

## Prosecution Presents known false Exhibit 81

### Accounting system issues were known to have interfered with McGladrey & Pullen's ability to reconcile insurer payables, leading to irrelevant and inaccurate net positions

The number produced by McGladrey & Pullen, and used by the prosecution in spite of knowledge that it was incomplete and inaccurate, reflect only 50% of insurer payables being reconciled. **This can affect the total by several million dollars.**

The Exhibit is presented with critical flaws:

- no working papers or referenced or attached
- no indication of preparer
- false proffer as to ownership of CD's, no work papers
- \$77M accounts payable proven known false and impossible
- Total and correct accounting data unavailable due to computer crash one week prior
- \*Inability of computer software to reconcile insurance receivables and payables
- Government exhibits 350, 351, 83, 343, and 342 are shown to be impossible and in contradiction

#### Near North Insurance Brokerage, Chicago

##### Trust Calculation

10/19/99 (Millions)

Gross Insured Receivables (Net Estimated Commissions)	46.80
Unapplied Cash Receipts	(1.80)
Premium Trust Cash (Net Outstanding Checks)	2.50
CDs - Held Personally and by NN	5.70
<b>Total Insured Receivables and Premium Trust Cash and Investments</b>	<b>53.20</b>
<b>Gross Carrier Payables</b>	<b>77.00</b>
<b>NET TRUST POSITION</b>	<b>(23.80)</b>