

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:
LIFE FUND, 5.1, LLC, et al.¹
Debtor.

Chapter 11
Case No. 09-32672
Hon. A. Benjamin Goldgar

NOTICE OF FILING

To: See Attached Service List

PLEASE TAKE NOTICE that on September 29, 2009, we filed with the Clerk of the United States Bankruptcy Court for the Northern District of Illinois, *Limited Objection of Eric Boutté, as Trustee for the AB Revocable Living Trust, to Debtors' Motion Pursuant to 11 U.S.C. §363 to Borrow Against Cash Value of Insurance Policies to Pay Policy Premiums and Other Administrative Expenses of Bankruptcy Proceedings on Shortened Notice*, a copy of which is attached hereto and served upon you.

¹ The Debtors in these cases are A&O Life Fund, LLC (Case No. 09-32678), A&O Resource Management, LLC (Case No. 09-32677), A&O Bonded Life Settlement, LLC (Case No. 09-32681), A&O Bonded Life Assets, LLC (Case No. 09-32679); Life Fund, 5.2, LLC (Case No. 09-32674), and Houston Tanglewood Partners, LLC (Case No. 09-32676).

Dated: September 29, 2009

By: /s/ Michael M. Eidelman
Michael M. Eidelman

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a copy of *Limited Objection of Eric Boutté, as Trustee for the AB Revocable Living Trust, to Debtors' Motion Pursuant to 11 U.S.C. §363 to Borrow Against Cash Value of Insurance Policies to Pay Policy Premiums and Other Administrative Expenses of Bankruptcy Proceedings on Shortened Notice* to be filed with the Clerk of the United States Bankruptcy Court for the Northern District of Illinois, using the CM/ECF filing system, which caused a copy to be electronically mailed to the CM/ECF Participants on this 29th day of September 2009.

Dated: September 29, 2009

By: /s/ Michael M. Eidelman

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:

LIFE FUND, 5.1, LLC, et al.¹

Debtor.

Chapter 11

Case No. 09-32672

Hon. A. Benjamin Goldgar

**LIMITED OBJECTION OF ERIC BOUTTÉ, AS TRUSTEE FOR THE AB
REVOCABLE LIVING TRUST, TO DEBTORS' MOTION PURSUANT TO 11 U.S.C
§363 TO BORROW AGAINST CASH VALUE OF INSURANCE POLICIES TO PAY
POLICY PREMIUMS AND OTHER ADMINISTRATIVE EXPENSES OF
BANKRUPTCY PROCEEDINGS ON SHORTENED NOTICE**

Eric Boutté as Trustee for the AB Revocable Living Trust (the "Living Trust"), by his undersigned counsel, hereby files this Objection to the Debtors' Motion, Pursuant to 11 U.S.C. § 363, to Borrow Against Cash Value of Insurance Policies to Pay Policy Premiums and Other Administrative Expenses of Bankruptcy Proceedings on Shortened Notice (the "Debtors' Motion").²

Introduction

1. The Debtors' Motion seeks authority to borrow against the cash value of certain insurance policies that the Debtors/Chapter 11 Trustee claim are property of these estates pursuant to 11 U.S.C. § 541. Two of these policies, however, belong to the Living Trust and do not belong to the Debtors.³ In Exhibit B to the Debtors' Motion, the Debtors list, *inter alia*,

¹ The Debtors in these cases are A&O Life Fund, LLC (Case No. 09-32678), A&O Resource Management, LLC (Case No. 09-32677), A&O Bonded Life Settlement, LLC (Case No. 09-32681), A&O Bonded Life Assets, LLC (Case No. 09-32679); Life Fund, 5.2, LLC (Case No. 09-32674), and Houston Tanglewood Partners, LLC (Case No. 09-32676).

² Since the filing of the Debtors' Motion, the Debtors consented to the appointment of a Chapter 11 Trustee ("Chapter 11 Trustee"). The Living Trust understands that the Chapter 11 Trustee has adopted the Debtors' Motion and is now prosecuting same.

³ The third policy, Transamerica policy number 60134443 was later illegally transferred to yet another unrelated third party that is also not a debtor in these cases. See Exhibit B, at p. 8.

Transamerica Occidental Life Insurance Company (“Transamerica”) policy numbers 60134441 and 60134442. *See* Exhibit B to Debtors’ Motion, at Page 1, Line 2; Page 3, Line 7; Page 6, Line 5; and Page 7, Line 7. The Debtors claim that Transamerica policy number 60134441 is currently owned by both A&O Resource Management, Ltd. and Houston Tanglewood Partners, LLC, and that Transamerica policy number 60134442 is currently owned by both Life Fund 5.1, LLC and A&O Life Fund, LLC. *See id.* The Living Trust, however, is the rightful owner of Transamerica policy numbers 60134441 and 60134442.

Factual Background

2. In June 2006, the Living Trust purchased Transamerica policy numbers 60134441, 60134442, and 60134443 (collectively, the “Transamerica Policies”) from A&O Resource Management, Ltd. *See* Affidavit of Eric Boutté, at ¶3, attached hereto as Exhibit A. On or about June 29, 2006, Houston Tanglewood Partners, LLC (an affiliate of A&O Resource Management, Ltd.) assigned its ownership of the Transamerica Policies to the Living Trust. *See* Exhibit A, at ¶4.

3. Thereafter and unbeknownst to the Living Trust, the Transamerica Policies were fraudulently misappropriated. On or around February 8, 2007, without the knowledge or authorization of the Living Trust, purported assignments of the Transamerica Policies were made from the Living Trust to AB Revocable Living Fund, LLC (n/k/a Life Fund 5.2, LLC). *See* Exhibit A, at ¶5. Notwithstanding the similar names, the Living Trust (AB Revocable Living Trust) is not affiliated with this Debtor (AB Revocable Living Fund, LLC). In fact, Eric Boutté had never heard of AB Revocable Living Fund, LLC until learning of the unauthorized transfers in or around May and June of 2008. *See* Exhibit A, at ¶6.

4. Subsequently, in December 2007, AB Revocable Living Fund, LLC n/k/a Life Fund 5.2, LLC purportedly assigned its alleged ownership of the Transamerica Policies to A&O

Life Funds, LP. Importantly, A&O Life Funds, LP is *not* a debtor. *See* Transamerica's Answers to Interrogatories, at pp. 4 and 6, attached hereto as Exhibit B.

5. The Living Trust did not learn about these unauthorized transfers until May or June of 2008. *See* Exhibit A, at ¶6. Eric Boutté, Trustee of the Living Trust, never authorized the transfer of these policies from the Living Trust to *any* entity, and specifically not to AB Revocable Living Fund, LLC n/k/a Life Fund 5.2, LLC or A&O Life Funds, LP. *See* Exhibit A, at ¶7. The Living Trust filed suit against the Debtors and other parties on December 12, 2008 and is currently in litigation regarding the Transamerica Policies before the District Court of Harris County, Texas, 280th Judicial District, and the American Arbitration Association in Houston, Texas. *See* Exhibit A, at ¶8. Further, Transamerica agreed to place a hold on the policies at issue until the 280th District Court decides their proper legal owner. *See* Transamerica's Responses to Request for Disclosure from Plaintiff, at p. 3, attached hereto as Exhibit C.

Argument

6. This Court should not allow the Chapter 11 Trustee to borrow against the cash values of Transamerica policy numbers 60134441 or 60134442 because the Living Trust, not the Debtors, is the rightful owner of these policies.⁴

7. In addition, the records maintained by the issuer of the policy, Transamerica, evidences that A&O Life Funds, LP, which is *not* a Debtor in this bankruptcy action, is the current owner of these policies. *See* Exhibit B, at pp. 4 and 6.

⁴ While Debtors' Motion indicates that these policies are in danger of lapsing because of outstanding policy premiums, Transamerica agreed to notify the Living Trust of any issues with respect to the payment of premiums on the policies at issue so the Living Trust may take any necessary measures to protect the policies and keep them from lapsing.

8. In the alternative, if this Court allows the Chapter 11 Trustee to borrow against Transamerica policy numbers 60134441 and 60134442, the Court should require the Chapter 11 Trustee to separately segregate the Transamerica cash proceeds. The money borrowed against these two policies should be used *only* to pay the policy premiums for these two policies. The money borrowed should not be used to pay the premiums or expenses related to any other policy or the bankruptcy estates in general. Given the disputed ownership of these two policies, they should not be further encumbered by, or intertwined with, the numerous other policies listed in Exhibit B to the Debtors' Motion. In making this alternative argument, the Living Trust does not waive any ownership claims that it has to Transamerica policy numbers 60134441 and 60134442.

Conclusion

WHEREFORE, Eric Boutté, as Trustee for the AB Revocable Living Trust, respectfully objects to the Debtors' Motion and requests the following relief:

A. That this Court enter an Order preventing the Chapter 11 Trustee from borrowing against and/or utilizing in any way the cash surrender value available under Transamerica policy numbers 60134441 or 60134442;

B. That, in the alternative, this Court enter an Order authorizing the Chapter 11 Trustee to borrow against Transamerica policy numbers 60134441 and 60134442 separately from all other policies listed in Exhibit B to Debtors' Motion, and ordering that the money borrowed against Transamerica policy numbers 60134441 and 60134442 is to be used only to pay any outstanding and/or ongoing insurance premiums owed on Transamerica policy numbers 60134441 and/or 60134442, and for no other purpose; and

C. That this Court grant the Living Trust such other and further relief as is appropriate under the circumstances.

By: /s/ Michael M. Eidelman
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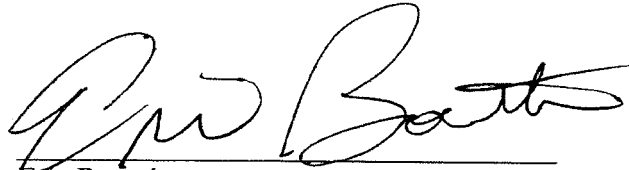
*Primary Counsel for Eric Boutté, as Trustee
for the AB Revocable Living Trust*

Exhibit A

litigation regarding the Transamerica policies before the District Court of Harris County, Texas, 280th Judicial District, and the American Arbitration Association in Houston, Texas.

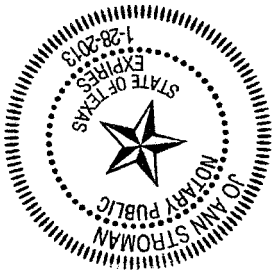
9. The Trust is the rightful owner of Transamerica policy numbers 60134441, 60134442, or 60134443.

10. Further Affiant Sayeth not.

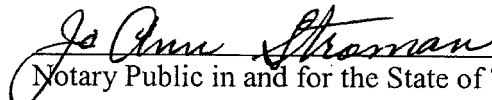


Eric Bouffé
Trustee of the AB Revocable Living Trust

Sworn to and subscribed before me this 28th day of September, 2009.



(SEAL)


Notary Public in and for the State of TEXAS

Print Name: JO ANN STROMAN

My Commission Expires: Jan 28, 2013

Exhibit B

CAUSE NO. 2008-73712

ERIC BOUTTÉ, AS TRUSTEE FOR
THE AB REVOCABLE LIVING
TRUST

Plaintiff

v.

RON T. PEOPLES, *et al.*,

Defendants

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IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

280th JUDICIAL DISTRICT

**DEFENDANT TRANSAMERICA OCCIDENTAL LIFE INSURANCE COMPANY'S
ANSWERS TO INTERROGATORIES AND RESPONSES AND OBJECTIONS TO
PLAINTIFF'S THIRD REQUEST FOR PRODUCTION**

To: Plaintiff Eric Boutté, as Trustee for the AB Revocable Living Trust, by and through his attorney of record, Tony Visage, Bracewell & Giuliani LLP, 711 Louisiana Street, Suite 2300, Houston, Texas 77002-2772.

Defendant Transamerica Occidental Life Insurance Company n/k/a Transamerica Life Insurance Company ("Transamerica") serves these Answers to Interrogatories and Responses and Objections to Plaintiff's Third Request for Production to Defendant Transamerica Occidental Life Insurance Company.

Respectfully submitted,

GIBBS & BRUNS, L.L.P.

By: 

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**ATTORNEYS FOR DEFENDANT TRANSAMERICA
OCCIDENTAL LIFE INSURANCE COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was sent to all counsel of record this 14th day of September 2009, as set forth below:

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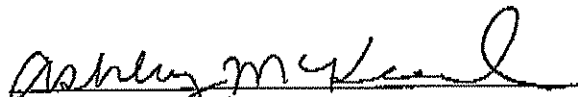
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Ashley McKeand

GENERAL OBJECTIONS

1. Transamerica objects to each request to the extent it seeks information protected by the attorney-client, work product, and/or joint defense/common interest privileges. Such information is considered to be privileged for purposes of these requests for production. Any such privileged information is being withheld from production where a specific privilege objection is made.
2. Transamerica objects to Plaintiff's First Set of Interrogatories and Third Request for Production to the extent they seek to impose obligations on or make requests of Transamerica not required by or in conformance with the Texas Rules of Civil Procedure. Transamerica will respond in accordance with the Texas Rules of Civil Procedure.
3. Transamerica objects to Plaintiff's Interrogatories and Requests for Production to the extent that they seek information concerning claims and matters not at issue in this action. Such requests are improperly broad in scope, unduly burdensome, designed to multiply expenses, and not reasonably calculated to lead to the discovery of admissible evidence and/or to produce information relevant to the subject matter of this action.
4. Transamerica objects to Plaintiff's Interrogatories and Requests for Production to the extent that they are vague, ambiguous, and lack the reasonable coherence necessary to permit a response.
5. Transamerica objects to Plaintiff's Interrogatories and Requests for Production to the extent that they are not limited to a reasonable or relevant time period.
6. Responsive documents, as set forth in Transamerica's Specific Responses and Objections, will be produced or made available for inspection at a mutually agreeable time and place to be agreed upon with Plaintiff.
7. Transamerica shall only produce records that are within its custody or control, and objects to any efforts to impose additional obligations. Transamerica objects to these requests to the extent they purport to require that Transamerica locate or obtain documents from third parties.
8. Transamerica objects to Instruction and Definition #8 to the extent that it deviates from Texas Rule of Civil Procedure 193.3. If properly requested, Transamerica will amend its privilege log in a manner that complies with Texas Rule of Civil Procedure 193.3.
9. Transamerica objects to Instruction and Definition #9 to the extent that it deviates from the Texas Rules of Civil Procedure and makes requests not authorized by the Texas Rules of Civil Procedure.
10. All of Transamerica's General Objections are incorporated by reference into each of their Specific Responses and Objections.

INTERROGATORY NO. 1:

Identify the person(s) that processed each ownership change and each beneficiary change for the Boseker policies from January 1, 2006 to present as well as the person(s) supervisors.

ANSWER:

Policy No. 60134441

ASSIGNMENTS TO TRANSFER OWNERSHIP					
Assignment Date	Assignment From	Assigned To	Recorded Date	Processor Name	Supervisor Name
3/1/2006	Jon W. Park, Trustee of the Boseker Family Irrevocable Life Insurance Trust dated 4/2/02	Robert Taurosa	3/3/2006	Jazayle Johnson	Amy Boden
5/11/2006	Robert Taurosa	Houston Tanglewood Partners, LLC	5/22/2006	Jennifer Embree	Amy Boden
6/29/2006	Houston Tanglewood Partners, LLC	AB Revocable Living Trust [Eric Boutté, Trustee]	8/11/2006	Jazayle Johnson	Pamela Elliot
2/8/2007	AB Revocable Living Trust [Eric Boutté, Trustee]	AB Revocable Living Fund, LLC	2/27/2007	Adam Wilson	Pamela Elliot
12/17/2007	AB Revocable Living Fund, LLC	A & O Life Funds, LP	1/8/2008	Diana Becicka	Mary Powers

BENEFICIARY DESIGNATIONS					
Designation Dates	Old Beneficiary	New Beneficiary	Recorded Date	Processor Name	Supervisor Name
3/2/2006	Jon W. Park, Trustee of the Boseker Family Irrevocable Life Insurance Trust dated 4/2/02	Robert Taurosa	3/3/2006	Jazayle Johnson	Amy Boden
5/10/2006	Robert Taurosa	Houston Tanglewood Partners, LLC	5/22/2006	Jennifer Embree	Amy Boden
2/8/2007	Houston Tanglewood Partners, LLC	AB Revocable Living Fund, LLC	2/27/2007	Adam Wilson	Pamela Elliot
1/9/2008	AB Revocable Living Fund, LLC	A & O Life Funds, LP	1/16/2008	Diana Becicka	Mary Powers

Policy No. 60134442

ASSIGNMENTS TO TRANSFER OWNERSHIP					
Designation Date	Assigned From	Assigned To	Recorded Date	Processor Name	Supervisor Name
3/1/2006	Jon W. Park, Trustee of the Boseker Family Irrevocable Life Insurance Trust dated 4/2/02	Robert Taurosa	3/3/2006	Jazayle Johnson	Amy Boden
6/19/2006	Robert Taurosa	Houston Tanglewood Partners, LLC	7/18/2006	Adam Wilson	Pamela Elliot
6/29/2006	Houston Tanglewood Partners, LLC	AB Revocable Living Trust [Eric Boutté, Trustee]	8/11/2006	Jazayle Johnson	Pamela Elliot
2/8/2007	AB Revocable Living Trust [Eric Boutté, Trustee]	AB Revocable Living Fund, LLC	3/2/2007	Marcella Aldaco	Pamela Elliot
12/17/2007	AB Revocable Living Fund, LLC	A & O Life Funds, LP	1/17/2008	Deb Barchard	Mary Powers

BENEFICIARY DESIGNATIONS					
Designation Dates	Old Beneficiary	New Beneficiary	Recorded Date	Processor Name	Supervisor Name
3/2/2006	Jon W. Park, Trustee of the Boseker Family Irrevocable Life Insurance Trust dated 4/2/02	Robert Taurosa	3/3/2006	Jazayle Johnson	Amy Boden
6/18/2006	Robert Taurosa	Houston Tanglewood Partners, LLC	7/18/2006	Adam Wilson	Pamela Elliott
2/8/2007	Houston Tanglewood Partners, LLC	AB Revocable Living Fund, LLC	3/2/2007	Marcella Aldaco	Pamela Elliot
1/11/2008	AB Revocable Living Fund, LLC	A & O Life Funds, LP	1/17/2008	Deb Barchard	Mary Powers

Policy No. 6014443

ASSIGNMENTS TO TRANSFER OWNERSHIP					
Assignment Date	Assigned From	Assigned To	Recorded Date	Processor Name	Supervisor Name
3/1/2006	Jon W. Park, Trustee of the Boseker Family Irrevocable Life Insurance Trust dated 4/2/02	Robert Taurosa	3/3/2006	Jazayle Johnson	Amy Boden
6/19/2006	Robert Taurosa	Houston Tanglewood Partners, LLC	8/11/2006	Jazayle Johnson	Pamela Elliot
6/29/2006	Houston Tanglewood Partners, LLC	AB Revocable Living Trust [Eric Boutté, Trustee]	8/12/2006	Jazayle Johnson	Pamela Elliot
2/8/2007	AB Revocable Living Trust [Eric Boutté, Trustee]	AB Revocable Living Fund, LLC	2/27/2007	Jennifer M. Nicholls	Pamela Elliot
11/29/2007	AB Revocable Living Fund, LLC	AB Revocable Living Fund, LLC & Lawyers Escrow and Trust Co., LLC	12/7/2007	Dave Kea	Mary Powers
11/29/2007	AB Revocable Living Fund, LLC	AB Revocable Living Fund, LLC & Lawyers Escrow and Trust Co., LLC	12/21/2007	Deb Barchard	Mary Powers
1/15/2008	AB Revocable Living Fund, LLC	Lawyers Escrow and Trust Co., LLC	1/24/2008	Kimberly Arduser	Mary Powers

BENEFICIARY DESIGNATIONS					
Designation Dates	Old Beneficiary	New Beneficiary	Recorded Date	Processor Name	Supervisor Name
3/2/2006	Jon W. Park, Trustee of the Boseker Family Irrevocable Life Insurance Trust dated 4/2/02	Robert Taurosa	3/3/2006	Jazayle Johnson	Amy Boden
6/18/2006	Robert Taurosa	Houston Tanglewood Partners, LLC	8/11/2006	Jazayle Johnson	Pamela Elliot
2/8/2007	Houston Tanglewood Partners, LLC	AB Revocable Living Fund, LLC	2/27/2007	Jennifer M. Nicholls	Pamela Elliot
11/30/2007	AB Revocable Living Fund, LLC	AB Revocable Living Fund, LLC (35%) & Lawyers Escrow and Trust Co., LLC (65%)	12/10/2007	Dave Kea	Mary Powers
2/14/2008	AB Revocable Living Fund, LLC (35%) & Lawyers Escrow and Trust Co., LLC (65%)	Lawyers Escrow and Trust Co., LLC	2/26/2008	Deb Barchard	Mary Powers

INTERROGATORY NO. 2:

Describe all fraud detection training that each person identified in Interrogatory No. 1 above received while employed by Transamerica.

ANSWER:

Transamerica objects to the term "fraud detection" because it is vague and overbroad. Subject to this objection, Transamerica responds as follows: Anti-Fraud Policies and Procedures are available to all employees on the company's intranet website. In addition, Transamerica has confirmed that all of the persons identified in Interrogatory No. 1 participated in an interactive computer-based anti-fraud training module and were provided written materials such as the Anti-Fraud Policies and Procedures and the Anti-Fraud Program At-A-Glance.

INTERROGATORY NO. 3:

Describe all actions taken by Transamerica after receiving the letter from Eric Boutté produced as Transamerica 002766.

ANSWER:

Transamerica objects to this request because it is vague and overbroad. Transamerica further objects to this request to the extent that it calls for information protected by the attorney-client and work product privileges. Subject to these objections, Transamerica responds as follows: Mr. Boutté's letter was sent to Transamerica's SIU Compliance department. Deb Novak, SIU Compliance Coordinator, retrieved and reviewed the files of each policy. Ms. Novak obtained the names of the persons who signed the transfer forms, and she requested a background investigation from Accurint on each person and reviewed the subsequent reports. Transamerica placed a hold on each policy and allowed no further changes to be made to the policies until the allegations were resolved. Ms. Novak communicated with Mr. Boutté. Ms. Novak sought advice of Transamerica counsel and turned the file over to the legal department. Attorneys for Transamerica communicated with numerous attorneys representing Mr. Boutté and the Trust. Transamerica provided these attorneys with requested documents. Transamerica provided Ms. Marcia Johnson, counsel for Mr. Boutté and the Trust, blank transfer forms. Ms. Johnson advised Transamerica that she was working with the other parties involved and was "going to try to have these policies transferred back to the trust."

INTERROGATORY NO. 4:

Identify all persons involved in investigating the allegations made by Eric Boutté in his letters to Transamerica produced as TA001630-1631 and TA003288-3294.

ANSWER:

Deb Novak and James Veach, who was an in-house attorney at Transamerica before his recent retirement.

REQUEST FOR PRODUCTION 1:

Produce any training materials regarding fraud detection that each person identified in Interrogatory No. 1 received from Transamerica.

Response:

Transamerica objects to this request because it is vague and overbroad. Subject to this objection, Transamerica will make available responsive, non-privileged documents in its possession, custody, and control at a time mutually agreed upon by the parties.

REQUEST FOR PRODUCTION 2:

Produce any documents, including, without limitation, any correspondence and reports, with any reinsurance companies relating to the Boseker policies.

Response:

Transamerica objects to this request because it is vague, overbroad, and not limited to a reasonable time frame. Transamerica also objects to this request because it seeks information not at issue in this action and is not reasonably calculated to lead to the discovery of admissible evidence and/or to produce information relevant to the subject matter of this action.

REQUEST FOR PRODUCTION 3:

Produce any documents, including, without limitation, any correspondence and reports, with any law enforcement agencies relating to the Boseker policies.

RESPONSE:

Transamerica objects to this request because it is vague, overbroad, and not limited to a reasonable time frame. Subject to this objection, after a diligent search, Transamerica has not identified any items that are responsive to this specific request.

REQUEST FOR PRODUCTION 5:

Produce all records showing the premium payment history on the Boseker insurance policies from January 1, 2005 to present date, including dates of payments, amounts of payments, and the person or entity that made the payments.

RESPONSE:

Transamerica objects to this request to the extent that it calls for the production of documents protected by the attorney-client or work product privileges. Documents are being withheld based on these privileges. Transamerica has previously produced non-privileged documents responsive to this request and is diligently searching for other responsive documents. Should additional responsive, non-privileged documents be found, Transamerica will make them available at a time mutually agreed upon by the parties.

REQUEST FOR PRODUCTION 6:

Produce all correspondence with and any documents provided to the Texas States Securities Board regarding Fox Financial Management, Inc., Fox Life Settlements 2007-A, Inc., and Lawyers Escrow and Trust Company, LLC, including, without limitation, any documents provided to the Board as indicated in document Bates labeled TA002353.

RESPONSE:

Transamerica objects to this request as overbroad. Transamerica has previously produced documents responsive to this request and is diligently searching for other responsive documents. Should additional responsive, non-privileged documents be found, Transamerica will make them available at a time mutually agreed upon by the parties.

REQUEST FOR PRODUCTION 7:

Produce Transamerica's investigation files relating to the Boseker policies, including, without limitation, the files of Deb Novak, SIU Compliance Coordinator.

RESPONSE:

Transamerica objects to this request to the extent that it calls for the production of documents protected by the attorney-client or work product privileges. Documents are being withheld based on these privileges. All privileged documents are listed on Transamerica's privilege logs. Transamerica previously produced all non-privileged documents and is diligently searching for other responsive documents. Should additional responsive, non-privileged documents be found, Transamerica will make them available at a time mutually agreed upon by the parties.

REQUEST FOR PRODUCTION 8:

Produce documents evidencing all owners of the policies from January 1, 2005 to the present date.

RESPONSE:

Transamerica has previously produced documents responsive to this request and is diligently searching for other responsive documents. Should additional responsive, non-privileged documents be found, Transamerica will make them available at a time mutually agreed upon by the parties.

REQUEST FOR PRODUCTION 9:

Produce all training materials relating to life settlements that each person identified in response to Interrogatory No. 1 received from Transamerica.

RESPONSE:

Transamerica objects to this request because it is vague and overbroad, particularly the use of the term "life settlements." For purposes of this request, Transamerica will assume that "life settlement" has the definition given to it in Section 1111.001 of the Texas Insurance Code. Subject to this objection, after a diligent search, Transamerica has not identified any items that are responsive to this request.

CAUSE NO. 2008-73712

ERIC BOUTTÉ, AS TRUSTEE FOR
THE AB REVOCABLE LIVING
TRUST

Plaintiff

v.

RON T. PEOPLES, *et al.*,

Defendants

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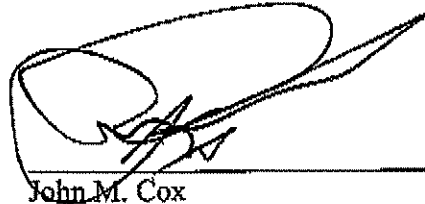
IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

280th JUDICIAL DISTRICT

VERIFICATION

BEFORE ME the undersigned notary, on this day appeared John M. Cox who is personally known to me, and who, after being duly deposed on oath did state that Defendant Transamerica's Answers to Interrogatories are true and correct to the best of his knowledge and belief.


John M. Cox

SUBSCRIBED AND SWORN TO BEFORE ME on this the 11 day of September, 2009, to certify which witness my hand and seal.

JACQUELINE BASS
Notary Public - Notary Seal
Jackson County
My Commission Expires: 9/29/2010
Commission #: 06998669


Notary Public

Exhibit C

Respectfully submitted,

GIBBS & BRUNS, L.L.P.

By: 

Barrett H. Reasoner
State Bar No. 16641980
Matthew D. Cooper
State Bar No. 24057810
Melissa Dion Marsh
State Bar No. 00795498
1100 Louisiana, Suite 5300
Houston, Texas 77002
Telephone: (713) 650-8805
Facsimile: (713) 750-0903
**ATTORNEYS FOR DEFENDANT
TRANSAMERICA OCCIDENTAL LIFE
INSURANCE COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was sent to all counsel of record this 7th day of July 2009, as set forth below:

Via Facsimile

Ralph D. McBride
Tony Visage
Bracewell & Giuliani LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002

Via Facsimile

Andrew T. McKinney
McKinney & Cooper, L.L.P.
Three Riverway, Suite 500
Houston, Texas 77056

Via Facsimile

William Brent Shellhorse
Bruce W. McGee
Whitaker, Chalk, Swindle & Sawyer, LLP
301 Commerce, Suite 2500
City Center II
Fort Worth, TX 76102

Via Facsimile

Phil Griffis
Barlow, Jones & Brust
17225 El Camino Real, Suite 400
Houston, Texas 77058



Melissa Dion Marsh

RESPONSES

REQUEST FOR DISCLOSURE NO. 194.2(a)

The correct names of the parties to the lawsuit.

RESPONSE:

Transamerica Occidental Life Insurance Company is now known as Transamerica Life Insurance Company ("Transamerica"). Transamerica has no reason to believe that the other parties to the lawsuit are not correctly named.

REQUEST FOR DISCLOSURE NO. 194.2(b)

The name, address and telephone number of any potential parties.

RESPONSE:

At this time, Transamerica is not aware of other potential parties.

REQUEST FOR DISCLOSURE NO. 194.2(c)

The legal theories and, in general, the factual bases of the responding party's claims or defenses (the responding party need not marshal all evidence that may be offered at trial).

RESPONSE:

Pursuant to its general denial in this lawsuit, Transamerica denies all of the allegations made against it by Plaintiff. Transamerica fully satisfied all applicable legal duties in connection with the transactions at issue in this lawsuit. After receiving the forms transferring ownership in the policies from Plaintiff, Transamerica promptly sent notice to Plaintiff at two different addresses, and Plaintiff did not respond. Once Plaintiff eventually notified Transamerica that it suspected a fraudulent transfer had occurred, Transamerica placed a hold on the policies at issue and will continue the hold until the Court decides the proper legal owner. As a consequence, Plaintiff has suffered no damage, even if its allegations against Transamerica were true (which they are not). Accordingly, Plaintiff's claims of negligence and gross negligence have no merit. Transamerica specifically reserves the right to amend this disclosure with additional affirmative defenses and/or counter or cross-claims as discovery progresses.

REQUEST FOR DISCLOSURE NO. 194.2(d)

The amount and any method of calculating economic damages.

RESPONSE:

Transamerica denies it is the cause of any economic damage Plaintiff may suffer and further contests any amount of economic damage Plaintiff may claim. Transamerica reserves the right to supplement this response in accordance with the Texas Rules of Civil Procedure as additional information becomes available.

REQUEST FOR DISCLOSURE NO. 194.2(e)

The name, address, and telephone number of person(s) having knowledge of relevant facts, and a brief statement of each identified person's connection with the case.

RESPONSE:

Representatives of Transamerica:

Deb Novak, SIU Compliance Coordinator. Ms. Novak investigated the allegations made by Eric Boutté in his letters to Transamerica previously produced as TA 001630-1631 and TA 003288-3294.

Representatives of Transamerica may be contacted by and through the attorney of record for Transamerica:

Barrett H. Reasoner
Matthew D. Cooper
Gibbs & Bruns LLP
1100 Louisiana, Suite 5300
Houston, Texas 77002

Other persons having knowledge of relevant facts:

Robert Taurosa. Mr. Taurosa is a previous owner of Transamerica Life Insurance policies 60134441, 60134442, and 60134443. Mr. Taurosa transferred the ownership of the policies to Houston Tanglewood Partners LLC. Mr. Taurosa's last known address is:

P. O. Box 670
Allenwood, NJ 08720
(732) 600-5779 or (732) 556-9021

or

3401 Shoreline Drive #1
Allenwood, NJ 08720

Chris Allmendinger, Vice President, Houston Tanglewood Partners LLC. Mr. Allmendinger is believed to have knowledge relating to the transfer of ownership of the life insurance policies at issue to Plaintiff, the AB Revocable Living Trust, and to have knowledge relating to the transfer of ownership of the policies from Plaintiff to the AB Revocable Living Fund. Mr. Allmendinger's last known address is:

209 Glenwood Drive
Houston, Texas 77007
713-869-3293

Mr. Allmendinger can be reached through his attorney of record:

Jason M. Ross
Curran Tomko Tarski LLP
2001 Bryan Street, Suite 2050
Dallas, Texas 75201
214-270-1400

Brent Oncale, Vice President, Houston Tanglewood Partners, LLC. Mr. Oncale is believed to have knowledge relating to the transfer of ownership of the Transamerica Life Insurance policies at issue to Plaintiff, the AB Revocable Living Trust, and to have knowledge relating to the transfer of ownership of the policies from Plaintiff to the AB Revocable Living Fund. Mr. Oncale's last known address is:

9125 Chatsworth Drive
Houston, Texas 77024
713-476-0459

Mr. Oncale can be reached through his attorney of record:

Thomas L. Taylor, III
Taylor Cuadrado P.C.
3200 Southwest Freeway, Suite 3300
Houston, Texas 77027
713-402-6174

Debbie Rademacher, Executive Assistant, Houston Tanglewood Partners, LLC. Ms. Rademacher witnessed Mr. Allmendinger's signature to the Assignment to Transfer Ownership form on behalf of Houston Tanglewood Partners transferring ownership of the Transamerica Life Insurance policies to Plaintiff, the AB Revocable Living Trust. Ms. Rademacher's last known address is:

8802 Grand Villa Lane
Richmond, Texas 77469
Phone number unknown at this time

Debbie Kelly, A&O Life Funds, L.P. Debbie Kelly is believed to have knowledge of the transfer of ownership of the Transamerica Life Insurance policies at issue from the AB Revocable Living Fund, LLC to AB Revocable Living Fund, LLC and Lawyers Escrow and Trust Co., LLC. Ms. Kelly's last known address is:

2 Riverway, Suite 1075
Houston, Texas 77056
713-965-9593

Melanie Humble, Lawyers Escrow and Trust Co. LLC. Ms. Humble is believed to have knowledge of the transfer of ownership of the Transamerica Life Insurance policies at issue from the AB Revocable Living Fund, LLC to AB Revocable Living Fund, LLC and Lawyers Escrow and Trust Co., LLC. Ms. Humble's last known address is:

3403 Red Oak Street
Sachse, Texas 75048
Phone number unknown at this time

David White, President, AB Revocable Living Fund, LLC. Mr. White is believed to have knowledge of the transfer of ownership of the Transamerica Life Insurance policies at issue from the AB Revocable Living Fund, LLC to Lawyers Escrow and Trust Co., LLC. Mr. White's last known address is:

2 Riverway, Suite 1075
Houston, Texas 77056
713-965-9593

Monica Forman. Ms. Forman is believed to have knowledge of the transfer of ownership of the Transamerica Life Insurance policies at issue from the AB Revocable Living Fund, LLC to Lawyers Escrow and Trust Co., LLC. Ms. Forman's last known address is:

3019 Granite Rock
Forney, Texas 75126
Phone number unknown at this time.

Ron T. Peoples, Sr., President and CEO of Peoples Financial Service. Mr. Peoples was involved with Plaintiff's purchase of Transamerica Life Insurance policies 60134441, 60134442, and 60134443. Mr. Peoples last known address is:

4000 Westchase Blvd., Suite 150
Raleigh, NC 27607
Phone number unknown at this time.

Mr. Peoples can be reached through his attorney of record:

Michael D. Napoli
Kristin Donahue Dietel
K&L Gates LLP
1717 Main Street, Suite 2800
Dallas, Texas 75201
214-939-5500

S. Evans. S. Evans sent a fax to Transamerica attaching a letter purportedly from Eric Boutté authorizing Transamerica to change the address of the AB Revocable Living Trust. See TA 001204-1205. S. Evans' address and phone number is unknown at this time.

David Garner, Sr. Vice President – Director, Lawyers Escrow & Trust. Mr. Garner is believed to have knowledge relating to the transfer of ownership of the Transamerica policies at issue from AB Revocable Living Fund to Lawyers Escrow & Trust. Mr. Garner can be reached through his attorney of record:

Mr. Phil Griffis
Barlow, Jones & Brust
17225 El Camino Real, Suite 400
Houston, Texas 77058
281-488-8440

Allen Boutté. Mr. Boutté is involved with Plaintiff's purchase of Transamerica Life Insurance policies 60134441, 60134442, and 60134443. Mr. Boutté can be reached through his attorney of record:

Ralph D. McBride
Tony Visage
Bracewell and Giuliani
711 Louisiana Street, Suite 2300
Houston, Texas 77002
713-223-2300

Eric Boutté, trustee for the AB Revocable Living Trust. Mr. Boutté is involved with Plaintiff's purchase of Transamerica Life Insurance policies 60134441, 60134442, and 60134443. Mr. Boutté can be reached through his attorney of record:

Ralph D. McBride
Tony Visage
Bracewell and Giuliani
711 Louisiana Street, Suite 2300
Houston, Texas 77002
713-223-2300

REQUEST FOR DISCLOSURE NO. 194.2(f)

For any testifying expert:

- (1) the expert's name, address and telephone number;
- (2) the subject matter on which the expert will testify;
- (3) the general substance of the expert's mental impressions and opinions and a brief summary of the basis for them, or if the expert is not retained by, employed by, or otherwise subject to the control of the responding party, documents reflecting such information;
- (4) if the expert is retained by, employed by, or otherwise subject to the control of the responding party, please provide:
 - (a) all documents, tangible things, reports, models or data compilations that have been provided to, reviewed by, or prepared by or for the expert in anticipation of the expert's testimony; and
 - (b) the expert's current resume and bibliography.

RESPONSE:

Transamerica has not retained a testifying expert at this time and reserves the right to supplement this response on or before the deadline imposed by the Docket Control Order.

REQUEST FOR DISCLOSURE NO. 194.2(g)

Any discoverable indemnity and insuring agreements.

RESPONSE:

Transamerica is not aware of any indemnity and insuring agreements.

REQUEST FOR DISCLOSURE NO. 194.2(h)

Any discoverable settlement agreements.

RESPONSE:

Transamerica is not aware of any settlement agreements.

REQUEST FOR DISCLOSURE NO. 194.2(i)

Any discoverable witness statements.

RESPONSE:

Transamerica is not aware of any witness statements.

REQUEST FOR DISCLOSURE NO. 194.2(j)

The name, address, and telephone number of any person who may be designated as a responsible third party.

RESPONSE:

At the present time, Transamerica has not yet determined if and who it will designate as a responsible third party and will supplement these disclosures in accordance with the Texas Rules of Civil Procedure.