

(Trustee's Fourth Status Report)

**DEBORAH C. MENOTTE
Federal Bankruptcy Trustee
Southern District of Florida**

**Post Office Box 211087
West Palm Beach, FL 33421
E-Mail: dmenotte@gmail.com**

December 31, 2013

Re: CLSF III/IV, Inc., Debtor (and all related/consolidated cases)
Case No. 12-30081-BKC-EPK, et al

Dear Investors and Potential Creditors:

Below is an update as to the status of these cases since my November 22, 2013 report.

IMPORTANT !! REGARDING YOUR INVESTMENT

DEADLINE TO FILE CLAIMS:

The Court entered an Order on December 19, 2013 (ECF No. 650) – Copy of Order posted on website under “Pleadings/Court Filings” which extends the date for filing proofs of claim until **March 3, 2014**. This means that your completed and signed Proof of Claim **must be received no later than 4:00 p.m. on March 3, 2014 by the Clerk of the Bankruptcy Court at the address below**. The prior final date of January 30, 2014 has been extended.

The instructions on how to fill out your Proof of Claim form are contained in the November 22, 2013 status report that can be found on the website. A blank proof of claim form can be found on the website or you may e-mail the office of the Trustee's counsel at kgoins@bergersingerman.com and have a form e-mailed to you. The address of the Bankruptcy Court where your completed and signed Proof of Claim form should be sent is:

United States Bankruptcy Court
Attn.: Clerk of Court
Flagler Waterview Building
1515 North Flagler Drive, 8th Floor
West Palm Beach, FL 33401

EVERYONE MUST FILE THEIR OWN PROOF OF CLAIM:

MQIC filed a motion with the Court seeking permission for one claim to be filed and stand for all members of MQIC. That motion was DENIED.

You must file your own Proof of Claim!! PLEASE include your email address on the proof of claim form so that we have it for our records.

Please review Trustee's Third Status Report which gives instructions on filing your claims. The proof of claim form is also available on the website. The **Proof of Claim form** is available under Tab "Links".

EMAIL ADDRESSES: We have previously requested that all investors/claimants provide an email address to the Trustee and agree to accept service of pleadings regarding this case by email rather than regular mail. Email service rather than regular mail service will not only get you important updates and Court documents quicker, but it will save this case money! Every time we have to do a mass mailing to those who have not contacted us to accept email service it only increases the expenses for copies and postage that come off the top of any monies available for payment to creditors. So far only about one-half of the investors have provided us with their email addresses. We are trying to save the estate money!! And we are trying to get you service of Court documents in the most expeditious and cost effective way. PLEASE contact lclloyd@bergersingerman.com by email and agree to accept service by way of email.

Please review the Order posted on the website under Pleadings/Court Filings ECF#419 paragraph 5 which explains and gives details as to accepting service by way of email. Your cooperation in this regard would be appreciated.

SALE AND MARKETING OF POLICIES:

The Trustee filed a motion (ECF No. 646) requesting authorization to sell an insurance policy with a face value of \$4,000,000.00 to Midwest Fund I, LLC for the purchase price of \$1,150,000.00, or such higher and better offer as may be received by the Trustee. Any higher and better offers for the sale of this insurance policy are to be received by the Trustee by 5:00 p.m. on January 8, 2014. The hearing to consider the motion is scheduled for January 9, 2014 at 11:00 a.m.

GENERAL ONGOING CASE ACTIVITIES:

The Trustee continues to investigate the recovery of assets for the benefit of all creditors, and the Trustee expects to pursue other litigation claims for the benefit of the estates.

Sincerely,

/s/

Deborah C. Menotte