

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA

UNITED STATES SECURITIES)	
AND EXCHANGE COMMISSION,)	
)	
Plaintiff,)	Civil Action No.
)	IP00-1265 C
KENNETH R. PAYNE,)	
JOHANN M. SMITH,)	
DANIEL G. BANKER, CONSTANCE)	Judge J.D. Tinder
BROOKS-KIEFER,)	
HEARTLAND FINANCIAL SERVICES,)	
INC., AND JMS INVESTMENT)	
GROUP, LLC.)	
)	
Defendants.)	

**RECEIVERS MOTION FOR AUTHORITY TO LIQUIDATE
PUBLIC PARTNERSHIP UNITS OF PLM INVESTMENT MANAGEMENT, INC.**

James A. Knauer, Receiver for Heartland Financial Services, Inc. (“Heartland”) and JMS Investment Group, LLC. (“JMS”), in support of his motion for authority to liquidate public partnership units states:

1. The Receivership has partnership units in a public partnership named PLM Investment Management, Inc. owned by Heartland Financial Services, Inc. and Kenneth R. Payne¹.
2. The partnership units are extremely illiquid and not traded on any public securities exchange.
3. The Receiver has located a private marketing firm named Partnership Marketing Co. that attempts to arrange sales of similar partnership units.
4. The Receiver desires to liquidate the partnership units by directing

¹ On July 5, 2001 the Court expanded the Receiver’s authority to include the assets of Kenneth R. Payne.

Partnership Marketing Co. to sell the units on behalf of the Receiver, deduct reasonable sales charges and remit the balance to the Receiver to be held pursuant to further order of the Court.

5. Partnership Marketing Co. indicates the partnership units can be sold for approximately One Thousand Eight Hundred Fifty-Five Dollars (\$1,855.00).

THEREFORE, the Receiver requests that the Court approve the liquidation of the public partnership units of PLM Investment Management Inc. owned by Heartland Financial Services, Inc. and Kenneth R. Payne and for all other proper relief.

KROGER, GARDIS & REGAS

/s/ James A. Knauer
James A. Knauer, Receiver
Attorney #5436-49

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing has been served upon the following parties by placing a copy of the same in the United States Mail, first class postage pre-paid, on this 9 day of May, 2006.

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Kara M. Washington
Jeannette L. Lewis
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/s/ James A. Knauer
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