount
5/26/2020	Ocwen Loan Servicing LLC	Credit Risk Advisor Fee	\$ 83
5/26/2020	Wells Fargo Bank	Credit Risk Advisor Fee	58
5/26/2020	Wells Fargo Bank	Credit Risk Advisor Fee	30
5/26/2020	Wells Fargo Bank	Reinvestment Income	55
Total Cash Receipts			\$ <u>226</u> (1)

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 2

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B
CASH RECEIPTS STATEMENT

For Period: 5/1/2020 to 5/31/2020**CASH RECEIPTS DETAIL***(attach additional sheets as necessary)***Account No:****xxxxxxx1650**

Date	Payor	Description (Purpose)	Amount
5/1/2020	New Mexico Bank & Trust	Money Market Dividends	\$ 13
5/31/2020	New Mexico Bank & Trust	United States Treasury Bill Interest	1,035 (2)
Total Cash Receipts			\$ <u>1,048 (1)</u>

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 2

(2) Interest earned on United States Treasury Bill purchased at a discount.

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787**Form 2-B****CASH RECEIPTS AND DISBURSEMENTS STATEMENT**For Period: 5/1/2020 to 5/31/2020**CASH DISBURSEMENTS DETAIL***(attach additional sheets as necessary)***Account No:****xxxxxxx2989**

Date	Check No.	Payee	Description (Purpose)	Amount
5/8/2020	ACH	ADP Financial Services	Payroll processing	\$ 394
Total Cash Disbursements				\$ <u>394</u> (1)

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 2

Form 2-C

COMPARATIVE BALANCE SHEET

For Period Ended: May 31, 2020

ASSETS

Current Assets:

	Current Month	Petition Date (1)
Cash and Cash Equivalents (from Form 2-B)	\$ 73,036,226	\$ 16,848,967
Accounts Receivable (from Form 2-E) (2)	320,266	9,403,326
Other Current Assets (List):		
Prepaid expenses & retainers (2)	400,459	4,807,453
Accrued interest receivable	-	47,878
Total Current Assets	73,756,951	31,107,624

Fixed Assets:

Equipment, Furniture and Fixtures	1,201,340	1,201,340
Total Fixed Assets	1,201,340	1,201,340
Less: Accumulated Depreciation	1,201,340	533,109

Net Fixed Assets

Other Assets (List):		
Restricted cash	-	201,432,689
Mortgage servicing portfolio	-	87,104,385
Investment in subsidiaries (3)	(6,000,000)	21,244,747
Loan held for sale (4)	-	8,359,404
Deposits (5)	440,000	300,000

TOTAL ASSETS

\$ 68,196,951	\$ 350,217,080
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LIABILITIES

Post-petition Accounts Payable (from Form 2-E) (2)	\$ 101,885	\$ -
Post-petition Accrued Professional Fees (from Form 2-E) (2)	4,044,385	-
Post-petition Taxes Payable (from Form 2-E)	-	-
Other Post-petition Payable(List):		
Contingent obligations (6)	2,686,773	-
Total Post Petition Liabilities	6,833,043	-

Pre Petition Liabilities:

Secured Debt	-	-
Unsecured Debt (3)	2,397,480,976	3,664,898,118
Total Pre Petition Liabilities	2,397,480,976	3,664,898,118
TOTAL LIABILITIES	2,404,314,019	3,664,898,118

OWNERS' EQUITY

Owner's/Stockholder's Equity	3,640,741,359	3,640,741,359
has not recorded a \$25.7 million receivable or the related income.	(6,955,422,396)	(6,955,422,396)
Retained Earnings - Post-petition (7)	978,563,969	-

TOTAL OWNERS' EQUITY**TOTAL LIABILITIES AND OWNERS' EQUITY**

(2,336,117,068)	(3,314,681,037)
\$ 68,196,951	\$ 350,217,080

(1) Petition date values are taken from the Debtors' balance sheet as of the petition date or are the values listed on the Debtors' schedules.

(2) On March 05, 2012, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement of all claims asserted against SAF Financial, Inc., Orrick, Herrington & Sutcliffe LLP, Thornburg Mortgage Advisory Corporation and other individual defendants, was approved. As a result of the settlement, the Defendants made a Settlement Payment of \$6.5 million to TMST, Inc. The Settlement Payment includes payment of various amounts by all of the Defendants, including the return by Orrick of a \$334,533 retainer, the return by Orrick of \$163,818 TMST paid for post-petition services, and a waiver by Orrick of \$449,718 in unpaid fees and expenses incurred post-petition for which it was not paid. As part of the Settlement, TMST alleviated from its balance sheet, a \$250,000 retainer paid to TMAC, \$492,482 in accounts receivable from TMAC, and \$549,457 in unpaid fees to TMAC.

Beginning April 2015, fees and expenses for the Trustee's Counsel include fees incurred in the connection with all matters with the exception of Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties). With respect to fees and expenses incurred in connection with Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties), compensation is subject to the Court's Order Approving (In Part) Trustee's Application [Dkt. No. 2120] for Authority to Employ Special Litigation Counsel and to Make Limited Modification to the Terms of the Existing Retention Order for Counsel to the Trustee which is found at [Dkt. No. 2191] (the "Retention Order"). Accruals and payments to The Trustee's Counsel are based on monthly applications for interim compensation, special litigation counsel fees, and reimbursement of expenses incurred.

(3) Pre-petition unsecured debt includes a \$1.1 billion fair value adjustment for Senior Subordinated Secured Notes recorded under GAAP. Total pre-petition liabilities prior to the fair value adjustment is \$4,542,124,192.

On March 15, 2010 the Second Amended Chapter 11 Plan of Reorganization for ADFITECH, Inc. became effective. TMST Home Loans interests were deemed cancelled on the Effective Date and Senior Notes Guarantee Claims against TMST, Inc. were reduced by \$38.6 million under the plan.

On February 22, 2012, The Bankruptcy Court issued its decision in the MSR Litigation on the question of allocation of proceeds from the sale of TMHL's Servicing Portfolio. The Bankruptcy Court determined certain Counterparties held a security interest equal to 95% of the proceeds from the sale of the Servicing Portfolio and the estate held an interest in 5% of those proceeds. Furthermore the Bankruptcy Court determined that the Counterparties security interest did not extend to any reimbursements obtained from the sale of the Servicing Portfolio. In order to resolve all remaining issues in the MSR Litigation and to implement the Bankruptcy Courts decision, the Trustee transferred \$71,670,314 from SunTrust Bank to the Collateral Agent for the benefit of the Counterparties on September 13, 2012, \$413,319 on December 17, 2012, and \$2,253,360 on May 28, 2013. The parties agreed that the Trustee retains the right to seek the surcharge or recovery of any portion of the MSR Sale Commission from the Counterparties, and therefore the \$2,253,360 remains subject to the Trustee's surcharge claims.

On October 26, 2018, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement and release agreement between the Trustee and RBS Defendants was approved. RBS Defendants have agreed to pay TMST, Inc. \$23.5 Million in satisfaction of all claims. In addition, the RBS Defendants have agreed that their Proofs Of Claim in the aggregate approximate amount of \$828.9 Million will be deemed disallowed and expunged in the Bankruptcy Case. RBS Defendants are one of five groups named defendants in the matter of Joel I. Sher, in his capacity as Chapter 11 Trustee for TMST, et al. v. JPMorgan Chase Funding Inc., et al., ADV. P. 11-00340.

- (4) On July 23, 2013, The Bankruptcy Court granted the Trustee's motion for Approval of Settlement and Compromise of Controversies among the Trustee, Luxury Mortgage Corp., and Commonwealth Land Title Insurance Co., for a settlement amount of \$1 million with respect to the mortgage loan purchased from Luxury Mortgage Corp.
- (5) On August 27, 2013, The Bankruptcy Court granted the Trustee's motion for Approval of Settlement and Compromise of Controversies between the Trustee and Liberty Mutual Insurance Company, for a settlement amount of \$2.275 million, less attorney's fees and costs. Liberty Mutual has agreed, over time, to return the remaining collateral as the penal bonds expire less claims and attorney's fees and costs. On July 2, 2014, October 5, 2016 and July 2, 2018 Liberty Mutual returned additional collateral on expired penal bonds.
- (6) Includes cash payments received that will require bankruptcy court ruling to resolve ownership issues. The settlement and release agreement between the Trustee and RBS Defendants reduced certain disputed contingent obligations by \$609,514 in November 2018.
- (7) Post-petition Retained Earning includes a loss of \$4.23 million related to 2009, income of \$2.99 million related to 2010, a loss of \$10.24 million related to 2011, a loss of \$1 million related to 2012, a loss of \$1.97 million related to 2013, income of \$11.32 million related to 2014, income of \$1.17 million related to 2015, a loss of \$5.33 million related to 2016, income of \$25.66 million related to 2017, income of \$964.54 million related to 2018, and a loss of \$2.64 million related to 2019.

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DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-D
PROFIT AND LOSS STATEMENT

For Period From: May 1, 2020 to May 31, 2020

	Current Month	Post-petition Accumulated Total (1)
Operating Revenue		
Interest income (2)	\$ 10,948	\$ 7,684,680
Mortgage servicing income	226	22,280,885
Net Operating Revenue	<u>11,174</u>	<u>29,965,565</u>
Total interest expense / (benefit) (3)	-	(1,195,076)
Gross Profit	<u>11,174</u>	<u>31,160,641</u>
Operating Expenses		
Officer Compensation	-	895,390
Selling, General and Administrative	167,179	43,806,919
Rents and Leases	6,861	1,596,345
Depreciation, Depletion and Amortization	-	668,240
Other (list): _____	-	-
	-	-
Total Operating Expenses	<u>174,040</u>	<u>46,966,894</u>
Operating Income / (Loss)	<u>(162,866)</u>	<u>(15,806,253)</u>
Non-Operating Income / (Expenses)		
Earnings from subsidiaries	-	3,368,902
Other Non-Operating Income (4)	-	112,259,203
Gain on extinguishment of debt (5)	-	950,449,707
Net Non-Operating Income / (Expenses)	<u>-</u>	<u>1,066,077,812</u>
Reorganization Expenses		
Legal and Professional Fees (6)	84,286	67,019,877
Other Reorganization Expense	-	4,982,566
Total Reorganization Expenses	<u>84,286</u>	<u>72,002,443</u>
Net Income / (Loss) Before Income Taxes	<u>(247,152)</u>	<u>978,269,116</u>
Federal and State Income Tax Expense / (Benefit) (7)	-	(294,853)
NET INCOME / (LOSS)	<u>\$ (247,152)</u>	<u>\$ 978,563,969</u>

(1) Accumulated Totals include all revenue and expenses since the petition date.

(2) Accumulated total includes approximately \$4.5 million of \$30.5 million in certain Owner Trust residual interest distributions that may require bankruptcy court ruling to resolve ownership issues. To be conservative, the Company has not recorded a \$26.0 million receivable or the related income.

(3) Accumulated total reflects amortization of derivatives.

(4) Accumulated total includes a \$812,915 settlement with ADCO Trust Parties related to Thornburg Mortgage Securites Trust 2007-3 claims, a \$23.5 million settlement with RBS Defendants related to various financing and derivative transactions, a \$30.125 million settlement with RBC Capital Markets, LLC related to margin calls and the liquidation of collateral held for 2007 repurchase transactions, a \$23 million settlement with Barclays Capital related to margin calls and the liquidation of collateral held for 2007 repurchase transactions, a settlement with Goldman, Sachs & Co. related to margin calls and the liquidation of collateral held for 2008 repurchase transactions, a \$40,000 settlement with SS&C Technologies, Inc. to recover prepetition transfers, a \$.9 million loss from the settlement with respect to the mortgage loan purchased from Luxury Mortgage Corp., a \$4.3 million class action settlement distribution from Wells Fargo Mortgage-Backed Certificate Litigation, a \$3 million payment under Zuni Joint Prosecution Agreement related to settlement with Countrywide Home Loans, Inc. and Bank of America, a \$6.5 million settlement from SAF Financial, et al., a \$100 thousand settlement from Big Tree, Inc., an approximately \$1 million settlement from Bank of America, an \$8 million gain on the reorganization of Adfitech, Inc., a \$3.9 million gain on the servicing portfolio, a \$3.3 million loss

incurred on the whole loan liquidation and a \$3.9 million gain on cancellation of auction swaps agreements by CSFB and RBS as reported in each entity's respective bankruptcy claim filings.

- (5) On October 26, 2018, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement and release agreement between the Trustee and RBS Defendants was approved. As part of the terms of the settlement, the parties exchanged mutual releases and the RBS Defendants Proof of Claim will be disallowed.
- (6) Beginning April 2015, fees and expenses for the Trustee's Counsel include fees incurred in the connection with all matters with the exception of Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties). With respect to fees and expenses incurred in connection with Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties), compensation is subject to the Court's Order Approving (In Part) Trustee's Application [Dkt. No. 2120] for Authority to Employ Special Litigation Counsel and to Make Limited Modification to the Terms of the Existing Retention Order for Counsel to the Trustee which is found at [Dkt. No. 2191] (the "Retention Order"). Accruals and payments to The Trustee's Counsel are based on monthly applications for interim compensation and reimbursement of expenses incurred.
- (7) In early January 2010, the Trustee signed a Consent Agreement with the Internal Revenue Service to change TMST, Inc.'s method of accounting related to the reporting of taxable income associated with REMIC regular interests. Due to the large 2009 operating losses for TMST, Inc. no tax liability was incurred. For tax year 2010, the Trustee was advised TMST, Inc. no longer qualified as a REIT and filed a consolidated return. Due to prior net operating losses, no tax liability was incurred in 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018 or 2019.

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DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787Form 2-E
SUPPORTING SCHEDULESMay 1, 2020 to May 31, 2020**POST PETITION TAXES PAYABLE SCHEDULE**

	<u>Beginning Balance</u>	<u>Amount Accrued</u>	<u>Amount Paid</u>	<u>Date Paid</u>	<u>Check Number</u>	<u>Ending Balance</u>
Income Tax Withheld						
Federal	\$ -	5,595	\$ 5,595	5/7/2020	Wire	\$ -
		5,595	5,595	5/21/2020	Wire	-
						-
State	-	1,375	1,375	5/7/2020	Wire	-
		1,375	1,375	5/21/2020	Wire	-
						-
FICA Tax Withheld	-	2,340	2,340	5/7/2020	Wire	-
		2,340	2,340	5/21/2020	Wire	-
						-
Employer's FICA Tax	-	2,340	2,340	5/7/2020	Wire	-
		2,340	2,340	5/21/2020	Wire	-
						-
Unemployment Tax						
Federal	-		-			-
			-			-
State	-		-			-
			-			-
						-
Sales, Use & Excise Taxes	-					-
Property Taxes	-					-
Accrued Income Tax						
Federal	-					-
State	-					-
TOTALS	<u>\$ -</u>	<u>\$ 23,298</u>	<u>\$ 23,298</u>			<u>\$ -</u>

INSURANCE SCHEDULE

	<u>Carrier</u>	<u>Amount of Coverage</u>	<u>Expiration Date</u>	<u>Premiums Paid Through</u>
Workers' Compensation	The Cincinnati Insurance Co.	\$ 500,000/incident	8/1/2020	8/1/2020
General Liability	The Cincinnati Insurance Co.	\$ 1,000,000/incident	8/11/2020	8/11/2020
Property (Fire, Theft) (1)	N/A			
Vehicle (1)	N/A			
Directors & Officers (Excess)	N/A			
Directors & Officers (Primary)	N/A			
Trustee Surety Bond	Liberty Mutual Insurance Company	\$ 86,000,000	10/28/2020	10/28/2020

(1) Commercial Property and Vehicle coverage are included in the General Liability Commercial Package policy.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-E

SUPPORTING SCHEDULES

For Period: 5/1/2020 to 5/31/2020**ACCOUNTS RECEIVABLE AND POST PETITION PAYABLE AGING**

<u>Due</u>	<u>Accounts Receivable (1)</u>	<u>Post Petition Accounts Payable (2)</u>
Under 30 days	\$ 10,000	\$ 233,889
30 to 60 days	-	130,159
61 to 90 days	-	172,620
91 to 120 days	-	16,327
Over 120 days	-	3,593,275
Unavailable	191,008 (3)	
Total Post Petition	201,008	
Pre Petition Amounts	119,258 (3)	
Total Accounts Receivable	320,266	
Less: Bad Debt Reserve	-	
Net Accounts Receivable (to Form 2-C)	<u>\$ 320,266</u>	
	Total Post Petition Accounts Payable	<u>\$ 4,146,270</u>

(1) See Exhibit B for Accounts Receivable Aging

(2) See Exhibit C for Accounts Payable Aging

(3) Receivable amounts include balances due from multiple mortgage loan holders. Aging of the balances due is not available.

SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS

	<u>Month-end Retainer Balance</u>	<u>Current Month's Accrual</u>	<u>Paid in Current Month</u>	<u>Date of Court Approval</u>	<u>Month-end Balance Due * (1)</u>
Debtor's Counsel (2)	\$ -	\$ -	\$ -		\$ -
Debtor's Special Counsel (3)	-	-	-		-
Creditors' Committee's Counsel	100,000	8,424	7,503		75,368
Unsecured Creditors' Financial Advisor	-	-	-		10,591
Chapter 11 Trustee (4)	-	-	-		3,500,000
Trustee's Counsel (5)	-	117,500	187,048		409,815
Trustee's Financial Advisor	-	5,000	11,928		20,522
Trustee's Tax Advisor (6)	-	-	176,061		9,492
Trustee's Consultant	-	-	-		17,483
Claims Agent	-	1,115	1,209		1,115
Total	<u>\$ 100,000</u>	<u>\$ 132,039</u>	<u>\$ 383,749</u>		<u>\$ 4,044,385</u>

* Balance due to include fees and expenses incurred but not yet paid.

(1) Includes estimates for amounts that may be due to professionals for which an invoice for services had not been received.

(2) Retainer Balance, net of outstanding fees, was returned to TMST, Inc. on August 3, 2010

(3) Orrick, Herrington & Sutcliffe LLP is no longer Debtors' Special Counsel. The balance due became the subject of an adversary proceeding filed against Orrick, Herrington & Sutcliffe LLP and other related parties. On March 05, 2012, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement of all claims asserted against SAF Financial, Inc., Orrick, Herrington & Sutcliffe LLP, Thornburg Mortgage Advisory Corporation and other individual defendants, was approved. As a result of the settlement, the Defendants made a Settlement Payment of \$6.5 million to TMST, Inc. The Settlement Payment includes payment of various amounts by all of the Defendants, including the return by Orrick of a \$334,533 retainer, the return by Orrick of \$163,818 TMST paid for post-petition services, and a waiver by Orrick of \$449,718 in unpaid fees and expenses incurred post-petition for which it was not paid.

(4) Chapter 11 Trustee commission is an estimate based on time spent performing the Trustee function at customary rates and accumulated disbursements. The actual commission awarded is subject to Bankruptcy Court approval and will vary from the estimate.

(5) Beginning April 2015, fees and expenses for the Trustee's Counsel include fees incurred in the connection with all matters with the exception of Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties). With respect to fees and expenses incurred in connection with Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties), compensation is subject to the Court's Order Approving (In Part) Trustee's Application [Dkt. No. 2120] for Authority to Employ Special Litigation Counsel and to Make Limited Modification to the Terms of the Existing Retention Order for Counsel to the Trustee which is found at [Dkt. No. 2191] (the "Retention Order"). Accruals and payments to The Trustee's Counsel are based on monthly applications for interim compensation, special litigation counsel fees, and reimbursement of expenses incurred.

(6) The Chapter 11 Trustee was authorized to retain KPMG LLP to provide tax compliance and consulting services on May 26, 2010 pursuant to their February 26, 2010 engagement letter. Payments for services rendered prior to February 28, 2010 are reported pursuant to the Ordinary Course Professional Compensation Procedures.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-E

SUPPORTING SCHEDULES

For Period: 5/1/2020 to 5/31/2020**SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES****

Payee Name	Position	Nature of Payment	Amount
N/A			

**List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer or director.

Rev. 4/2008

Form 2-F
DISBURSEMENT SUMMARY
For the Month Ended: May 31, 2020

QUARTERLY DISBURSEMENT CALCULATION

1. Disbursements made in calendar quarter

	TMST, Inc.	TMST Hedging Strategies, Inc.
April 2020	\$ 335,494	\$ -
May 2020	537,554	-
June 2020	-	-
Quarterly Total	\$ 873,048	\$ -

	TMST Home Loans, Inc.	TMST Acquisition Subsidiary, Inc.
April 2020	\$ -	\$ -
May 2020	-	-
June 2020	-	-
Quarterly Total	\$ -	\$ -

FEE SCHEDULE

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 or more	1% of quarterly disbursements or \$250,000, whichever is less.
\$15,000 to \$74,999.....	\$650		
\$75,000 to \$149,999.....	\$975		
\$150,000 to \$224,999.....	\$1,625		
\$225,000 to \$299,999.....	\$1,950		
\$300,000 to \$999,999.....	\$4,875		

Interest will be assessed on Chapter 11 quarterly fees not paid by the end of the month following the end of the calendar quarter pursuant to 31 U.S.C. Sec. 3717. The interest rate assessed is the rate in effect as determined by the Treasury Department at the time the account becomes past due.

Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]

System: 6/9/2020 6:27:11 PM
User Date: 6/9/2020

TMST, Inc. f/k/a Thornburg Mor
RECONCILIATION POSTING JOURNAL
Bank Reconciliation

Page: 1
User ID: nvelasco

Audit Trail Code: CMADJ00000263
Checkbook ID: TMA
Description: New Mexico Bank & Trust

Bank Statement Ending Balance: \$6,001,440.34
Bank Statement Ending Date: 5/1/2020
Cutoff Date: 5/31/2020

Statement Ending Balance	\$6,001,440.34
Outstanding Checks (-)	\$88,781.36
Deposits in Transit (+)	\$0.00

Adjusted Bank Balance	\$5,912,658.98

Checkbook Balance as of Cutoff	\$5,912,658.98
Adjustments	\$0.00

Adjusted Book Balance	\$5,912,658.98

Difference	\$0.00
	=====

System: 6/9/2020 6:27:13 PM
 User Date: 6/9/2020

TMST, Inc. f/k/a Thornburg Mor
 OUTSTANDING TRANSACTIONS REPORT
 Bank Reconciliation

Page: 1
 User ID: nvelasco

Checkbook ID: TMA
 Description: New Mexico Bank & Trust
 Sorted By: Type

Type	Number	Date	Paid To/Rcvd From	Trx Amount
CHK	9319	5/29/2020	American Stock Transfer & Trus	(\$1,468.80)
CHK	9320	5/29/2020	Crystal Springs	(\$17.26)
CHK	9321	5/29/2020	FedEx	(\$75.10)
CHK	9322	5/29/2020	Midcon Data Services	(\$2,654.83)
CHK	9323	5/29/2020	Epiq Corporate Restructuring L	(\$1,208.50)
CHK	9324	5/29/2020	TBConsulting	(\$51,919.00)
CHK	9325	5/29/2020	Iron Mountain Information Mana	(\$860.73)
CHK	9326	5/29/2020	AT&T TeleConferenceServices	(\$48.32)
CHK	9327	5/29/2020	Bloomberg LP	(\$7,319.53)
CHK	9328	5/29/2020	Legility	(\$14,892.50)
CHK	9329	5/29/2020	Crumbacher Business Systems In	(\$19.81)
CHK	9330	5/29/2020	First Interstate Plaza	(\$6,861.04)
CHK	9331	5/29/2020		(\$29.98)
CHK	9332	5/29/2020	CenturyLink	(\$1,280.96)
CHK	9333	5/29/2020	Lantana Communications	(\$125.00)

15 Transaction(s)

Totals:

Number of Payments	15
Amount of Payments	\$88,781.36
Number of Deposits	0
Amount of Deposits	\$0.00



BANK & TRUST

1301 Central Avenue | Dubuque, IA 52001

Statement Ending 05/31/2020

Page 1 of 4

RETURN SERVICE REQUESTED

TMST INC
DIP CASE # 09 17787
125 LINCOLN AVE STE 100
SANTA FE NM 87501-2052

Managing Your Accounts



New Mexico Bank & Trust

Customer Care
Center:

877-280-1856



Mailing:

P.O. Box 1048
Albuquerque, NM
87103-1048

Website:

www.NMB-T.com

Summary of Accounts

Account Type	Account Number	Ending Balance
BUSINESS ANALYSIS CHECKING	XXXXXXX2822	\$6,001,440.34

BUSINESS ANALYSIS CHECKING-XXXXXX2822

Account Summary

Date	Description	Amount
05/01/2020	Beginning Balance	\$6,547,634.94
	4 Credit(s) This Period	\$226.15
	25 Debit(s) This Period	\$546,420.75
05/31/2020	Ending Balance	\$6,001,440.34

Other Credits

Date	Description	Amount
05/26/2020	WIRE IN GSR-2005-AR4 #60012	\$30.26
05/26/2020	WIRE IN GSR-2005-AR7 #60014	\$58.35
05/26/2020	WIRE IN THORNBURG MORTGAGE SEC #60030	\$54.58
05/26/2020	WIRE IN OCWEN LOAN SERVICING L #60038	\$82.96
		4 item(s) totaling \$226.15

Other Debits

Date	Description	Amount
05/06/2020	WIRE OUT ADP CLIENT TRUST #60022	\$21,270.13
05/07/2020	WIRE OUT ADP CLIENT TRUST #60016	\$11,649.21
05/08/2020	WIRE OUT SHAPIRO SHER #60094	\$87,216.12
05/08/2020	WIRE OUT SUSMAN GODFREY #60096	\$85,690.97
05/08/2020	WIRE OUT GT #60098	\$2,953.44
05/08/2020	WIRE OUT SHAPIRO SHER #60100	\$14,141.20
05/08/2020	WIRE OUT GT #60104	\$8,974.98
05/08/2020	WIRE OUT TYDINGS #60106	\$3,744.00
05/08/2020	WIRE OUT FAVOR QUINN EMANUEL U #60108	\$3,758.85
05/08/2020	WIRE OUT KPMG #60110	\$176,060.51
05/20/2020	WIRE OUT ADP CLIENT TRUST #60074	\$21,270.09
05/21/2020	WIRE OUT ADP CLIENT TRUST #60030	\$11,649.25
		12 item(s) totaling \$448,378.75

Checks Cleared

Check Nbr	Date	Amount	Check Nbr	Date	Amount	Check Nbr	Date	Amount
9305	05/04/2020	\$2,812.65	9307	05/07/2020	\$2,654.83	9309	05/05/2020	\$15.64
9306	05/04/2020	\$4,680.10	9308	05/05/2020	\$51,996.50	9310	05/05/2020	\$76.39

BUSINESS ANALYSIS CHECKING-XXXXXX2822 (continued)**Checks Cleared (continued)**

Check Nbr	Date	Amount	Check Nbr	Date	Amount	Check Nbr	Date	Amount
9311	05/04/2020	\$876.92	9314	05/04/2020	\$1,280.96	9318	05/11/2020	\$11,658.46
9312	05/06/2020	\$69.06	9316*	05/06/2020	\$166.95			
9313	05/06/2020	\$14,892.50	9317	05/06/2020	\$6,861.04			

* Indicates skipped check number

13 item(s) totaling \$98,042.00

Daily Balances

Date	Amount	Date	Amount	Date	Amount
04/30/2020	\$6,547,634.94	05/07/2020	\$6,428,332.06	05/21/2020	\$6,001,214.19
05/04/2020	\$6,537,984.31	05/08/2020	\$6,045,791.99	05/26/2020	\$6,001,440.34
05/05/2020	\$6,485,895.78	05/11/2020	\$6,034,133.53		
05/06/2020	\$6,442,636.10	05/20/2020	\$6,012,863.44		

WEALTH ADVISORY SERVICES

Your Portfolio Summary

Activity Summary

	This Period (\$)	Year to Date (\$)
Beginning Market Value	51,811,580.92	51,609,358.62
Cash & Security Transfers	0.00	0.00
Contributions	0.00	0.00
Income & Capital Gain Distributions	151,469.44	430,842.80
Fees	0.00	-19,359.57
Withdrawals	0.00	-1,524.56
Change in Account Value	-150,421.55	-206,688.48
Market Value on May 31, 2020	\$51,812,628.81	\$51,812,628.81

Income Earned

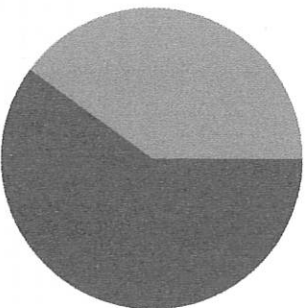
	This Period (\$)	Year to Date (\$)
Taxable Income	151,469.44	430,842.80
Tax-Exempt Income	0.00	0.00
Tax-Deferred Income	0.00	0.00
Total Income Earned	\$151,469.44	\$430,842.80
Total ST Realized Capital Gain/Loss	\$0.00	\$0.00
Total LT Realized Capital Gain/Loss	\$0.00	\$0.00
Total Realized Capital Gain/Loss	\$0.00	\$0.00

This summary is for your reference. It is not intended for tax-reporting purposes. Taxable income is taxable at the federal level and may be taxable at the state level.

Asset Allocation on May 31, 2020

	Market Value (\$)	Percent
■ Fixed Income	31,242,305.12	60%
■ Cash and Cash Equivalents	20,570,323.69	40%
Total of Your Portfolio	\$51,812,628.81	100%

Pending Transactions could include the following: overdrawn portfolios, transactions after the last sweep at the end of the month, and securities that are classified as liabilities or that have a negative market value.



WEALTH ADVISORY SERVICESOverview of Your Account **1650 TMST Inc. DIP Case 09 17787 Custodial Account****Activity Summary**

	This Period (\$)	Year to Date (\$)
Beginning Market Value	51,811,580.92	51,609,358.62
Cash & Security Transfers	0.00	0.00
Contributions	0.00	0.00
Income & Capital Gain Distributions	151,469.44	430,842.80
Fees	0.00	-19,359.57
Withdrawals	0.00	-1,524.56
Change in Account Value	-150,421.55	-206,688.48
Market Value on May 31, 2020	\$51,812,628.81	\$51,812,628.81

Income Earned

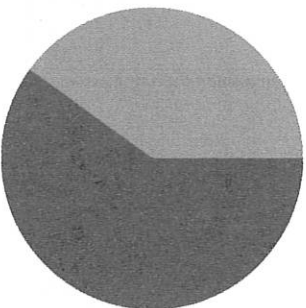
	This Period (\$)	Year to Date (\$)
Taxable Income	151,469.44	430,842.80
Tax-Exempt Income	0.00	0.00
Tax-Deferred Income	0.00	0.00
Total Income Earned	\$151,469.44	\$430,842.80
Total ST Realized Capital Gain/Loss	\$0.00	\$0.00
Total LT Realized Capital Gain/Loss	\$0.00	\$0.00
Total Realized Capital Gain/Loss	\$0.00	\$0.00

This summary is for your reference. It is not intended for tax-reporting purposes. Taxable income is taxable at the federal level and may be taxable at the state level.

Asset Allocation on May 31, 2020

	Market Value (\$)	Percent
■ Fixed Income	31,242,305.12	60%
■ Cash and Cash Equivalents	20,570,323.69	40%
Total of Your Account	\$51,812,628.81	100%

Pending Transactions could include the following: overdrawn portfolios, transactions after the last sweep at the end of the month, and securities that are classified as liabilities or that have a negative market value.



WEALTH ADVISORY SERVICES

Your Asset Summary on May 31, 2020

	Market Value	Cost Basis	Unrealized Gain or Loss	Estimated Annual Income	Yield at Market	% of Account
1650 TMST Inc. DIP Case 09 17787 Custodial Account						
Fixed Income	31,242,305.12	31,255,545.19	-13,240.07	0.00		60.30%
Cash and Cash Equivalents	20,570,323.69	20,570,950.22	-626.53	45.71		39.70%
Total for	1650 TMST Inc. DIP Case 09	\$51,812,628.81	\$51,826,495.41	-\$13,866.60	\$45.71	100.00%
17787 Custodial Account						

WEALTH ADVISORY SERVICES

Your Portfolio Holdings on May 31, 2020

	Number of Shares	Share Price	Market Value	Cost Basis	Unrealized Gain or Loss	Est. Ann. Inc. / Yield at Market	% of Account
Fixed Income							
Taxable							
United States Treasury Bill Zero 25 Jun 2020	31,245,000.00	99.9914	31,242,305.12	31,255,545.19	-13,240.07	0.00	60.30%
CUSIP: 912796UA5							
Total Taxable			\$31,242,305.12	\$31,255,545.19	-\$13,240.07	\$0.00	60.30%
Total Fixed Income			\$31,242,305.12	\$31,255,545.19	-\$13,240.07	\$0.00	60.30%
Cash and Cash Equivalents							
Cash and Cash Equivalents							
Heartland - Wide Savings	45,711.64	1.00	45,711.64	45,711.64	0.00	45.71	0.09%
CUSIP: HTLFMM001						0.10%	
United States Treasury Bill Zero 19 Nov 2020	20,540,000.00	99.9251	20,524,612.05	20,525,238.58	-626.53	0.00	39.61%
CUSIP: 9127963A5							
Total Cash and Cash Equivalents			\$20,570,323.69	\$20,570,950.22	-\$626.53	\$45.71	39.70%
Total Cash and Cash Equivalents			\$20,570,323.69	\$20,570,950.22	-\$626.53	\$45.71	39.70%
Total For Your Portfolio			\$51,812,628.81	\$51,826,495.41	-\$13,866.60	\$45.71	100.00%



WEALTH ADVISORY SERVICES

1650 TMST Inc. DIP Case 09 17787 Custodial Account
May 1, 2020 - May 31, 2020

Your Transaction Detail

Trade Date	Transaction Description	Amount	Realized G/L
1650 TMST Inc. DIP Case 09 17787 Custodial Account			
Corporate Actions/Income			
<i>Dividends</i>			
May 1, 2020	Daily Rate Income on Heartland - Wide Savings For Period of 04/01/20 to 04/30/20 Due on 05/01/20	12.71	0.00
May 1, 2020	Daily Rate Income on Heartland - Wide Savings For Period of 04/01/20 to 04/30/20 Due on 05/01/20	0.19	0.00
	Total Dividends	\$12.90	\$0.00
<i>Interest</i>			
May 21, 2020	Final Maturity 1 USD United States Treasury Bill Zero 21 May 2020 For 20,525,000.00 Par Value Due on 05/21/20 With Ex Date 05/21/20	151,456.54	0.00
	Total Interest	\$151,456.54	\$0.00
<i>Other</i>			
May 21, 2020	Final Maturity 1 USD United States Treasury Bill Zero 21 May 2020 For 20,525,000.00 Par Value Due on 05/21/20 With Ex Date 05/21/20	20,373,543.46	0.00
May 21, 2020	Final Maturity 100:100 Debit 20,525,000.00 United States Treasury Bill Zero 21 May 2020 For 20,525,000.00 Par Value of United States Treasury Bill Zero 21 May 2020 Due on 05/21/20 With Ex Date 05/21/20	0.00	0.00
	Total Other	\$20,373,543.46	\$0.00
	Total Corporate Actions/Income	\$20,525,012.90	\$0.00
<i>Purchases</i>			
May 26, 2020	Purchase 20,540,000.00 Par Value of United States Treasury Bill Zero 19 Nov 2020 @ 99.93%	-20,525,238.58	0.00
	Total Purchases	-\$20,525,238.58	\$0.00
<i>Other</i>			
May 21, 2020	Periodic Fee Invoice - Payment Due 6476.46 USD will be Invoiced for this account, Wealth Advisory Fee: 6476.46 USD		0.00
	Total Other	\$0.00	\$0.00
<i>Cash Sweep Activity</i>			
May 31, 2020	Sweep purchases totaling 12.71 units of Heartland - Wide Savings for Cash (Capital) (1 Transactions)	-12.71	0.00
May 31, 2020	Sweep sales totaling -20,525,238.58 units of Heartland - Wide Savings for Directed (Capital) (1 Transactions)	20,525,238.58	0.00

WEALTH ADVISORY SERVICES

1650 TMST Inc. DIP Case 09 17787 Custodial Account
May 1, 2020 - May 31, 2020

Your Transaction Detail (continued)

Trade Date	Transaction Description	Amount	Realized G/L
1650 TMST Inc. DIP Case 09 17787 Custodial Account (Continued)			
Cash Sweep Activity (Continued)			
May 31, 2020	Sweep purchases totaling 20,525,000.19 units of Heartland - Wide Savings for Directed (Capital) (2 Transactions)	-20,525,000.19	0.00
Total Cash Sweep Activity			
		\$225.68	\$0.00
Total 1650 TMST Inc. DIP Case 09 17787 Custodial Account			
		\$0.00	\$0.00



WEALTH ADVISORY SERVICES

1650 TMST Inc. DIP Case 09 17787 Custodial Account
May 1, 2020 - May 31, 2020

For Your Information

The information provided herein is general in nature and is not intended to be nor should be construed as specific investment, legal or tax advice. The factual information has been obtained from sources believed to be reliable, but is not guaranteed as to accuracy or completeness. Wealth Advisory Services makes no warranties with regard to the information or results obtained by its use and disclaims any liability arising out of your use of, or reliance on, it. Products offered through Wealth Advisory Services are not FDIC insured, are not bank guaranteed and may lose value.

For accounts where New Mexico Bank & Trust or Arizona Bank & Trust is acting as trustee, a beneficiary may not commence a proceeding against the trustee for breach of trust more than one year after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.

Mutual Fund Fees

Unless agreed upon otherwise, assets in our Wealth Advisory Services accounts may be invested in mutual funds. As part of our overall relationship with some of the fund companies, Wealth Advisory Services may provide certain record-keeping services for which the fund company pays us a shareholder service fee of, generally, 20 basis points (.2%) of net assets invested. There is no direct charge to you as a result of this arrangement. It is paid out of the administrative fees otherwise retained by the mutual fund company and does not adversely affect your performance.

For some accounts containing mutual funds, Wealth Advisory Services enters into agreements with companies that provide trading platforms to facilitate the efficient processing of mutual fund trades. This arrangement may result in the payment of fees from the fund companies generated by the transactions and holdings processed through the platform. The amount of the fees can range from 0 to 25 basis points. Since they are paid out of the administrative fees otherwise retained by the mutual fund company, they, too, will not adversely affect the performance of the fund.

Please contact your advisor should you have questions related to the calculation and payment of fees for your account.

Heartland-wide Savings

As a fiduciary we are obligated to keep funds productive. To do so we utilize an affiliated-bank deposit account to automatically sweep uninvested cash, awaiting investment. This allows our client's to earn interest daily on these funds at a competitive rate of return, until a more permanent investment solution is determined. If applicable, you will see this sweep account identified as HTLFMM001 on your statement.

Asset Allocation Review

As year-end approaches, it's a good time for you to review the investments in your account(s). The "Your portfolio summary", "Overview of your account" and "Your asset summary" sections in the most recent statement will provide you a snapshot of how your account is invested on the last day of the statement period. The asset allocation on that date including asset classes, values and percentages are also included.

Thank you for permitting us to provide financial planning, investment management, or trust services to you and your family.



1301 Central Avenue | Dubuque, IA 52001

Statement Ending 05/31/2020

Page 1 of 2

RETURN SERVICE REQUESTED

THORNBURG MORTGAGE INC
UTILITY ACCOUNT
DIP CASE #09-17787
2300 N RIDGETOP RD
SANTA FE NM 87506-8361

Managing Your Accounts

New Mexico Bank & Trust

Customer Care
Center:

877-280-1856



Mailing:

P.O. Box 1048
Albuquerque, NM
87103-1048

Website:

www.NMB-T.com

Summary of Accounts

Account Type	Account Number	Ending Balance
NON PERS PREMIUM MONEY MARKET	XXXXXX1807	\$5,541.72

NON PERS PREMIUM MONEY MARKET-XXXXXX1807**Account Summary**

Date	Description	Amount
05/01/2020	Beginning Balance	\$5,541.67
	1 Credit(s) This Period	\$0.05
	0 Debit(s) This Period	\$0.00
05/31/2020	Ending Balance	\$5,541.72

Interest Summary

Description	Amount
Interest Paid This Period	\$0.05
Interest Paid Year-to-Date	\$0.71

Other Credits

Date	Description	Amount
05/29/2020	INTEREST PAID	\$0.05
		1 item(s) totaling \$0.05

Daily Balances

Date	Amount	Date	Amount
04/30/2020	\$5,541.67	05/29/2020	\$5,541.72



BANK & TRUST

1301 Central Avenue | Dubuque, IA 52001

Statement Ending 05/31/2020

Page 1 of 2

RETURN SERVICE REQUESTED

TMST HOME LOANS INC
DIP CASE # 09 17787
125 LINCOLN AVE STE 100
SANTA FE NM 87501-2052

Managing Your Accounts



New Mexico Bank & Trust

Customer Care
Center:

877-280-1856



Mailing:

P.O. Box 1048
Albuquerque, NM
87103-1048

Website:

www.NMB-T.com

Summary of Accounts

Account Type	Account Number	Ending Balance
BUSINESS ANALYSIS CHECKING	XXXXXXX2954	\$1,198.38

BUSINESS ANALYSIS CHECKING-XXXXXXX2954

Account Summary

Date	Description	Amount
05/01/2020	Beginning Balance	\$1,198.38
	0 Credit(s) This Period	\$0.00
	0 Debit(s) This Period	\$0.00
05/31/2020	Ending Balance	\$1,198.38

Daily Balances

Date	Amount
04/30/2020	\$1,198.38



1301 Central Avenue | Dubuque, IA 52001

Statement Ending 05/31/2020

Page 1 of 2

RETURN SERVICE REQUESTED

TMST HOME LOANS INC
DIP CASE # 09 17787
125 LINCOLN AVE STE 100
SANTA FE NM 87501-2052

Managing Your Accounts

New Mexico Bank & Trust

Customer Care
Center:

877-280-1856



Mailing:

P.O. Box 1048
Albuquerque, NM
87103-1048

Website:

www.NMB-T.com

Summary of Accounts

Account Type	Account Number	Ending Balance
BUSINESS ANALYSIS CHECKING	XXXXXXX2989	\$793.73

BUSINESS ANALYSIS CHECKING-XXXXXX2989**Account Summary**

Date	Description	Amount
05/01/2020	Beginning Balance	\$1,187.88
	0 Credit(s) This Period	\$0.00
	1 Debit(s) This Period	\$394.15
05/31/2020	Ending Balance	\$793.73

Other Debits

Date	Description	Amount
05/08/2020	ADP PAYROLL FEES ADP - FEES GS ADVISORS, LLC 10414 3215305	\$394.15

1 item(s) totaling \$394.15

Daily Balances

Date	Amount	Date	Amount
04/30/2020	\$1,187.88	05/08/2020	\$793.73



BANK & TRUST

1301 Central Avenue | Dubuque, IA 52001

Statement Ending 05/31/2020

Page 1 of 2

RETURN SERVICE REQUESTED

TMST HEDGING STRATEGIES INC
DIP CASE # 09 17787
125 LINCOLN AVE STE 100
SANTA FE NM 87501-2052

Managing Your Accounts



New Mexico Bank & Trust

Customer Care
Center:

877-280-1856



Mailing:

P.O. Box 1048
Albuquerque, NM
87103-1048

Website:

www.NMB-T.com

Summary of Accounts

Account Type	Account Number	Ending Balance
BUSINESS ANALYSIS CHECKING	XXXXXX5856	\$446,396.00

BUSINESS ANALYSIS CHECKING-XXXXXX5856

Account Summary

Date	Description	Amount
05/01/2020	Beginning Balance	\$446,396.00
	0 Credit(s) This Period	\$0.00
	0 Debit(s) This Period	\$0.00
05/31/2020	Ending Balance	\$446,396.00

Daily Balances

Date	Amount
04/30/2020	\$446,396.00



BANK & TRUST

1301 Central Avenue | Dubuque, IA 52001

Statement Ending 05/31/2020

Page 1 of 2

RETURN SERVICE REQUESTED

TMST INC
125 LINCOLN AVE STE 100
SANTA FE NM 87501-2052

Managing Your Accounts



New Mexico Bank & Trust

Customer Care
Center:

877-280-1856



Mailing:

P.O. Box 1048
Albuquerque, NM
87103-1048

Website:

www.NMB-T.com

Summary of Accounts

Account Type	Account Number	Ending Balance
BUSINESS ANALYSIS CHECKING	XXXXXXX2842	\$4,000,002.00

BUSINESS ANALYSIS CHECKING-XXXXXXX2842

Account Summary

Date	Description	Amount
05/01/2020	Beginning Balance	\$4,000,002.00
	0 Credit(s) This Period	\$0.00
	0 Debit(s) This Period	\$0.00
05/31/2020	Ending Balance	\$4,000,002.00

Daily Balances

Date	Amount
04/30/2020	\$4,000,002.00



THE BANK OF
NEW YORK MELLON
The Bank of New York Mellon
Trust Company, N.A.

THORNBURG-CS LIQUIDITY FD AC
Account 9638
December 31, 2013

00014238

PAGE 1 OF 4

SUMMARY OF ASSETS HELD

	MARKET VALUE	TOTAL COST	ACCRUED INCOME	EST ANN INCOME	% A/C
FIXED INCOME INVESTMENTS	1,001.76	1,001.76	.00	.10	99.91
CASH	.47	.47	.00	.00	.04
ACCOUNT TOTALS	\$1,002.23	\$1,002.23	\$.00	\$.10	100.00
TOTAL MARKET VALUE PLUS TOTAL ACCRUED INCOME	\$1,002.23				



THE BANK OF
NEW YORK MELLON
The Bank of New York Mellon
Trust Company, N.A.

THORNBURG-CS LIQUIDITY FD CASH AC
Account 9639
December 31, 2013

00014261

PAGE 1 OF 4

IMMEDIATELY OF ASSETS HELD

	MARKET VALUE	TOTAL COST	ACCRUED INCOME	EST ANN INCOME	% A/C
ASH	.00	.00	.00	.00	
ACCOUNT TOTALS	\$.00	\$.00	\$.00	\$.00	100.00
MARKET VALUE PLUS TOTAL ACCRUED INCOME	\$.00				

SUNTRUST BANK
PO BOX 305183
NASHVILLE TN 37230-5183



05/31/2020
0000

Account Statement

JOEL I SHER CHAPTER 11 TRUSTEE
FOR TMST INC
CASE # 09-17787
JOEL I SHER-SHAPIRO SHER GUINOT SANDL
250 W PRATT ST STE 2000
BALTIMORE MD 21201-6814

Questions? Please call
1-800-786-8787

Keep your SunTrust Accounts safer.
Use unique usernames and passwords for your online bank accounts.
It's best not to recycle the same username and password on multiple websites where you
have an online profile - especially your financial accounts.
Also, try to avoid characters from your email, phone number, birthdate or other personal information.

Account Summary	Account Type	Account Number	Statement Period
	PRIMARY BUSINESS CHECKING	9681	05/01/2020 - 05/31/2020

Description	Amount	Description	Amount
Beginning Balance	\$10,856,005.65	Average Balance	\$10,856,005.65
Deposits/Credits	\$.00	Average Collected Balance	\$10,856,005.65
Checks	\$.00	Number of Days in Statement Period	31
Withdrawals/Debits	\$.00		
Ending Balance	\$10,856,005.65		

Overdraft Protection	Account Number	Protected By
	9681	Not enrolled
For more information about SunTrust's Overdraft Services, visit www.suntrust.com/overdraft .		

Balance Activity History	Date	Balance	Collected Balance
	05/31	10,856,005.65	10,856,005.65

The Ending Daily Balances provided do not reflect pending transactions or holds that may have been outstanding when your transactions posted that day. If your available balance wasn't sufficient when transactions posted, fees may have been assessed.

TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.
Accounts Receivable
As of May 31, 2020

Exhibit B

Post Petition	Date	Amount	Under 30 days	30 to 60 days	61 to 90 days	91 to 120 days	Over 120 days	Unavailable
Borrower Escrow Advance Balance	(1) Various	180,117	-	-	-	-	-	180,117
Borrower Corporate Advance Balance	(1) Various	10,828	-	-	-	-	-	10,828
Borrower Inspection Fees	(1) Various	63	-	-	-	-	-	63
New Mexico Bank & Trust	5/31/2020	10,000	10,000	-	-	-	-	-
Total Post Petition Accounts Receivable		<u>\$ 201,008</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,008</u>

Pre Petition	Date	Amount
Borrower Escrow Advance Balance	(1) Various	119,108
Borrower Inspection Fees	(1) Various	150
Total Pre Petition Accounts Receivable		<u>\$ 119,258</u>

(1) Receivable amounts include balances due from multiple mortgage loan holders. Aging of the balances due is not available.

TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.
Post Petition Accounts Payable
As of May 31, 2020

Exhibit C

Vendor	Date	Amount	Under 30 days	30 to 60 days	61 to 90 days	91 to 120 days	Over 120 days
Chapter 11 Trustee_Joel I. Sher	11/30/09	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	12/31/09	75,000	-	-	-	-	75,000
Quinn Emanuel Urquhart Oliver & Hedges	12/31/09	60,000	-	-	-	-	60,000
Chapter 11 Trustee_Joel I. Sher	01/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	02/28/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	03/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	04/30/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	05/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	06/30/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	07/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	08/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	09/30/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	10/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	11/30/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	12/31/10	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	01/31/11	75,000	-	-	-	-	75,000
J.H. Cohn LLP	01/31/11	3,749	-	-	-	-	3,749
Chapter 11 Trustee_Joel I. Sher	02/28/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	03/31/11	75,000	-	-	-	-	75,000
J.H. Cohn LLP	03/31/11	1,737	-	-	-	-	1,737
Chapter 11 Trustee_Joel I. Sher	04/30/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	05/31/11	75,000	-	-	-	-	75,000
J.H. Cohn LLP	05/31/11	1,664	-	-	-	-	1,664
Chapter 11 Trustee_Joel I. Sher	06/30/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	07/31/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	08/31/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	09/30/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	10/31/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	11/30/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	12/31/11	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	01/31/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	02/29/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	03/31/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	04/30/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	05/31/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	06/30/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	07/31/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	08/31/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	09/30/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	10/31/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	11/30/12	75,000	-	-	-	-	75,000
Chapter 11 Trustee_Joel I. Sher	12/31/12	75,000	-	-	-	-	75,000
Broadsolutions, LLC	01/31/13	6,563	-	-	-	-	6,563
Chapter 11 Trustee_Joel I. Sher	01/31/13	75,000	-	-	-	-	75,000
Cohnreznick LLP (f/k/a J.H. Cohn LLP)	01/31/13	3,441	-	-	-	-	3,441
Broadsolutions, LLC	02/28/13	4,935	-	-	-	-	4,935
Chapter 11 Trustee_Joel I. Sher	02/28/13	75,000	-	-	-	-	75,000
Broadsolutions, LLC	03/31/13	5,985	-	-	-	-	5,985

TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.
Post Petition Accounts Payable
As of May 31, 2020

Exhibit C

Vendor	Date	Amount	Under 30 days	30 to 60 days	61 to 90 days	91 to 120 days	Over 120 days
Chapter 11 Trustee Joel I. Sher	03/31/13	75,000	-	-	-	-	75,000
Chapter 11 Trustee Joel I. Sher	04/30/13	75,000	-	-	-	-	75,000
Chapter 11 Trustee Joel I. Sher	05/31/13	75,000	-	-	-	-	75,000
Chapter 11 Trustee Joel I. Sher	06/30/13	75,000	-	-	-	-	75,000
Chapter 11 Trustee Joel I. Sher	07/31/13	75,000	-	-	-	-	75,000
Chapter 11 Trustee Joel I. Sher	08/31/13	75,000	-	-	-	-	75,000
Chapter 11 Trustee Joel I. Sher	09/30/13	50,000	-	-	-	-	50,000
Grant Thornton LLP	01/31/20	955	-	-	-	-	955
Shapiro Sher Guinot & Sandler	01/31/20	2,675	-	-	-	-	2,675
Tydings & Rosenberg LLP	01/31/20	1,572	-	-	-	-	1,572
Grant Thornton LLP	02/29/20	738	-	-	-	738	-
Shapiro Sher Guinot & Sandler	02/29/20	1,495	-	-	-	1,495	-
Susman Godfrey L.L.P.	02/29/20	14,093	-	-	-	14,093	-
Grant Thornton LLP	03/31/20	7,903	-	-	7,903	-	-
Shapiro Sher Guinot & Sandler	03/31/20	90,027	-	-	90,027	-	-
Susman Godfrey L.L.P.	03/31/20	70,731	-	-	70,731	-	-
Tydings & Rosenberg LLP	03/31/20	3,960	-	-	3,960	-	-
Grant Thornton LLP	04/30/20	5,927	-	5,927	-	-	-
KPMG	04/30/20	9,492	-	9,492	-	-	-
Shapiro Sher Guinot & Sandler	04/30/20	45,973	-	45,973	-	-	-
Susman Godfrey L.L.P.	04/30/20	67,356	-	67,356	-	-	-
Tydings & Rosenberg LLP	04/30/20	1,412	-	1,412	-	-	-
American Stock Transfer & Trust	05/26/20	1,165	1,165	-	-	-	-
Crumbacker Business Systems Inc.	05/31/20	129	129	-	-	-	-
Epiq Bankruptcy Solutions, LLC	05/31/20	1,115	1,115	-	-	-	-
Grant Thornton LLP	05/31/20	5,000	5,000	-	-	-	-
Iron Mountain Information Management	05/31/20	861	861	-	-	-	-
Legility	05/31/20	14,893	14,893	-	-	-	-
Quinn Emanuel Urquhart Oliver & Hedges	05/31/20	1,500	1,500	-	-	-	-
Shapiro Sher Guinot & Sandler	05/31/20	47,465	47,465	-	-	-	-
Susman Godfrey L.L.P.	05/31/20	70,000	70,000	-	-	-	-
TBCConsulting	05/31/20	51,919	-	-	-	-	-
Tydings & Rosenberg LLP	05/31/20	6,924	6,924	-	-	-	-
Payroll Accrual	05/31/20	32,919	32,919	-	-	-	-
Post Petition Accounts Payable		<u>\$ 4,146,270</u>	<u>\$ 233,889</u>	<u>\$ 130,159</u>	<u>\$ 172,620</u>	<u>\$ 16,327</u>	<u>\$ 3,593,275</u>

NOTE: Includes estimates for amounts that may be due to professionals for which an invoice for services had not been received. Amounts asserted by vendors may be subject to adjustments and bankruptcy court approval.

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al. CASE NO: 09-17787

Exhibit D

For Period Ending May 31, 2020

**EXPLANATORY STATEMENT
RESERVATION OF RIGHTS AND GLOBAL FOOTNOTES
FOR MONTHLY OPERATING REPORT**

The Trustee reserve all rights to dispute the amount, allowance, priority, treatment and/or secured or other status of any and all claims against the Debtors or their estates referred to herein. The Trustee reserve the right to (a) amend and supplement this Monthly Operating Report from time to time, and (b) assert any and all potential claims and causes of action of the Debtors' estates regardless of whether such claim or cause of action is identified herein.

Any values presented are not and should not be deemed to be an admission, representation or waiver with respect to the actual value of any asset or amount of any liability or claim. The actual realizable value and/or fair market value of assets, liabilities and claims may differ significantly from the values presented.

The Trustee prepared this Monthly Operating Report with the assistance of his financial advisor, Goldin Associates, LLC ("Goldin"), based upon the information available to date. This Monthly Operating Report does not purport to present financial statements in accordance with Generally Accepted Accounting Principles, and the information contained herein has not been subjected to audit or review by Goldin or any other party on behalf of the Trustee.

This Explanatory Statement, Reservation of Rights and Global Footnotes is hereby incorporated by reference into, and comprises an integral part of, the Debtors' Monthly Operating Report and should be referred to and considered in connection with any review of the report.