

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

JAMES A. KNAUER as the Court Appointed )  
Receiver for HEARTLAND )  
FINANCIAL SERVICES, INC., JMS )  
INVESTMENT GROUP, LLC, ATLAS )  
INCOME FUND, LLC, BMC INVESTMENT ) CASE NO: IP00-1862-C-T/G  
GROUP, LLC, DOLPHIN INTERNATIONAL )  
DEVELOPMENT, LTD., BELIZE ESCROW )  
SERVICES, HEARTLAND MONEY )  
MANAGEMENT OF FLORIDA, INC., )  
LINCOLN FIDELITY ESCROW SERVICES, )  
MDS INVESTMENT, INC., and 21<sup>ST</sup> )  
CENTURY INTERNATIONAL ADVISORS, )  
INC. )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
LESLIE REED, )  
 )  
Defendant. )

**AFFIDAVIT IN SUPPORT OF**  
**MOTION FOR SUMMARY JUDGMENT**

I, James A. Knauer, being duly sworn upon my oath, depose and state the following:

1. Your Affiant gives this Affidavit of his own personal knowledge, in his capacity as the court-appointed Receiver for Heartland Financial Services, Inc., JMS Investment Group, LLC, Atlas Income Fund, LLC, BMC Investment Group, LLC, Dolphin International Development, Ltd., Belize Escrow Services, Heartland Money Management of Florida, Inc., Lincoln Fidelity Services, MDS Investment, Inc. and 21<sup>st</sup> Century International Advisors, Inc.
2. Your Affiant is over the age of eighteen (18) years and is competent to testify to these facts.
3. In my capacity as Receiver, I have examined the financial records of Heartland Financial Services, Inc. and its affiliated companies (Heartland).
4. According to Heartland's financial records, Defendant Leslie Reed received the sum of \$20,000.00 as a retainer fee.

5. No services were required to be performed on behalf of Heartland by Defendant Leslie Reed.

6. Also according to Heartland's financial records, Defendant Leslie Reed received the sum of \$25,000.00 denominated as a loan to Defendant, which loan has not been repaid in whole or in part.

7. Demands have been made upon Defendant Leslie Reed to repay the sum of \$45,000.00, which demands have been refused.

Dated: 9/1/03

James A. Knauer  
James A. Knauer

STATE OF INDIANA        )  
                                  ) SS:  
COUNTY OF MARION     )

~~September~~ <sup>October</sup> Before me, a Notary Public in and for said County and State, this 2 day of ~~September~~, 2003, personally appeared James A. Knauer, who acknowledged that the foregoing statements are true.

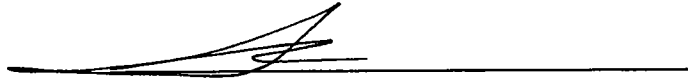
K. S. S. M.  
Karen L. Street, Notary Public  
Resident of Marion County  
My Commission Expires: 5-3-08



**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 2 day of ~~September~~<sup>Oct.</sup>, 2003:

Leslie Reed  
9924 Tudor Court  
Fishers, Indiana 46038



KROGER GARDIS & REGAS, LLP  
111 Monument Circle, Suite 900  
Indianapolis, Indiana 46204-5125  
(317) 692-9000

F:\COMMON\MERDOC\Heartland\summary judgment -reed\affidavit.wpd