

substantial amounts of the proceeds from the sales of the securities to meet TFC's operating expenses; (viii) created phony receivables to misrepresent the true financial ability to repay Bonds; and (ix) agreed from the outset of the SEC's investigation to take whatever steps they deemed necessary to obstruct that investigation and conceal their criminal activities.

60. Beginning in the early 1990's, approximately one hundred (100) lawsuits, including, but not limited to, the cases listed below, were filed in the District Court of the Southern District of New York against Hoffenberg and TFC in connection with the TFC Ponzi Scheme:

1:89-cv-0 1689-RO	Foti v. Towers Financial Corp.	filed 03/13/89	closed 01/04/90
1:92-cv-08998-SS	United Air Fleet v. Hoffenberg, et al	filed 12/14/92	closed 11/16/93
1:93-cv-00810-WK-AJP	Gold, et al v. Towers Financial, et al	filed 02/10/93	closed 01/05/00
1:93-cv-00855-WK-KAR	Field v. Twrs Financial Corp., etl	filed 02/11/93	closed 10/31/95
1:93-cv-00987-WK	Ziegler v. Twrs Financial Corp., et al	filed 02/19/93	closed 01/05/00
1:93-cv-0 1045-WK	Izzo v. Towers Financial, et al	filed 02/23/93	closed 01/05/00
1:93-cv-01047-WK	Batten, et al v. Towers Financial, et al	filed 02/23/93	closed 01/05/00
1:93-cv-01094-WK	Casey, et al v. Twrs Financial Corp., et al	filed 02/25/93	closed 01/05/00
1:93-cv-0 1095-WK	Leibman, et al v. Towers Financial, et al	filed 02/25/93	closed 01/05/00
1:93-cv-01155-WK	Penner v. Towers Financial, et al	filed 03/01/93	closed 01/05/00
1:93-cv-0 1303-WK	Thorn, et al v. Twrs Financial Corp., et al	filed 03/04/93	closed 01/05/00
1:93-cv-01543-WK	Siudmak, et al v. Towers Financial, et al	filed 03/12/93	closed 01/05/00
1:93-cv-01686-WK-KAR	Bank Of Cape Verde v. TFC Funding Corp., eta	filed 03/17/93	closed 03/10/97
1:93-cv-04449-WK	Dinsmore v. Towers Financial, et al	filed 06/30/93	closed 08/19/98
1:94-cv-00619-WK-KAR	Davis v. Hoffenberg, et al	filed 02/01/94	closed 08/02/00
1:94-cv-00724-WK	Rothman v. Hoffenberg	filed 02/04/94	closed 08/02/00
1:94-cv-00725-WK	General Retirement, et al v. Hoffenberg, et al	filed 02/04/94	closed 04/30/98
1:94-cv-00814-WK	Izzo, et al v. Hoffenberg, et al	filed 02/08/94	closed 08/02/00
1:94-cv-02727-WK	Amer. Int'l. Lines, et al v. Towers Financial, et al	filed 04/14/94	closed 11/30/98
1:94-cv-09344-WK-AJP	Sheridan, et al v. Hoffenberg, et al	filed 12/29/94	closed 06/26/96
1:96-cv-04656-MGC	Cohen, et al v. Hoffenberg, et al	filed 06/21/96	closed 06/28/96
1:96-cv-05125-PKL	Cohen, et al v. Hoffenberg, et al	filed 07/08/96	closed 07/15/96
1:93-cv-01080-WK-KAR	Shawmut Bank v. Towers Financial, et al	filed 02/25/93	closed 03/18/98
1:94-cv-0 1792-WK	Shawmut Bank Conn. v. Hoffenberg, et al	filed 03/15/94	closed 08/02/00
1:90-cv-00056-LBS	Sahlen & Assoc. v. Towers Financial Cor	filed 01/04/90	closed 12/10/90
1:88-cv-09178-RWS	Associated Dry Goods v. Towers Financial	filed 12/28/88	closed 03/06/91
1:93-cv-00992-WK	Riviera v. Towers Financial, et al	filed 02/11/93	closed 01/05/00
1:93-cv-0 1543-WK	Siudmak, et al v. Towers Financial, et al	filed 03/12/93	closed 01/05/00
1:93-cv-04449-WK	Dinsmore v. Towers Financial, et al	filed 06/30/93	closed 08/19/98
1:91-cv-05231-LJF	Superstock, Inc. v. Towers Fin. Corp., et al	filed 08/01/91	closed 04/28/92
1:93-cv-00961-WK	Murphy, et al v. Twrs Financial Corp., et al	filed 02/18/93	closed 03/24/97
1:93-cv-0 1927-WK	Von Stange v. Twrs Financial Corp., et al	filed 03/24/93	closed 02/21/97

61. Pursuant to *Hoffenberg* and the Sentencing Opinion, the victims of the TFC Ponzi Scheme include over 200,000 individuals, who are directly or indirectly the Noteholders and Bondholders of TFC, and are entitled to \$475,157,340, plus interest, which now totals approximately one billion dollars (\$1,000,000,000).