

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

In re:

LIFE FUND, 5.1, LLC, et al

Debtors.

Chapter 11

Case No. 09-32672  
(Jointly Administered)

Hon. A. Benjamin Goldgar

**ORDER AUTHORIZING DEBTORS' RETENTION AND EMPLOYMENT OF  
ARNSTEIN & LEHR LLP AS COUNSEL FOR THE DEBTORS**

Upon the application (the "Application") of Life Fund, 5.1, LLC et al, Debtors and Debtors in Possession in the above-captioned Chapter 11 case ("Debtors")<sup>1</sup>, for entry of an order authorizing the Debtor to retain and employ Michael L. Gesas, Thomas P. Yardley, Miriam R. Stein, and Arnstein & Lehr LLP ("A&L") as its counsel in the Debtors' Chapter 11 cases; the Court having considered the Affidavit of Michael L. Gesas, a partner of Arnstein & Lehr LLP ("A&L") which is attached to the Application as Exhibit A; the Court being satisfied that A&L does not hold or represent any interest adverse to the Debtors or their estates, creditors and other parties in interest; that A&L is "disinterested" as such term is defined in Section 101(14) of the Bankruptcy Code; and that the retention and employment of A&L as its counsel on a limited basis as set forth in this Order is necessary and in the best interest of the Debtors' estates; adequate notice of the Application having been given pursuant to Bankruptcy Rule 6003; and the Court being fully advised in the premises including the Order entered by the Court on September 16, 2009 granting the Motion of the U.S. Trustee to Appoint a Chapter 11 Trustee; *and the objection of the group of investors/creditors having been overruled,*

IT IS HEREBY ORDERED THAT:

1. Pursuant to Section 327(a) of the Bankruptcy Code, the Debtors are authorized and empowered to retain and employ A&L as their counsel in these Chapter 11 cases as set forth in the Application for the following limited purposes retroactive to September 2, 2009:

(a) representation of the Debtors for all bankruptcy matters prior to the appointment of a Chapter 11 Trustee including filing of the bankruptcy cases, preparation and filing of retention motion, preparation and filing of Debtors' motion to borrow against cash reserves of their insurance policies; appearances at Court hearings; and initial preparation of bankruptcy schedules;

<sup>1</sup> Debtors include the following entities: A&O Life Fund; A&O Bonded Life Assets; A&O Bonded Life Settlement; A&O Resource Management; Life Fund 5.1, LLC; Life Fund 5.2, LLC; and Houston Tanglewood Partners, LLC.

(b) representation of the Debtors for bankruptcy matters subsequent to the appointment of a Chapter 11 Trustee limited to the following: (i) preparation of schedules; (ii) appearance at the Section 341 meeting of creditors at the request of the Chapter 11 trustee; (iii) working with the Chapter 11 Trustee to convey any and all documentation and information on behalf of the Debtors; and (iv) all other work on behalf of the Debtors that is specifically requested by the Chapter 11 Trustee.

2. A&L shall be compensated in accordance with the procedures set forth in Sections 330 and 331 of the Bankruptcy Code, the applicable Federal Rules of Bankruptcy Procedure, the Local Rules of this Court, and such other procedures as may be fixed by order of this Court.

Dated: **30 SEP 2009**

ENTERED

  
A. BENJAMIN GOLDGAR  
UNITED STATES BANKRUPTCY JUDGE