

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

CASE NAME: A&O Resource Management, Ltd. CASE NO. 09-32677

SUMMARY OF CASH RECEIPTS AND CASH DISBURSEMENTS

For Month Ending January 31, 2010

BEGINNING BALANCE IN ALL ACCOUNTS \$ 67,143.27<sup>1</sup>

RECEIPTS:

1. Receipts from operations \$ 0  
2. Other Receipts \$ 365,000.00

DISBURSEMENTS:

3. Net payroll:  
a. Officers \$ 0  
b. Others \$ 0  
4. Taxes  
a. Federal Income Taxes \$ 0  
b. FICA withholdings \$ 0  
c. Employee's withholdings \$ 0  
d. Employer's FICA \$ 0  
e. Federal Unemployment Taxes \$ 0  
f. State Income Tax \$ 0  
g. State Employee withholdings \$ 0  
h. All other state taxes \$ 0  
5. Necessary expenses:  
a. Rent or mortgage payments(s) \$ 0  
b. Utilities \$ 0  
c. Insurance \$ 0  
d. Merchandise bought for manufacture or sale \$ 0  
e. Other necessary expenses (specify)<sup>2</sup>  
Bank Fees \$ 25.00  
FDIC fee \$ 3.33  
U.S. Trustee fees \$ 2,275.00

<sup>1</sup> The Trustee maintains a single bank account for the estates of the seven jointly administered and affiliated debtors: Life Fund 5.1, LLC; Life Fund 5.2, LLC; Houston Tanglewood Partners, LLC; A&O Resource Management, Ltd.; A&O Life Fund, LLC; A&O Bonded Life Assets, LLC; and A&O Bonded Life Settlements, LLC (collectively, the "Debtors").

<sup>2</sup> These disbursements represent the total disbursements on behalf of all seven of the Debtors' estates; thus \$329.05 has been attributed to each estate for purposes of this cash receipt and disbursement report (see Fn 3 on following page).

TOTAL DISBURSEMENTS	\$329.05 <sup>3</sup>
NET RECEIPTS (DISBURSEMENTS) FOR THE CURRENT PERIOD	\$ 362,696.67
ENDING BALANCE IN <u>Bank of America, Trustee account</u>	\$ 432,114.94
(Name of Bank)	
ENDING BALANCE IN ALL ACCOUNTS	\$ 432,114.94

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<sup>3</sup> The receipts/disbursements identified in this report cannot be attributable to any one of the Debtors' estates; thus, the total disbursement amount is being prorated evenly among all seven Debtors for purposes of this cash receipt and disbursement report (e.g., \$2,303.33/7 = \$329.05 per Debtor).

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RECEIPTS LISTING

For Month Ending January 31, 2010

Bank: Bank of America (TX1-492-08-16)

Location: 901 Main Street, 8th Floor, Dallas, TX 75202-3714

Account Name: Patrick M. Collins, Trustee for Life Fund 5.1 LLC, et al. (Jointly Adm.)

Account No.: xxx xxx 2450

DATE RECEIVED	DESCRIPTION	AMOUNT
1/28/10	Wire from W Financial Group per settlement agreement with Receiver	\$ 350,000.00
1/29/10	Wire from W Financial Group per settlement agreement with Receiver	\$ 15,000.00

TOTAL: \$ 365,000.00

Receipts may be identified by major categories. It is not necessary to list each transaction separately by name of customer or invoice number. You must, however, create a separate list for each bank account to which receipts were deposited during the month.

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DISBURSEMENT LISTING

FOR MONTH ENDING January 31, 2010

Bank: Bank of America (TX1-492-08-16)

Location: 901 Main Street, 8th Floor, Dallas, TX 75202-3714

Account Name: Patrick M. Collins, Trustee for Life Fund 5.1 LLC, et al. (Jointly Adm.)

Account No.: xxx xxx 2450

<u>DATE DISBURSED</u>	<u>CHECK NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1/15/10	n/a	Bank fee	\$ 5.00
1/28/10	n/a	Bank fee for incoming wire	\$ 10.00
1/29/10	n/a	Bank fee for incoming wire	\$ 10.00
1/29/10	n/a	FDIC assessment	\$ 3.33
1/29/10	1009	U.S. Trustee fees for Q4 for debtor Life Fund 5.1 LLC	\$ 325.00
1/29/10	1010	U.S. Trustee fees for Q4 for debtor Life Fund 5.2 LLC	\$ 325.00
1/29/10	1011	U.S. Trustee fees for Q4 for debtor Houston Tanglewood Partners LLC	\$ 325.00
1/29/10	1012	U.S. Trustee fees for Q4 for debtor A&O Resource Management Ltd.	\$ 325.00
1/29/10	1013	U.S. Trustee fees for Q4 for debtor A&O Life Fund LLC	\$ 325.00
1/29/10	1014	U.S. Trustee fees for Q4 for debtor A&O Bonded Life Assets LLC	\$ 325.00
1/29/10	1015	U.S. Trustee fees for Q4 for debtor A&O Bonded Life Settlements LLC	\$ 325.00

TOTAL: \$2,303.33

You must create a separate list for each bank account from which disbursements were made during the month.

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FOR MONTH ENDING January 31, 2010

STATEMENT OF INVENTORY

Beginning inventory	\$ <u>0</u>
Add: purchases	\$ <u>0</u>
Less: goods sold (cost basis)	\$ <u>0</u>
Ending inventory	\$ <u>0</u>

PAYROLL INFORMATION STATEMENT

Gross payroll for this period	\$ <u>0</u>
Payroll taxes due but unpaid	\$ <u>0</u>

STATUS OF PAYMENTS TO SECURED CREDITORS AND LESSORS

<u>Number of Creditor/ Lessor</u>	<u>Date regular payment is due</u>	<u>Amount of Regular Payment</u>	<u>Number of Payments Delinquent*</u>	<u>Amount of Payments Delinquent*</u>
None				

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\* Include only post-petition payments.

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STATEMENT OF AGED RECEIVABLES

ACCOUNTS RECEIVABLE:

Beginning of month balance	\$ <u>0</u>
Add: sales on account	\$ <u>0</u>
Less: collections	\$ <u>0</u>
End of month balance	\$ <u>0</u>

<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>Over 90</u>	<u>End of Month</u>
<u>Days</u>	<u>Days</u>	<u>Days</u>	<u>Days</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

STATEMENT OF ACCOUNTS PAYABLE (POST-PETITION)

Beginning of month balance	\$ <u>0</u>
Add: credit extended	\$ <u>0</u>
Less: payments of account	\$ <u>0</u>
End of month balance	\$ <u>0</u>

<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>Over 90</u>	<u>End of Month</u>
<u>Days</u>	<u>Days</u>	<u>Days</u>	<u>Days</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

ITEMIZE ALL POST-PETITION PAYABLES OVER 30 DAYS OLD ON A SEPARATE SCHEDULE AND FILE WITH THIS REPORT

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TAX QUESTIONNAIRE

Debtors in possession and trustees are required to pay all taxes incurred after the filing of their Chapter 11 petition on an as due basis. Please indicate whether the following post petition taxes or withholdings have been paid currently.

- |    |                              |         |        |
|----|------------------------------|---------|--------|
| 1. | Federal Income Taxes         | Yes ( ) | No (X) |
| 2. | FICA withholdings            | Yes ( ) | No (X) |
| 3. | Employee's withholdings      | Yes ( ) | No (X) |
| 4. | Employer's FICA              | Yes ( ) | No (X) |
| 5. | Federal Unemployment Taxes   | Yes ( ) | No (X) |
| 6. | State Income Tax             | Yes ( ) | No (X) |
| 7. | State Employee with holdings | Yes ( ) | No (X) |
| 8. | All other state taxes        | Yes ( ) | No (X) |

If any of the above have not been paid, state below the tax not paid, the amounts past due and the date of last payment.

*No taxes are owed*

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**DECLARATION UNDER PENALTY OF PERJURY**

I, Brian A. Audette, acting as the duly authorized agent for the Debtor in Possession (Trustee) declare under penalty of perjury under the laws of the United States that I have read and I certify that the figures, statements, disbursement itemizations, and account balances as listed in this Monthly Report of the Debtor are true and correct as of the date of this report to the best of my knowledge, information and belief.

/s/ Brian A. Audette  
For the Debtor in Possession (Trustee)

Printed Name: Brian A. Audette

Title: Counsel to Patrick M. Collins, Trustee for  
the Debtor's Estate