

CERTIFICATE OF SERVICE

I, Barry A. Chatz, hereby certify that I caused of the Notice and Supplement that were filed with the Clerk of the Bankruptcy Court to be served on the parties listed on the attached Service List below by the Court's ECF system on October 22, 2010.

By: /s/ Barry A. Chatz
One of their Attorneys

SERVICE LIST

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Trustee: Patrick Collins
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**UNITED STATES BANKRUPTCY COURT
FOR THE NOTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
)
LIFE FUND, 5.1, LLC, et. al.,) Case No. 09-32672
) (Jointly Administered)
)
Debtors.) Hon. A. Benjamin Goldgar
)
) Date: October 25, 2010
) Time: 9:30 a.m.

**SUPPLEMENT TO FIRST AND FINAL APPLICATION FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR ARNSTEIN & LEHR
LLP – COUNSEL TO THE DEBTORS**

Arnstein & Lehr LLP (“A&L”), counsel for the debtors Life Fund 5.1, LLC; Life Fund 5.2, LLC; Houston Tanglewood Partners, LLC; A&O Resource Management, LLC; A&O Life Fund, LLC; A&O Bonded Life Assets, LLC; A&O Bonded Life Settlement, LLC (collectively, “Debtors”), hereby files its Supplement (“Supplement”) to the First and Final Application for Allowance of Compensation and Reimbursement of Expenses for A&L (“Application”). In support of the Application, A&L states as follows:

I. SUPPLEMENT BACKGROUND¹

1. On October 1, 2010, A&L filed its Application seeking compensation in the amount of \$88,731.50 for legal services provided to the Debtors and \$4,961.74 for reimbursement of out-of-pocket expenses. A hearing on the Application was set for Monday, October 25, 2010 at 9:30 a.m.

2. On Wednesday, October 20, 2010, A&L received a request from the Chapter 11 Trustee to file a supplement to address certain concerns of the Chapter 11

¹ A full background of the Debtors’ bankruptcy case and the services A&L provided to the Debtors is available in the Application. Copies of the Application were served on those parties entitled to ECF service and made available pursuant to the notice served on all creditors.

Trustee. A&L files this Supplement to answer the concerns raised by the Chapter 11 Trustee.

A. Payments Made to A&L.

3. A&L stated in each of its Disclosures of Compensation of Attorneys for Debtors (“Compensation Disclosures”) that the Debtors paid A&L \$32,500.00 in the year prior to the petition date. The Debtors’ Statements of Financial Affairs (“SOFAs”) identify the dates that A&L received these prepetition amounts and identify that the prepetition amounts were paid by non-debtors.

4. In clarification of the SOFAs and Compensation Disclosures, A&L received the following prepetition payments:

Payment Date	Payor	Amount	Payment Type
6/8/09	Russell E. Mackert Attorney at Law	\$7,500.00	Business Check
7/2/09	Russell E. Mackert Attorney at Law	\$5,000.00	Cashier’s Check
7/7/09	Russell E. Mackert Attorney at Law	\$5,000.00	Wire Transfer
8/5/09	A&O Life Funds, L.P.	\$8,000.00	Cash
8/5/09	A&O Life Funds, L.P.	\$7,000.00	Cash

Documents supporting the prepetition payments made to A&L are attached hereto as Exhibit A.

5. As of the Petition Date, A&L did not hold a retainer and any amounts due to A&L for prepetition services were waived.

B. Debtor’s Involvement in Pre-Petition Litigation.

6. The affidavit of Michael L. Gesas filed in support of A&L’s employment application disclosed that the Debtors were involved in a state court case with Shepard Capital Management LLC, the Debtors’ managing agent, to obtain Court authority to file the seven bankruptcy cases on behalf of the Debtors.

7. At the hearing on the Debtors' application to retain A&L as bankruptcy counsel, the Group of Investors raised this matter as an objection to A&L's retention. After hearing arguments from both sides, the Court overruled the Group of Investors' objection and authorized the Debtors' retention of A&L. A copy of the Order Authorizing the Debtors' Retention of A&L ("Employment Order") is attached as Exhibit B.

C. Post-Chapter 11 Trustee Services Provided.

8. The Employment Order authorized the Debtors' Retention and Employment of A&L as Counsel for the Debtors retroactive to September 2, 2009, and limited A&L's employment to the following purposes:

- 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;
- 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. (emphasis added).

9. On Thursday, October 21, 2010, A&L undertook a thorough review of more than 100 e-mail messages sent from the Chapter 11 Trustee, United States Trustee and counsel for the Group of Investors subsequent to the appointment of the Chapter 11 Trustee on September 21, 2010.

10. A&L strongly believes that all services rendered to the Debtors after the appointment of the Chapter 11 Trustee complied with the Employment Order. Furthermore, all services rendered to the Debtors that were not related to the preparation of schedules, appearance at the Section 341(a) meeting of creditors or

working with the Chapter 11 Trustee to convey all documentation, were specifically requested by the Chapter 11 Trustee.

11. As of the filing of this Supplement, only the Chapter 11 Trustee has requested copies of the previous Chapter 11 Trustee's requests for post-petition services. A&L has provided the Chapter 11 Trustee with copies of all relevant e-mail messages.

D. Compliance with the Local Rules.

12. A&L has been requested to address certain purported local rule violations. Specifically, (a) Local Rule 5082-1(C)(5): identifying the amount of fees incurred for each narrative entry; (b) Local Rule 5082-1(B)(a): summarizing entries in categories of services with summaries of timekeepers for each category; and (c) lumping with respect to specific entries.

13. A&L's accounting and timekeeping system does not allow for it to provide the amount of fees incurred for each narrative entry in a fee application. To offset this inability, every A&L fee application filed with the U.S. Bankruptcy Court for the Northern District of Illinois, including the Application, has each professional's billing rate, the number of hours each professional billed per category, the amount each attorney billed per category, the total number of hours each attorney billed in the application period and the total amount each attorney billed in the application period. As such, A&L believes that its Application provides a party in interest with significant information to determine the reasonableness of A&L's request.²

14. Historically, in representing chapter 11 debtors A&L has always summarized entries in separate categories of services. However, A&L's representation

² At the Court's request, A&L will manually add the amount of fees incurred for each narrative entry in the Application.

of the Debtors in this matter is unique as it was limited by the Employment Order to a very narrow scope of services. As such, A&L believes that the services provided supported the general restructuring efforts of the Debtors and were properly placed in that category.³

15. Finally, specific narrative entries were alleged to have “lumped” together time. A&L has reviewed and revised the specific entries and attached hereto as Exhibit C are revised invoices for the services A&L provided. Additionally, A&L has written off additional time in its entries to accommodate the concerns of the Group of Creditors.

E. Preparation of Employment Application for DSI.

16. The Chapter 11 Trustee inquired as to the basis for A&L’s compensation for the preparation of an application to employ Development Specialists, Inc. (“DSI”). As of the petition date, A&L intended to employ DSI as either a financial advisor or chief restructuring officer. In preparing first day motions, and prior to meeting with the United States Trustee, A&L prepared a motion to employ and retain DSI. A&L met with the United States Trustee to discuss direction and strategy for the bankruptcy cases and disclosed to the United States Trustee its intent to employ DSI. When the United States Trustee and A&L determined that it was in the best interest of the estates to appoint a Chapter 11 Trustee, A&L did not file the motion to employ DSI. As such, A&L believes that the time A&L spent preparing the application to employ DSI was, at the time, in the best interest and benefit of the estates.

³ At the Court’s request, A&L will separate the narrative entries into separate categories of services.

F. Preparation of Fee Application.

17. As the Application is A&L's final fee application, A&L has requested reasonable compensation from the estates for the time spent preparing the Application. The Chapter 11 Trustee has requested that A&L provide statements in this Supplement for the actual time spent in the preparation and filing of the Application. Included in Exhibit C is the time A&L spent in the preparation of the Application.

WHEREFORE, Barry A. Chatz, Thomas P. Yardley, and Miriam R. Stein and the law firm of Arnstein & Lehr LLP, respectfully request that the Court enter an Order:

- A. Awarding A&L \$86,844.00 as first and final compensation and \$4,961.74 in reimbursement of expenses as set forth herein pursuant to Bankruptcy Code Section 330 and 331;
- B. Finding notice of this Supplement as provided is sufficient under the circumstances; and
- C. Granting such other and further relief as the Court deems just and proper.

Dated: October 22, 2010

Respectfully submitted,
Life Fund 5.1, LLC, et al.

By: /s/ Barry A. Chatz
One of their Attorneys

Barry A. Chatz (06196639)
Thomas P. Yardley (06208239)
Miriam R. Stein (06238163)
ARNSTEIN & LEHR LLP
120 S. Riverside Plaza, Suite 1200
Chicago, IL 60606
Telephone: 312.876.7100
Facsimile: 312.876.0288

1349

RUSSELL E. MACKERT ATTORNEY AT LAW


5555 WEST LOOP S, STE. 300
BELLAIRE, TX 77401-2108

32-81
1110 817

DATE 6-8-09

Pay to the order of ARNSTEIN & LEHR LLP \$ 7,500⁰⁰
Seven Thousand Five Hundred and no _____ DOLLARS

CHASE
Member Chase Bank, N.A.
Dallas, Texas 75201
www.Chase.com

FOR *Arnstein & Lehr LLP* Retainer *no climat*
as of 6/10 

⑆00⑆349⑆ ⑆⑆⑆⑆0006⑆⑆⑆⑆ 720406396⑆

282111107 NEW 01/08 8810004306



Remitter, RUSSELL E MACKERT ATTORNEY AT LAW

9464301621 ²⁵⁻³/₄₄₀

Date 07/02/2009

Pay: FIVE THOUSAND DOLLARS AND 00 CENTS

\$ *****5,000.00 ***

Pay To The Order Of ARNSTEIN & LEHR LLP

Drawer: JPMORGAN CHASE BANK, N.A.

Michael Andrews

Senior Vice President
JPMorgan Chase Bank, N.A.
Columbus, OH



35855-0001

⑈9464301621⑈ ⑆044000037⑆ 758661359⑈

35855-0001

Wire Transfer Outgoing Request



Wire Transfer Requestor Information

Requestor Name: RUSSELL E MACKERT				
Account Name: RUSSELL E MACKERT ATTORNEY AT LAW			Street Address: 6555 WEST LOOP S STE 605	
City: BELLAIRE	State: TX	Zip: 77401-2108	Country: USA	Daytime Phone: 713-662-9191
Primary ID Type: Driver's License	ID issuer: TX	ID Number: 08319765	ID Issue Date:	ID Exp: 01/14/2016
Authentication Method:	Request Method: Walk-in	Comments:		
Callback Performed by (Employee Signature):	Caller (Employee) Phone number:			
Callback made to:	Callback Phone #:	Callback Date:	Callback Time:	

Wire Transfer Information

Request Date: 07/07/2009	Request time: 05:30:13PM Eastern time	Effective date: 07/08/2009	Wire Type: Domestic
Debit Account #: 720408398	Debit Account Type: BUSINESS CLASSIC	Available balance: \$6,978.52	Wire Amount (US dollars): \$5,000.00
Qualifying Account #	Qualifying Account Type:	Source of funds: Checking	Wire Fee: \$25.00
Currency type to be sent: US Dollars	Exchange rate N/A	Foreign currency amount: N/A	Amount to Collect (USD): \$5,025.00
FX Contract Number:			

Customer Disclosure: If you initiate more than three Rapid Cash® funds transfers during any calendar month, you will incur a Rapid Cash Remittance Fee of \$45 for each Rapid Cash funds transfer in excess of three. These fees will be deducted from your checking account.

Beneficiary Account Information

Account Name: ARNSTEIN & LEHR LLP				
Street Address:		Account Number: 0682-45401		
	City	State	Zip	Country
Text to Beneficiary: CLIENT NUMBER 35855				

Beneficiary Bank Information

Bank Name: Cole Taylor Bank				
Street Address: 20 S CLARK ST		Bank ABA/SWIFT Code: 071000343		
	City CHICAGO	State IL	Zip 60603	Country USA
Intermediary Bank Name:				
Street Address:		Intermediary Bank ABA:		
	City	State	Zip	Country
Text to Beneficiary Bank:				



A&O
LIFE FUNDS, L.P.

August 5, 2009

TO: Mr. Tom Yardley
Arnstein & Lehr

RE: Representation in Bankruptcy filing of A&O Companies

Dear Mr. Yardley:

Pursuant to your firm's request, please find the enclosed cost deposit of \$8,000.00 for the filing fees required for the A&O company bankruptcies.

Sincerely,

A&O Life Funds Management, LLC
General Partner of A&O Life Funds, LP

By: A handwritten signature in black ink, appearing to be "Tom E. Lehr", written over a horizontal line.



A&O
LIFE FUNDS, L.P.

August 5, 2009

TO: Mr. Tom Yardley
Arnstein & Lehr

RE: Representation in Bankruptcy filing of A&O Companies

Dear Mr. Yardley:

Pursuant to your firm's request, please find the enclosed deposit of \$7,000.00 towards legal fees related to the representation of the A&O company.

Sincerely,

A&O Life Funds Management, LLC
General Partner of A&O Life Funds, LP

By: 

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")¹, 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,*

AEa

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;

¹ 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

ARNSTEIN & LEHR LLP
120 S. RIVERSIDE PLAZA - SUITE 1200
CHICAGO, ILLINOIS 60606-3910
(312) 876-7100

A & O LIFE FUND, L.P.
ATTN: RUSSELL E. MACKERT
555 W. LOOP SOUTH, SUITE 605
BELLAIRE TX 77401

October 22, 2010

Invoice: 872285

Page 1

MLG

Our Matter # 35855-0001 RESTRUCTURE

FOR PROFESSIONAL SERVICES RENDERED THROUGH October 20, 2010

09/02/09	REVIEW SPREADSHEETS RECEIVED FROM CLIENT RE CREDITOR LISTINGS AND INSURANCE COMPANY LISTINGS (.6); CONTINUED INPUT OF CREDITOR INFORMATION INTO BEST CASE PROGRAM FOR PREPARATION OF PETITION AND SCHEDULES (1.2)	
	BECKY L. SUTTON	1.80 hr.
09/02/09	A & O - FINALIZE CORPORATE RESOLUTION.	
	MIRIAM R. STEIN	0.30 hr.
09/02/09	A & O - REVIEW FIRST DAY PLEADINGS INCLUDING RETENTION MOTIONS AND PROCEDURAL CONSOLIDATION MOTION AND REVISE SAME.	
	MIRIAM R. STEIN	1.50 hr.
09/02/09	A & O - CALL WITH RUSSELL MACKERT REGARDING FINALIZING PETITION.	
	MIRIAM R. STEIN	0.30 hr.
09/02/09	A & O - CALL WITH RICHARD FRIEDMAN REGARDING FILING.	
	MIRIAM R. STEIN	0.50 hr.
09/02/09	A&O - REVIEW MOTION TO EMPLOY ARNSTEIN & LEHR AND DSI (.4); REVIEW ISSUES INVOLVING CASH COLLATERAL (.3); CONFERENCE WITH RICHARD FREIDMAN RE OVERVIEW OF A&O CASE (.2); REVIEW SEC COMPLAINT AGAINST INCORPORATORS(.4); REVIEW AVAILABLE PUBLIC INFORMATION ON R. MACKERT AND REVIEW PLEADINGS IN SEC CASE (.4); REVIEW TERMS OF INVESTMENTS (.3).	
	THOMAS P. YARDLEY	2.00 hr.
09/03/09	CONTINUED INPUT OF CREDITOR INFORMATION INTO BEST CASE PROGRAM FOR PREPARATION OF CREDITOR MATRIXES	
	BECKY L. SUTTON	0.80 hr.
09/03/09	COMBINE CREDITOR MATRICES AND CREATE MAIL MERGE OF 7 AFFILIATED DEBTOR CREDITOR LISTS.	
	JOHN C. FULLER	1.80 hr.
09/03/09	A & O - REVIEW AND REVISE 363 MOTION.	
	MIRIAM R. STEIN	0.80 hr.

ARNSTEIN & LEHR LLP

120 S. RIVERSIDE PLAZA - SUITE 1200

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A & O LIFE FUND, L.P.
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BELLAIRE TX 77401

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Page 2

09/03/09	A & O - CALL WITH RUSSELL MACKERT REGARDING SCHEDULES AND FURTHER INFORMATION RELATING TO INSURANCE POLICIES AND OUTSTANDING PREMIUMS. MIRIAM R. STEIN 0.50 hr.
09/03/09	A & O - WORK ON SERVICE LIST FOR MOTIONS. MIRIAM R. STEIN 1.00 hr.
09/03/09	A&O - DRAFT LETTER TO INVESTORS RE STATUS OF BANKRUPTCY CASE AND UPDATE CASE INVOLVING ESCROW AGENT (1); CONFERENCE WITH R. MACKERT RE WEBSITE AND PRIOR LETTER TO INVESTORS AND PROCEDURES FOR UPDATING INVESTORS (.6); CONFERENCE WITH INVESTORS RE BANKRUPTCY FILING (.9); OUTLINE STRATEGY FOR OBTAINING ADDITIONAL FUNDING INCLUDING REVIEW OF POLICIES AND PROVISIONS RELATING TO BORROWING MONEY FROM POLICIES (2.6); MEETING WITH J. FULLER TO SET UP MAIL MERGE TO NOTIFY INVESTORS OF MOTION AND OTHER COMMUNICATIONS (.3). THOMAS P. YARDLEY 5.40 hr.
09/04/09	A&O - CONFERENCE WITH M. STEIN REGARDING ISSUES WITH RESPECT TO BORROWING MOTION AND TIMING WITH RESPECT TO PRESENTMENT OF SAME. BARRY A. CHATZ 0.30 hr.
09/04/09	COMPLETE INPUT OF CREDITOR INFORMATION INTO BEST CASE PROGRAM FOR PREPARATION OF SCHEDULES AND CREDITOR MATRIXES (1.6); DOWNLOAD AND REVIEW DOCKETING NOTICES RECEIVED FROM BANKRUPTCY COURT (.3); DOCKET 341 MEETINGS (.1) BECKY L. SUTTON 2.00 hr.
09/04/09	COMMENCE WORK ON PREPARING SERVICE LIST FOR FIRST DAY MOTIONS BECKY L. SUTTON 0.20 hr.
09/04/09	REVISE COMBINED CREDITOR MATRICES AND ADD 'SOURCE' COLUMN TO SHOW FUND NAME. JOHN C. FULLER 0.80 hr.
09/04/09	A & O - CONFERENCE CALL WITH F. CARUSO REGARDING BANKRUPTCY FILINGS. MIRIAM R. STEIN 0.50 hr.
09/04/09	A&O - REVIEW OF FINALIZED MOTIONS TO APPOINT DSI, ARNSTEIN & LEHR, AND TO APPROVE USE OF CASH COLLATERAL AND CONFERENCE WITH M. STEIN RE CHANGES TO MOTIONS (1.7); REVIEW EMAIL FROM R. MACKERT RE MEETING WITH BONDING COMPANY AND CONFERENCE WITH R. MACKERT RE SAME (.4); REVIEW EMAILS FROM MARCELLA TO BE USED TO SUPPORT MOTION FOR USE OF CASH COLLATERAL (.3). THOMAS P. YARDLEY 2.40 hr.

ARNSTEIN & LEHR LLP

120 S. RIVERSIDE PLAZA - SUITE 1200

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A & O LIFE FUND, L.P.
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555 W. LOOP SOUTH, SUITE 605
BELLAIRE TX 77401

October 22, 2010

Invoice: 872285

Page 3

09/08/09	NUMEROUS TELEPHONE CONFERENCES WITH CREDITORS RECEIVING NOTICE FROM BANKRUPTCY COURT RE: FILING OF CASES (.8); CONFER WITH T. YARDLEY RE TRACKING TELEPHONE INQUIRIES, PREPARATION OF SPREADSHEET AND INFORMATION TO RELEASE TO CALLERS (.2)	
	BECKY L. SUTTON	1.00 hr.
09/08/09	REMOVE DUPLICATES FROM MASTER CREDITOR LIST OF 7 COMBINED CREDITOR MATRICES.	
	JOHN C. FULLER	0.80 hr.
09/08/09	A&O - DRAFT MOTION TO EMPLOY AND RETAIN L&E AS ACTUARIAL EXPERT (.6); DRAFT AFFIDAVIT OF S. SCOTT GIBSON (.6); DRAFT PROPOSED ORDER (.6).	
	KEVIN H. MORSE	1.80 hr.
09/08/09	A&O - REVISE MOTION TO EMPLOY DSI AND CARUSO AFFIDAVIT.	
	KEVIN H. MORSE	0.50 hr.
09/08/09	A & O - REVIEW ARTICLE REGARDING LIFE PLAN INSURANCE SCHEMES IN CONNECTION WITH A & O.	
	MIRIAM R. STEIN	0.30 hr.
09/08/09	A & O - WORK ON MATTERS WITH RESPECT TO COMPLETION OF FIRST DAY MOTIONS AND PREPARING MOTIONS FOR FILING AND SERVICE.	
	MIRIAM R. STEIN	2.00 hr.
09/08/09	A & O - REVIEW AND REVISE ACTUARIAL EXPERT MOTION.	
	MIRIAM R. STEIN	0.50 hr.
09/08/09	A & O - CALL WITH SCOTT GIBSON REGARDING RETENTION LETTER.	
	MIRIAM R. STEIN	0.30 hr.
09/08/09	A & O - WORK ON SERVICE LIST INCLUDING ALL INSURANCE COMPANIES AND INVESTORS.	
	MIRIAM R. STEIN	1.00 hr.
09/08/09	A & O - CALL WITH RUSSELL MACKERT ASSISTANT REGARDING FURTHER INFORMATION FOR SERVICE LIST AND DATA RELATING TO INSURANCE POLICIES.	
	MIRIAM R. STEIN	0.50 hr.
09/08/09	A&O - ANALYZE INSURANCE POLICY PAYMENT INFORMATION (.7); REVIEW TERMS OF INSURANCE POLICIES TO DETERMINE REDEMPTION/REINSTATEMENT PERIOD FOR FAILURE TO PAY PREMIUMS (.6); RESPOND TO QUESTIONS FROM VARIOUS INVESTORS (1.3).	
	THOMAS P. YARDLEY	2.60 hr.

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October 22, 2010

Invoice: 872285

Page 4

09/09/09	PREPARE LIST OF 20 LARGEST CREDITORS FOR EACH OF SEVEN RELATED CASES AND COMBINE TO PREPARE COMBINED LIST OF 30 LARGEST CREDITORS FOR NOTICE AND SERVICE PURPOSES (1.5); REVISE AND FINALIZE MOTION TO EMPLOY A&L, MOTION TO EMPLOY ACTUARIES, MOTION TO EMPLOY DSI, MOTION FOR JOINT ADMINISTRATION, AND MOTION TO BORROW AGAINST CASH VALUE OF POLICIES FOR FILING (1.8)	
	BECKY L. SUTTON	3.30 hr.
09/09/09	EXPORT TEXT FILE OF '20 LARGEST LIST' FROM BEST CASE, AND CONVERT TO MS EXCEL FILE.	
	JOHN C. FULLER	0.20 hr.
09/09/09	A&O - REVISE APPLICATION TO EMPLOY DSI TO INCLUDE DETAILED EXPLANATION OF LIFE SETTLEMENTS EXPERIENCE.	
	KEVIN H. MORSE	1.20 hr.
09/09/09	A&O - PREPARE ALL FIVE OF THE FIRST DAY MOTIONS FOR FILING.	
	KEVIN H. MORSE	1.20 hr.
09/09/09	A & O - WORK ON MOTIONS FOR FILING AND SERVICE.	
	MIRIAM R. STEIN	1.70 hr.
09/09/09	A & O - CALLS WITH F. CARUSO REGARDING RETENTION MOTIONS AND ISSUES RELATING TO BORROWING AGAINST CASH RESERVES ON POLICIES.	
	MIRIAM R. STEIN	0.50 hr.
09/09/09	A & O - PREPARE EXHIBIT OF POLICIES FOR 363 MOTION.	
	MIRIAM R. STEIN	0.40 hr.
09/09/09	A & O - REVISE 363 MOTION AND DRAFT ORDER AUTHORIZING DEBTORS TO BORROW AGAINST CASH RESERVES.	
	MIRIAM R. STEIN	0.40 hr.
09/09/09	A & O - MEETING WITH M. GESAS REGARDING CASE AND PENDING ISSUES.	
	MIRIAM R. STEIN	0.40 hr.
09/09/09	A&O - RESPOND TO QUESTIONS FROM INVESTORS AND SET UP SYSTEM FOR TRACKING CALLS FROM INVESTORS (1.3); ASSIST M. STEIN IN FILING MOTIONS TO RETAIN ARNSTEIN & LEHR AND DSI (.8).	
	THOMAS P. YARDLEY	2.10 hr.

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Page 5

09/10/09	A & O - MEETING WITH U.S. TRUSTEE REPRESENTATIVE REGARDING APPOINTMENT OF CHAPTER 11 TRUSTEE. BARRY A. CHATZ	1.80 hr.
09/10/09	TELEPHONE CONFERENCES WITH (5) CREDITORS RECEIVING NOTICE OF BANKRUPTCY FILING - S. COLLINS, P. CURSEY, R. MUNOZ, F. FLACH, L. HUSTON (.5); FORWARD INFORMATION TO A. HENTUSH FOR INCLUSION IN SPREADSHEET TRACKING PHONE INQUIRIES (.3) BECKY L. SUTTON	0.80 hr.
09/10/09	A&O - RESEARCH SECTION 1104 AND APPOINTMENT OF CHAPTER 11 TRUSTEE FOR T. YARDLEY (.2); DISCUSS CASE STRATEGY WITH T. YARDLEY (.1). KEVIN H. MORSE	0.30 hr.
09/10/09	A & O - MEETING WITH B.CHATZ REGARDING ISSUES RELATING TO POTENTIAL APPOINTMENT OF CHAPTER 11 TRUSTEE. MIRIAM R. STEIN	0.50 hr.
09/10/09	A & O - E-MAILS WITH SCOTT GIBSON REGARDING AFFIDAVIT. MIRIAM R. STEIN	0.40 hr.
09/10/09	A & O - CALLS WITH U.S. TRUSTEE REGARDING POSSIBLE APPOINTMENT OF CHAPTER 11 TRUSTEE. MIRIAM R. STEIN	0.40 hr.
09/10/09	A&O - REVIEW MOTION FOR JOINT ADMINISTRATION AND ADDRESS ISSUES INVOLVING SERVICE (.4); CONFERENCE WITH B. CHATZ RE U.S. TRUSTEE'S INTENTION TO APPOINT A CHAPTER 11 TRUSTEE (.2); CONFERENCE CALL WITH R. MACKERT TO OBTAIN HIS CONSENT TO APPOINTMENT OF RECEIVER AND DRAFT CONSENT LETTER (1.3); PREPARE FOR AND CONFERENCE WITH U.S. TRUSTEE, R. FRIEDLAND, RE FACTS OF CASE (.7); TAKE CALLS FROM INVESTORS RE STATUS OF CASE (1.9). THOMAS P. YARDLEY	4.50 hr.
09/11/09	DOWNLOAD AND REVIEW NOTICES RECEIVED FROM BANKRUPTCY COURT IN EACH CASE RE TRUSTEE'S MOTION FOR APPOINTMENT OF TRUSTEE (.1); DOCKET HEARING DATES (.1) BECKY L. SUTTON	0.20 hr.
09/11/09	A & O - WORK ON MISCELLANEOUS ISSUES INCLUDING REVIEW OF MOTION TO APPOINT CHAPTER 11 TRUSTEE. MIRIAM R. STEIN	1.00 hr.

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Page 6

09/11/09	A&O - RETURN INVESTORS CALLS (1.6); REVIEW MOTION FILED BY INVESTORS OPPOSING CHAPTER 11 TRUSTEE (.2); CONFERENCE WITH RUSSELL MACKERT RE STATUS OF TRUSTEE'S MOTION (.7).	
	THOMAS P. YARDLEY	2.50 hr.
09/14/09	ATTENTION TO COMPILING CREDITOR LISTS.	
	JOHN C. FULLER	1.80 hr.
09/14/09	A & O - E-MAILS AND PHONE CALLS WITH U.S. TRUSTEE REGARDING ISSUES RELATING TO THE OBJECTIONS TO THE TRUSTEE MOTION AND OTHER MATTERS.	
	BARRY A. CHATZ	0.50 hr.
09/14/09	DOWNLOAD AND REVIEW NOTICES RECEIVED FROM BANKRUPTCY COURT IN EACH CASE RE TRUSTEE'S MOTION FOR APPOINTMENT OF TRUSTEE (.2); DOCKET HEARING DATES (.1)	
	BECKY L. SUTTON	0.30 hr.
09/14/09	A & O - REVIEW OF OBJECTION TO MOTION TO APPOINT CHAPTER 11 TRUSTEE.	
	MIRIAM R. STEIN	0.30 hr.
09/14/09	A & O - ATTEND COURT HEARING REGARDING U.S. TRUSTEE'S MOTION TO APPOINT CHAPTER 11 TRUSTEE.	
	MIRIAM R. STEIN	1.50 hr.
09/14/09	A & O - CONFERENCE WITH OPPOSING CREDITORS AND OTHER INVESTOR CREDITORS REGARDING VENUE AND THE APPOINTMENT OF A CHAPTER 11 TRUSTEE.	
	MIRIAM R. STEIN	0.50 hr.
09/14/09	A & O - FURTHER MEETING WITH T. YARDLEY REGARDING ISSUES WITH RESPECT TO CARUSO AND INVESTOR GROUP.	
	MIRIAM R. STEIN	0.50 hr.
09/14/09	A&O - APPEAR IN COURT ON TRUSTEE'S MOTION TO APPOINT A TRUSTEE (1.3); CONFERENCE WITH M. GESAS, B. CHATZ AND R. MACKERT RE STRATEGY IN RESPONSE TO CONTINUANCE OF MOTION TO APPOINT TRUSTEE (1); CONTINUE TO RETURN INVESTOR PHONE CALLS (1.4).	
	THOMAS P. YARDLEY	3.70 hr.
09/15/09	A&O - FORMAT AND PRINT 'PAYMENT FREQUENCY' AND 'MASTER CLIENT' FILE SPREADSHEETS AS PER REQUEST OF TPY - 14 SPREADSHEETS.	
	JOHN C. FULLER	2.30 hr.

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Page 7

09/15/09	TELEPHONE CONFERENCES WITH INVESTOR CREDITORS ROBERT EBY, CHARLES BONNEY, RUDOLFO MUNOZ (2), BRIAN CHITTY AND PETER SORGEY (1.0); RECORD CALL INFORMATION ON SPREADSHEET (.2)	
	BECKY L. SUTTON	1.20 hr.
09/15/09	A&O - DISCUSS STATUS OF CASE WITH T. YARDLEY AND POTENTIAL EVIDENTIARY HEARING RE UNITED STATES TRUSTEE'S MOTION.	
	KEVIN H. MORSE	0.30 hr.
09/15/09	A & O - CONFERENCE WITH U.S. TRUSTEE REGARDING ISSUES OF CASES.	
	MIRIAM R. STEIN	0.20 hr.
09/15/09	A & O - MEETING WITH T. YARDLEY REGARDING ISSUES OF CASES INCLUDING STATUS OF CALL WITH FBI.	
	MIRIAM R. STEIN	0.30 hr.
09/15/09	SHEPHERD - REVIEW PLEADINGS FILED BY TEXAS CREDITORS AND EMAIL TO M. STEIN RE WEDNESDAY'S HEARINGS (.4); MULTIPLE CONFERENCE CALLS WITH RUSSELL MACKERT TO UPDATE HIM ON STATUS AND DISCUSS POSSIBLE APPEARANCE IN COURT WEDNESDAY MORNING (1); INTERNET RESEARCH ON LAW FIRM REPRESENTING TEXAS INVESTORS AND FORWARD DOCUMENTS AND OTHER REQUESTED INFORMATION TO U.S. TRUSTEE (1.4); RETURN INVESTOR CALLS (.8).	
	THOMAS P. YARDLEY	3.60 hr.
09/16/09	A & O - TELEPHONE CALL WITH U.S. TRUSTEE REPRESENTATIVE, GRETCHEN SILVER, REGARDING STATUS ON MOTIONS AND OTHER OPTIONS.	
	BARRY A. CHATZ	0.30 hr.
09/16/09	A & O - TELEPHONE CALLS AND E-MAILS REGARDING STRATEGY ON CASE ISSUES AND CONVERSION.	
	BARRY A. CHATZ	0.50 hr.
09/16/09	A & O - LATE A.M. CALL WITH U.S. TRUSTEE REGARDING STATUS.	
	BARRY A. CHATZ	0.20 hr.
09/16/09	REVIEW AND DOWNLOAD APPEARANCES AND PROOFS OF CLAIM SERVED AND FILED IN ALL 7 RELATED CASES (.5); ADD ATTORNEYS TO SERVICE LIST (.3)	
	BECKY L. SUTTON	0.80 hr.

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Invoice: 872285

Page 8

09/16/09	A&O - DISCUSS UPCOMING HEARINGS RE: U.S. TRUSTEE MOTION AND INVESTORS' MOTION WITH T. YARDLEY. KEVIN H. MORSE	0.30 hr.
09/16/09	A&O - ATTEND HEARING ON U.S. TRUSTEE'S MOTION TO APPOINT CH. 11 TRUSTEE. KEVIN H. MORSE	1.90 hr.
09/16/09	A&O - DRAFT MOTION TO EXTEND TIME TO FILE SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS. KEVIN H. MORSE	2.70 hr.
09/16/09	A&O - REVISE ORDER FOR JOINT ADMINISTRATION (.4); SEND TO U.S. TRUSTEE (.1). KEVIN H. MORSE	0.50 hr.
09/16/09	A & O - PREPARE FOR COURT INCLUDING E-MAILS WITH U.S. TRUSTEE AND CALL WITH F. CARUSO. MIRIAM R. STEIN	0.30 hr.
09/16/09	A&O - ANALYZE IMPACT OF MOTION TO CONVERT CASE TO CHAPTER 7 (.2); APPEAR IN COURT FOR STATUS ON MOTION TO APPOINT CHAPTER 11 TRUSTEE (1.4); REVIEW MOTION TO DISMISS FILED BY GROUP OF INVESTORS (.2); CONFERENCE WITH R. MACKERT RE WRITTEN AGREEMENT TO CONVERT CASE TO CHAPTER 7 AND FORWARD SAME TO U.S. TRUSTEE (.4); APPEAR IN COURT (AFTERNOON SESSION) FOR EVIDENTIARY HEARING ON TRUSTEE'S MOTION TO CONVERT (1.); CONFERENCE WITH R. MACKERT TO REPORT ON CHAPTER 11 APPOINTMENT (.3); BEGIN COMPILING INFORMATION TO PROVIDE TO TRUSTEE (.6); CONTINUE TO RESPOND TO INVESTORS' CALLS (1.). THOMAS P. YARDLEY	5.10 hr.
09/17/09	PREPARE MATERIALS/BINDERS AND CD'S FOR MEETING WITH P. COLLINS / B. AUDETTE OF PERKINS COIE: FORMAT 7 SPREADSHEETS TO BE PRINTED ON 11X17 PAPER; PRINT THREE COPIES EACH; PREPARE CD OF 254 DOCUMENTS / 4, 794 PAGES IN BROWSER BRIEFCASE FORMAT. JOHN C. FULLER	4.30 hr.
09/17/09	A & O - TELEPHONE CALL WITH U.S. TRUSTEE REGARDING STATUS OF CASE. BARRY A. CHATZ	0.20 hr.
09/17/09	A & O - MEETING WITH DAVID NEFF, BRIAN AUDETTE AND PATRICK COLLINS, PROPOSED CHAPTER 11 TRUSTEE REGARDING CASE ISSUES. BARRY A. CHATZ	1.50 hr.

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Page 9

09/17/09	REVIEW AND RESPOND TO EMAILS FROM M. STEIN RE IDENTIFYING MOTIONS FILED IN RELATED CASES PRIOR TO TRUSTEE'S APPOINTMENT (.2); CHECK COURT DOCKETS FOR ALL CASES TO DETERMINE WHICH MOTIONS WERE FILED IN WHICH CASES AND ADVISE M. STEIN OF MOTIONS THAT NEED TO BE WITHDRAWN OR RE-FILED (.4); DOWNLOAD AND PRINT ALL ORDERS ENTERED BY COURT AND DOCKET RELEVANT DATES (.2)	
	BECKY L. SUTTON	0.80 hr.
09/17/09	A&O - REVISE MOTIONS FOR EXTENSION OF TIME TO FILE SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS (.4); PREPARE FOR FILING (.6).	
	KEVIN H. MORSE	1.00 hr.
09/17/09	A & O - REVIEW MOTION TO EXTEND TIME TO FILE SCHEDULES AND DRAFT REVISIONS TO SAME.	
	MIRIAM R. STEIN	0.30 hr.
09/17/09	A&O - MEETING WITH COUNSEL FOR TRUSTEE TO REVIEW DOCUMENTS AND OUTLINE FACTS OF CASE (1.5); PREPARE DOCUMENTS FOR TRUSTEE INCLUDING PREPARATION OF BINDERS, INFORMATION ON INSURANCE POLICIES, INVESTORS, PENDING LITIGATION, BACKGROUND INFORMATION, BONDING COMPANY AND CLAIM INVOLVING BONDING COMPANY (2.1); CONFERENCE WITH R. MACKERT AND HIS COUNSEL INCLUDING FORWARDING RESEARCH ON CHAPTER 11 TRUSTEE TO R. MACKERT (.7); REVIEW MOTION FOR ADDITIONAL TIME TO FILE SCHEDULES (.2); REVIEW UPDATED SPREADSHEET AND CONFERENCE WITH MARCELLA IN R. MACKERT'S OFFICE RE SAME (.3); REVIEW FORBES ARTICLE (.2); RESPOND TO INVESTOR CALLS (1).	
	THOMAS P. YARDLEY	6.00 hr.
09/18/09	A&O: ENGAGED W/ L. PERKINS / IKON HOUSTON RE: TRANSFERRING DATA TO A&L .FTP SERVER - 1,291 DOCUMENTS / 54,463 PAGES OF POLICY INFORMATION.	
	JOHN C. FULLER	2.20 hr.
09/18/09	A&O - FILE MOTION TO EXTEND TIME TO RESPOND FOR EACH ENTITY (.5); REVISE MOTIONS TO REFLECT APPROPRIATE ENTITY (.8); SERVE SAME (.2).	
	JOHN C. FULLER	1.50 hr.
09/18/09	RESPOND TO D. COLBURN AT (281) 351 - 9435; SEND P.O.C. FORM.	
	JOHN C. FULLER	0.30 hr.
09/18/09	A&O - REVISE APPLICATION TO EMPLOY A&L, AFFIDAVIT OF M. GESAS AND ORDER TO COMPLY WITH JOINT ADMINISTRATION ORDER (.8); REVISE SERVICE LIST (.3); PREPARE FOR FILING (.2).	
	KEVIN H. MORSE	1.30 hr.

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October 22, 2010

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Page 10

09/18/09 A&O - REVIEW SUBPOENA RECEIVED FROM SMITH AMUNDSON AND OUTLINE RESPONSE INCLUDING CALL TO TRUSTEE RE RESPONSE AND MEETING WITH M. STEIN RE MOTION TO QUASH (.9); VERIFY STATUS OF MOTION TO APPOINT ARNSTEIN & LEHR AND OTHER MOTIONS (.6); RESPOND TO QUESTIONS FROM INVESTORS AND AGENTS RE APPOINTMENT OF TRUSTEE (1.8); CONFERENCE WITH R. MACKERT RE INFORMATION TO BE TURNED OVER TO TRUSTEE AND REVIEW INVESTOR AND INSURANCE SPREADSHEETS (.7); MEETING WITH J. FULLER RE PROCEDURE FOR FTP TRANSFER OF INVESTOR FILES AND WORK WITH IKON IN HOUSTON TO EFFECTUATE AN FTP TRANSFER OF INFORMATION TO CHICAGO (1.6)
THOMAS P. YARDLEY 5.60 hr.

09/21/09 A&O - FIELD 2ND TELEPHONE CALL FROM MS. DEBORAH COLBURN, TEXAS (.3); SEND 7 PETITIONS AND NOTICES OF MEETINGS OF CREDITORS TO MS. COLBURN'S E-MAIL ACCOUNT (.1).
JOHN C. FULLER 0.40 hr.

09/21/09 DOWNLOAD AND REVIEW PROOFS OF CLAIM AND OTHER DOCUMENTS SERVED THROUGH ECF
BECKY L. SUTTON 0.50 hr.

09/21/09 TELEPHONE CONFERENCES WITH CREDITORS RECEIVING NOTICES OF COMMENCEMENT OF BANKRUPTCY CASES (.5); FORWARD PROOFS OF CLAIM TO CLAIMANTS REQUESTING SAME (.5)
BECKY L. SUTTON 1.00 hr.

09/21/09 A&O: PULL 1,291 DOCUMENTS / 54,463 PAGES TRANSFERRED FROM HOUSTON IKON OFFICE (OBTAINED FROM R. MACKERT OFFICE) (0.5); LOAD ONTO ARNSTEIN SUMMATION SYSTEM (1.0); CREATE INDEX OF DOCUMENTS AND SEND TO PERKINS COIE CHICAGO (2.2); SEND CD DELIVERABLES TO PERKINS COIE CHICAGO (0.2); TRANSFER DATA VIA (0.2); COMMUNICATIONS WITH JONATHON BUCK / PERKINS COIE CHICAGO (0.9); SEND REQUESTED SPREADSHEETS TO J. BUCK/ PERKINS COIE - CHICAGO (0.2).
JOHN C. FULLER 5.20 hr.

09/21/09 A&O - FIELD CALL FROM P. HIGDON FOR POLICY OF CHLOE PEARSON: SEND NOTICE OF 341 MTG, P.O.C. FORM, AND PETITION TO MS. HIGDON.
JOHN C. FULLER 0.40 hr.

09/21/09 A&O - DISCUSS APPOINTMENT PROCESS FOR CHAPTER 11 TRUSTEE WITH T. YARDLEY (.3); CHECK BANKRUPTCY DOCKET FOR ORDER (.1); REVIEW DECLARATION OF P. COLLINS (.1).
KEVIN H. MORSE 0.50 hr.

09/21/09 A&O - MEETING WITH T. YARDLEY (.2); REVIEW SEC TEXAS LITIGATION DOCKET (.4); REVIEW ORDER APPOINTING FEDERAL RECEIVER (.2).
KEVIN H. MORSE 0.80 hr.

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October 22, 2010

Invoice: 872285

Page 11

09/21/09 A&O - APPEAR IN COURT FOR MOTION TO APPOINT CHAPTER 11 TRUSTEE; MEETING WITH COUNSEL FOR TRUSTEE (1.5); PREPARE BINDERS AND COMPILE DOCUMENTS TO PRESENT TO TRUSTEE (2.5); CONFERENCE WITH R. MACKERT AND HIS ATTORNEYS RE APPOINTMENT OF CHAPTER 11 TRUSTEE (.5); REVIEW PENDING MOTIONS AND DEVELOP STRATEGY FOR HANDLING MOTIONS (.3); RESPOND TO QUESTIONS FROM INVESTORS (.4); COMPILE AND FORWARD SPREADSHEET LISTING CASH VALUES (.3).
THOMAS P. YARDLEY 5.50 hr.

09/22/09 DOWNLOAD, REVIEW AND FILE PROOFS OF CLAIM FILED IN RELATED CASES (.4); REVIEW ORDERS ENTERED AND DOCKET CONTINUED HEARING DATES (.1)
BECKY L. SUTTON 0.50 hr.

09/22/09 A & O - REVIEW OF SUBPOENA AND CALL BRIAN GRAHAM REGARDING SAME.
MIRIAM R. STEIN 0.50 hr.

09/22/09 A & O - FURTHER CALLS REGARDING POLICIES AND STATUS OF CHAPTER 11 CASE.
MIRIAM R. STEIN 0.50 hr.

09/22/09 A&O - REVIEW SUBPOENA AND RESPOND TO SMITH AMUNDSEN FIRM RE OUR REFUSAL TO RESPOND TO SUBPOENA WITHOUT COURT ORDER (.3); CONFERENCE WITH B. CHATZ AND M. STEIN RE SAME (.2); MEETING WITH J. FULLER RE LOADING OF INVESTOR FILES INTO A SEARCHABLE DATABASE AND EMAIL TO D. NEFF RE TERMS TO BE SEARCHED IN THE DATABASE (.5); PREPARE FOR TOMORROW'S STATUS BY REVIEW OF DOCKET AND CONFERENCE WITH D. NEFF RE PLAN FOR MOTION TO RETAIN ARNSTEIN & LEHR AND WITHDRAWAL OF MOTION TO RETAIN DSI AND ITS EXPERT (.4); TELEPHONE CONVERSATION WITH INVESTORS AND REFERRAL OF CALLS TO D. NEFF'S OFFICE (.6); LOCATE AND FORWARD ARTICLES OF INCORPORATION FOR A&O RESOURCE MANAGEMENT TO B. AUDETTE (.4); REVIEW THREE DIFFERENT VERSIONS OF MASTER INVESTOR SPREADSHEETS INCLUDING HIGHLIGHTING OF POLICY WHERE BOND CLAIM HAS BEEN MADE (.4); LOCATE INFORMATION ON PREVIOUSLY FILED BOND CLAIM AND FORWARD TO D. NEFF (.4); CONFERENCE WITH R. MACKERT RE CONFERENCE CALL WITH TRUSTEE (.2); RESEARCH SPALDING FIRM'S INVOLVEMENT WITH INCORPORATORS AND REVIEW DOCUMENTS INVOLVING COMMISSIONS PAID TO SPALDING AND HIS WIFE (.5); CONFERENCE WITH SMITH AMUNDSEN ATTORNEY RE RESPONSE TO INVESTOR CALLS AND RELATED ISSUES (.4); REVIEW ADDITIONAL DOCUMENTS THAT NEED TO BE FORWARDED TO TRUSTEE (.8); ANALYZE SPREADSHEETS TO DETERMINE WHICH POLICIES ARE IN DEFAULT AND WHICH POLICIES WILL REQUIRE PREMIUM PAYMENTS OVER THE NEXT 30 DAYS AND CONFERENCE WITH D. NEFF RE SAME (.7).
THOMAS P. YARDLEY 5.80 hr.

09/23/09 TELEPHONE CONFERENCES WITH CREDITORS RECEIVING NOTICE OF BANKRUPTCY AND WANTING TO FILE PROOFS OF CLAIM (FINANCIAL ADVISOR PETE SIMON, INVESTORS CYNTHIA JULIAN, GARY BANSE, MARY GAWLOWSKI AND PAULA WHITAKER)
BECKY L. SUTTON 0.50 hr.

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Invoice: 872285

Page 12

09/23/09	A & O - ATTEND COURT HEARING ON STATUS. MIRIAM R. STEIN	1.00 hr.
09/23/09	A & O - BRIEF CALL WITH TRUSTEE COUNSEL REGARDING SCHEDULES. MIRIAM R. STEIN	0.20 hr.
09/23/09	A & O - MEETING WITH TRUSTEE AND COUNSEL REGARDING INSURANCE POLICIES AND IMPLICATIONS OF TERMINATION DATES. MIRIAM R. STEIN	1.00 hr.
09/23/09	A&O - REVIEW RESEARCH ON IMPACT OF AUTOMATIC STAY ON INSURANCE INCLUDING REVIEW OF COLLIERS' ARTICLE FORWARD BY K. MORSE (.6); CONDUCT ADDITIONAL RESEARCH INCLUDING REVIEW OF CAHOKIA V. HOLLAND AMERICAN INSURANCE, CORPORATE COUNSEL'S GUIDE TO BANKRUPTCY, ARTICLE ON INSURANCE, AND HATCHER V. MIDAMERICAN ACCEPTANCE (1); REVIEW CORRESPONDENCE FROM MISSISSIPPI COUNSEL RE STATUS OF MISSISSIPPI LITIGATION AND ADD MISSISSIPPI COUNSEL TO LIST OF CREDITORS (.5); REVIEW POLICY PAYMENT INFORMATION FORWARDED BY MARCELLA AND CONFERENCE WITH TRUSTEE'S COUNSEL RE SAME (.7); RESPOND TO QUESTIONS FROM INVESTORS (.5). THOMAS P. YARDLEY	3.30 hr.
09/24/09	A&O - ENGAGED WITH VENDOR (E-DIRECT IMPACT) RE: EXPORTING 54,463 PAGES OF DATE FROM .FTP SITE AND BUILDING SEARCHABLE DATABASE AT ARNSTEIN & LEHR (3.2); ENGAGED WITH P. CASSMAN/PERKINS COIE SEATTLE RE: 54,463 .TIFF IMAGES, OCR, INDEX AND TRANSFER OF SAME (2.0) JOHN C. FULLER	5.20 hr.
09/24/09	TELEPHONE CONFERENCES WITH INVESTORS DEBORA COLBURN, ROBERT PARSONS, CHRISTOPHER TAYLOR AND MARK COX (.4); FORWARD PROOF OF CLAIM FORMS BY FIRST CLASS MAIL (.3) BECKY L. SUTTON	0.70 hr.
09/24/09	LIFE FUND 5.1 - CONFERENCE WITH R. MACKERT RE PLANS FOR FILING SCHEDULES; APPEARING BEFORE 341 HEARING AND POSSIBILITY OF 2004 EXAMINATION (.3); CONFERENCE WITH R. MACKERT RE LIST OF INSURERS WHO ASSERT DEFAULT AND OTHER INFORMATION TO BE FORWARDED TO TRUSTEE (.3); REVIEW SCHEDULES AND LISTS OF INVESTORS (.3); CONFERENCE WITH VARIOUS INVESTORS RE APPOINTMENT OF CHAPTER 11 TRUSTEE (.7); REVIEW DOCUMENTS TO BE FORWARDED TO TRUSTEE (.4). THOMAS P. YARDLEY	2.00 hr.
09/25/09	RUN SEARCHES ON DATABASE RE: 'SPALDING' AND 'MACKERT' (0.1); SEND RESULTS TO TP YARDLEY (0.1). JOHN C. FULLER	0.20 hr.

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Invoice: 872285

Page 13

09/25/09	FURTHER ENGAGED RE: BUILDING SEARCHABLE DATABASE. JOHN C. FULLER	1.20 hr.
09/25/09	LIFE FUND - RESPOND TO INVESTOR INQUIRIES AND BEGIN COMPILING LIST OF CALLERS TO FORWARD TO TRUSTEE (.6); CONFERENCE WITH R. MACKERT RE SCHEDULES AND ADDITIONAL CREDITORS TO BE ADDED TO LIST (.3); REVIEW MOTION RELATING TO ARNSTEIN & LEHR'S APPOINTMENT AND CONFERENCE WITH M. STEIN RE ORDER (.3); REVIEW MOTION TO APPOINT ARNSTEIN & LEHR AND REVIEW ORDER RE SAME (.3); CONFERENCE WITH TRUSTEE'S COUNSEL RE LIST OF AT RISK POLICIES AND OTHER INSURANCE RELATED MATTERS (.4). THOMAS P. YARDLEY	1.90 hr.
09/28/09	TELEPHONE CONFERENCE WITH INVESTOR KENNETH FRANK, JR. RE BANKRUPTCY NOTICE NOT RECEIVED BY HIM OR HIS FATHER (.1); RECORD CREDITOR'S ADDRESSES AND FORWARD PROOFS OF CLAIM BY FIRST CLASS MAIL TO EACH CREDITOR (.2) BECKY L. SUTTON	0.30 hr.
09/29/09	REVIEW AND RESPOND TO EMAILS FROM B. CHATZ RE PREPARATION OF SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS (.2); COMMENCE PREPARATION OF EXHIBITS TO ATTACH TO SCHEDULES (.4) BECKY L. SUTTON	0.60 hr.
09/29/09	A & O - DRAFT ORDER AUTHORIZING DEBTOR'S RETENTION OF A & L. MIRIAM R. STEIN	0.30 hr.
09/29/09	A & O - MEETING WITH T. YARDLEY TO PREPARE FOR COURT, INCLUDING REVIEW OF OBJECTION BY TEXAS COUNSEL. MIRIAM R. STEIN	0.30 hr.
09/29/09	LIFE FUND - CONFERENCE WITH R. MACKERT AND HIS ATTORNEYS TO DISCUSS 341 HEARING (.5); REVIEW MOTION TO APPOINT ARNSTEIN & LEHR AND ORDER (.2); CONFERENCE WITH B. CHATZ RE PROCEDURES FOR TRANSFERRING CASE (.4). THOMAS P. YARDLEY	1.10 hr.
09/30/09	CONFERENCE WITH M. GESAS RE PREPARATION OF SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS TO BE COMPLETED BY J. FULLER BECKY L. SUTTON	0.10 hr.
09/30/09	DOWNLOAD AND REVIEW MOTIONS SERVED BY TRUSTEE'S OFFICE AND DOCKET HEARING DATE BECKY L. SUTTON	0.10 hr.

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October 22, 2010

Invoice: 872285

Page 14

09/30/09	A&O - CREATE COMBINED INVESTOR & CREDITOR LISTS BY 7 AFFILIATED DEBTORS. JOHN C. FULLER	1.90 hr.
09/30/09	A&O (LIFE FUND 5.1) - APPEAR IN COURT ON ARNSTEIN & LEHR'S MOTION TO APPOINT CHAPTER 11 TRUSTEE. THOMAS P. YARDLEY	1.70 hr.
09/30/09	A&O (LIFE FUND 5.1) - GATHER INFORMATION FOR J. FULLER TO SUPPORT SCHEDULES AND CONFERENCE WITH J. FULLER RE ADDITIONAL CREDITORS TO BE ADDED TO LIST. THOMAS P. YARDLEY	0.50 hr.
10/01/09	REVIEW AND RESPOND TO EMAILS FROM J. FULLER RE PREPARATION OF SPREADSHEETS OF CREDITORS, POLICY HOLDERS AND LITIGATION (.1); REVIEW SPREADSHEETS PREPARED BY J. FULLER (.1) BECKY L. SUTTON	0.20 hr.
10/01/09	REVIEW CORRESPONDENCE RECEIVED FROM CREDITOR ING RELIASTAR LIFE INSURANCE COMPANY AND REVISE SERVICE LIST ACCORDING TO REQUEST BECKY L. SUTTON	0.20 hr.
10/01/09	TELEPHONE CONFERENCE WITH JAMES THOMPSON (713)650-8100 (WATT BECKWITH THOMPSON & HENNEMAN) RE: INVOICES TO FILE IN SCHEDULES (.10); TELEPHONE CONFERENCE WITH BARRY FLYNN (713)650-8100 RE: INVOICES FOR SCHEDULES (.10); TELEPHONE CONFERENCE WITH KAREN MOSELEY (ING) AT (770)980-4805 RE: A&O BONDED LIFE ASSETS, LLC POLICY 911615843 & A&O BONDED LIFE SETTLEMENTS LLC POLICY #6793883 AND RECORD ADDRESS CHANGES IN SCHEDULES (.30); REVISE A&O CREDITOR AND INVESTOR LISTS (.80). JOHN C. FULLER	1.20 hr.
10/02/09	TELEPHONE CONFERENCE WITH DAVE CORTEZ (985-713-2945) RE LIFE FUND 5.1 PROOF OF CLAIM FORM BECKY L. SUTTON	0.10 hr.
10/02/09	TELEPHONE CONFERENCE WITH CLEO NESS RE LIFE INVESTMENT OF ROBERT BEATTY AND REQUESTING REASON THEY RECEIVED NOTICE (.1); FORWARD PROOF OF CLAIM FORM BY FIRST CLASS MAIL TO 15 ROWE LANE, ARNOLD, MARYLAND 21012 (.1) BECKY L. SUTTON	0.20 hr.
10/02/09	LIFE FUND 5.1 - REVIEW DOCUMENTS RECEIVED FROM INVESTORS COUNSEL (.2); CONFERENCE WITH R. MACKERT TO OUTLINE SUBJECTS TO BE COVERED IN 341 HEARING (.6); REVIEW DOCUMENTS TO BE SENT TO R. MACKERT TO PREPARE FOR 341 HEARING (.4). THOMAS P. YARDLEY	1.20 hr.

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October 22, 2010

Invoice: 872285

Page 15

10/05/09	ATTENTION TO CREDITOR AND INVESTOR SCHEDULES; ATTENTION TO ISSUES RE: J. FLYNN POLICY. JOHN C. FULLER	3.20 hr.
10/05/09	A & O - WORK ON SCHEDULES AND STATEMENT OF AFFAIRS INCLUDING REVIEW OF CURRENT DATA FROM R. MACKERT. MIRIAM R. STEIN	2.00 hr.
10/05/09	LIFE FUNDS 5.1 LLC - REVIEW STATUS OF SCHEDULES (.3); OUTLINE INFORMATION NEEDED FROM MACKERT TO COMPLETE STATEMENT OF FINANCIAL AFFAIRS (.4); CONFERENCE WITH MACKERT RE: ISSUES RELATING TO SCHEDULES (.4). THOMAS P. YARDLEY	1.10 hr.
10/06/09	A & O - DRAFT EMAIL TO ARNSTEIN & LEHR BANKRUPTCY GROUP REGARDING LIABILITIES NEEDED TO BE LISTED ON SCHEDULES AND OTHER RELATED MATTERS (.7); REVIEW STATEMENT OF FINANCIAL AFFAIRS AND BEGIN COMPILING INFORMATION TO BE INCLUDED IN SAME (.6). THOMAS P. YARDLEY	1.30 hr.
10/06/09	CONFERENCE WITH T. YARDLEY RE PREPARATION OF SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS (.3); DOWNLOAD AND PRINT FORMS FROM BEST CASE (.5); COMMENCE REVISIONS TO BEST CASE INFORMATION (1.8); REVIEW ATTACHMENTS TO BEST CASE FORMS (.7) BECKY L. SUTTON	3.30 hr.
10/07/09	WORK WITH J. FULLER ON ATTACHMENTS TO SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS (1.3); CONTINUED INPUT OF INFORMATION INTO BEST CASE PROGRAM FOR PREPARATION OF SCHEDULES (3.3); PRINT ALL COMPLETED DOCUMENTS FOR ALL DEBTORS, SCAN AND CIRCULATE FOR FINAL REVIEW TO ALL ATTORNEYS (1.0) BECKY L. SUTTON	5.60 hr.
10/07/09	PREPARATION AND FILING OF SCHEDULES. JOHN C. FULLER	7.00 hr.
10/07/09	A & O - WORK ON SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS. MIRIAM R. STEIN	2.30 hr.
10/07/09	A & O - DRAFT DISCLAIMER REGARDING SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS. MIRIAM R. STEIN	1.00 hr.

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October 22, 2010

Invoice: 872285

Page 16

10/07/09	LIFE FUND 5.1 LLC - CONTINUE COMPILING INFORMATION FOR STATEMENT OF FINANCIAL AFFAIRS INCLUDING INFORMATION RELATING TO LITIGATION (.7), OFFICES (.3), AUTHORITY TO FILE (.2), LOSSES INCLUDING QUANTIFICATION OF LOSSES IN MISSISSIPPI (.4), REVIEW OF MISSISSIPPI COMPLAINT AND IDENTIFICATION OF ACCOUNTS AT ESCROW COMPANY (.3); REVIEW OF SCHEDULES (1.0); REVIEW OF LIST OF BONDS AND ATTEMPT TO VERIFY THAT LIST OF BONDS IS COMPLETE (.6), PAYMENTS TO A&L (.4), ACCOUNTING STATEMENTS AND REPORTS (.3); DRAFT DISCLAIMER FOR INCLUSION WITH STATEMENT OF FINANCIAL AFFAIRS (.4).	
	THOMAS P. YARDLEY	4.60 hr.
10/08/09	PREPARATION OF SCHEDULES; SEVERAL CONFERENCES WITH R. MACKERT RE: REQUESTED INFORMATION FOR SCHEDULES, ADJUSTMENTS AND REVISIONS TO SCHEDULES.	
	JOHN C. FULLER	6.30 hr.
10/08/09	A & O - MEETING WITH B. SUTTON REGARDING STATUS OF SCHEDULES.	
	MIRIAM R. STEIN	0.50 hr.
10/08/09	REVIEW AND REVISE SCHEDULES, STATEMENTS OF FINANCIAL AFFAIRS AND GLOBAL NOTES, FINALIZE AND PREPARE SAME FOR FILING (2.0); ELECTRONICALLY FILE ALL SCHEDULES, STATEMENT OF FINANCIAL AFFAIRS, ATTACHMENTS, AND GLOBAL NOTES IN ALL SEVEN CASES (2.6)	
	BECKY L. SUTTON	4.60 hr.
10/08/09	A & O - REVIEW FINAL DRAFT OF SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS FOR SEVEN ENTITIES.	
	MIRIAM R. STEIN	0.80 hr.
10/08/09	LIFE FUND 5.1 LLC - REVIEW FINAL SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS FOR ALL DEBTORS.	
	THOMAS P. YARDLEY	1.20 hr.
10/09/09	CORRECT FILLING ERROR FROM 10/08/2009.	
	JOHN C. FULLER	0.40 hr.
10/09/09	A & O - REVIEW EMAIL FROM TRUSTEE RE LISTING OF BONDS AS ASSETS (.1); REVIEW LIST OF BONDS IN DATABASE INCLUDING CONFERENCE WITH J. FULLER TO RETRIEVE LIST (.3); REVIEW SCHEDULES (.4).	
	THOMAS P. YARDLEY	0.80 hr.

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October 22, 2010

Invoice: 872285

Page 17

10/09/09	TELEPHONE CONFERENCE WITH G. SILVER OF U.S. TRUSTEE'S OFFICE (.2); PRINT PLEADINGS FILED IN ALL 7 CASES FOR GRETCHEN SILVER AND ARRANGE FOR DELIVERY OF SAME PRIOR TO COURT HEARING (.6)	
	BECKY L. SUTTON	0.80 hr.
10/09/09	TELEPHONE CONFERENCES (3) WITH BANKRUPTCY COURT CLERKS TO DETERMINE PROCEDURES FOR FILING EMERGENCY MOTION TO REDACT (.4); ASSIST J. FULLER WITH REDACTION OF EXHIBITS FOR PREPARATION OF EMERGENCY MOTION (.6); PREPARE NOTICE OF EMERGENCY MOTION AND CERTIFICATION FOR EMERGENCY HEARING (.5); ELECTRONICALLY FILE SAME (.3); TELEPHONE CONFERENCE WITH JUDGE SCHMETTERER'S CLERK RE EMERGENCY HEARING (.2)	
	BECKY L. SUTTON	2.00 hr.
10/09/09	A&O - DRAFT EMERGENCY MOTION TO REDACT PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURES 9037(A) (1.5); ATTEND COURT HEARING ON EMERGENCY MOTION (1.0); E-MAIL ORDER ENTERED TO CHAPTER 11 TRUSTEE (.1).	
	KEVIN H. MORSE	2.60 hr.
10/09/09	A & O - CONFERENCE CALL WITH T. YARDLEY REGARDING MOTION TO REDACT INFORMATION.	
	MIRIAM R. STEIN	0.50 hr.
10/09/09	A & O - CONFERENCE WITH J. FULLER REGARDING BOND SCHEDULE.	
	MIRIAM R. STEIN	0.40 hr.
10/09/09	LIFE FUND 5.1 LLC - ASSIST IN DRAFTING MOTION TO REDACT SOCIAL SECURITY INFORMATION (.7); REVIEW SCHEDULES FOR PROHIBITED INFORMATION (.4); REVIEW FINAL MOTION TO REDACT (.4).	
	THOMAS P. YARDLEY	1.50 hr.
10/12/09	ASSIST M. GESAS IN PREPARATION FOR HEARING (.8); DOWNLOAD AND PRINT DOCUMENTS RE SAME (.4)	
	BECKY L. SUTTON	1.20 hr.
10/12/09	A & O - CALLS WITH R. MACKERT REGARDING ISSUES RELATING TO 2004 MOTION.	
	MIRIAM R. STEIN	0.30 hr.
10/12/09	A & O - REVIEW 2004 MOTION AGAINST R. MACKERT.	
	MIRIAM R. STEIN	0.30 hr.
10/12/09	A & O - CALL WITH SCOTT GIBSON REGARDING POSSIBLE RETENTION BY TRUSTEE.	
	MIRIAM R. STEIN	0.20 hr.

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October 22, 2010

invoice: 872285

Page 18

10/12/09	A & O - PHONE CALL WITH CREDITOR IN TANGLEWOOD BANKRUPTCY CASE REGARDING FILING OF PROOF OF CLAIM AND INFORMATION RELATING TO CHAPTER 11 TRUSTEE. MIRIAM R. STEIN	0.30 hr.
10/12/09	A & O - REVIEW ISSUES RELATING TO BOND SCHEDULE FOR SCHEDULES. MIRIAM R. STEIN	0.30 hr.
10/12/09	A & O - CALL WITH NEFF REGARDING TRUSTEE'S POSITION IN 2004 MOTION. MIRIAM R. STEIN	0.20 hr.
10/12/09	LIFE FUNDS 5.1 LLC - ADDRESS ABSENCE OF BOND SCHEDULE REFERENCED IN EMAILS FROM TRUSTEE'S COUNSEL INCLUDING REVIEW OF SCHEDULES (.5); CONFERENCE WITH RUSSELL MACKERT RE: BOND SCHEDULES (.4); PREPARE MACKERT FOR 341 HEARING BY REVIEWING VARIOUS ISSUES WITH MACKERT PRIOR TO CONFERENCE CALL WITH HIS PERSONAL ATTORNEY (1.5); CONFERENCE WITH MACKERT AND HIS PRIVATE ATTORNEYS RE: PROCEDURES FOR 341 AND 2004 EXAMINATION (.5) THOMAS P. YARDLEY	2.80 hr.
10/13/09	A&O - CONDUCT RESEARCH RE: TRUSTEE ELECTIONS (.2); DISCUSS WITH T. YARDLEY (.2); REVIEW COURT DOCKET FOR MOTIONS TO DISMISS OR TRANSFER VENUE (.2). KEVIN H. MORSE	0.60 hr.
10/13/09	A & O - MEETING WITH T. YARDLEY REGARDING 341 MEETING AND PREPARATION OF R. MACKERT. MIRIAM R. STEIN	1.50 hr.
10/13/09	LIFE FUND 5.1 LLC - ADDITIONAL PREPARATION OF RUSSELL MACKERT FOR 341 HEARING BY REVIEWING ALL FIVE SCHEDULES AND STATEMENTS OF FINANCIAL AFFAIRS AND RESPONSES TO QUESTIONS (2.2); CONFERENCE WITH TRUSTEE'S OFFICE RE: SECURITY AND OTHER ISSUES (.2); REVIEW FILINGS BY SPALDING FIRM RE: 2004 HEARING AND CONFERENCE WITH MACKERT RE: SAME (.5) THOMAS P. YARDLEY	2.90 hr.
10/14/09	A & O - PREPARE FOR 341(a) MEETING. BARRY A. CHATZ	0.50 hr.
10/14/09	A & O - ATTEND 341(a) MEETING AT U.S. TRUSTEE'S OFFICE. BARRY A. CHATZ	3.50 hr.

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October 22, 2010

Invoice: 872285

Page 19

10/14/09	A & O - ATTEND COURT HEARING REGARDING CREDITOR/INVESTOR'S MOTION TO DISMISS AND MOTION FOR 2004 EXAM. MIRIAM R. STEIN	1.00 hr.
10/14/09	A & O - CONFERENCE WITH U.S. TRUSTEE REGARDING 341 MEETING AND POSSIBLE ELECTION OF TRUSTEE. MIRIAM R. STEIN	0.30 hr.
10/15/09	A & O - FOLLOW UP WITH SANDRA RASNICK REGARDING ISSUES GOING FORWARD AND 341(a) MEETING. BARRY A. CHATZ	0.20 hr.
10/15/09	LIFE FUND 5.1 - CONFERENCE WITH R. MACKERT RE RULE 2004 DEPOSITION AND ATTEMPT TO SCHEDULE ALTERNATIVE DATES; CONFERENCE WITH TRUSTEE RE SAME. THOMAS P. YARDLEY	0.50 hr.
10/16/09	A & O - CONFERENCE WITH R. MACKERT RE 2004 DEPOSITION INCLUDING REVIEW AND PREPARATION FOR TESTIMONY (.1); EMAIL TO TRUSTEE RE SAME (.2); RESEARCH 2004 FOR CASE LAW ON QUASHING SUBPOENAS (.3). THOMAS P. YARDLEY	1.50 hr.
10/20/09	A & O - REVIEW CORRESPONDENCE RE 2004 EXAMINATION; CONFERENCE WITH CLIENT RE SAME. THOMAS P. YARDLEY	0.50 hr.
10/21/09	TELEPHONE CONFERENCE WITH T. YARDLEY RE RECENTLY FILED CASE FOR PURPOSES OF SERVING SUBPOENA IN THIS DISTRICT (.4); SEARCH U.S. PARTY INDEX TO LOCATE CASE (.3); DOWNLOAD AND FORWARD COPIES OF SOUTHERN DISTRICT OF TEXAS CASE DOCKET AND DOCUMENTS TO YARDLEY (.8) BECKY L. SUTTON	1.50 hr.
10/21/09	A & O - CALL REGARDING R. MACKERT'S 2004 EXAM. MIRIAM R. STEIN	0.30 hr.
10/21/09	A & O - REVIEW MOTION REGARDING USE OF CASH COLLATERAL. MIRIAM R. STEIN	0.50 hr.
10/21/09	LIFE FUND 5.1 - REVIEW CORRESPONDENCE RE 2004 EXAMINATION AND CONFERENCE WITH R. MACKERT RE SAME. THOMAS P. YARDLEY	0.40 hr.

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October 22, 2010

Invoice: 872285

Page 20

10/22/09	LIFE FUND 5.1 - CONFERENCE WITH R. MACKERT RE STRATEGY IN RESPONDING TO MOTION TO QUASH (.4); CONFERENCE WITH M. GESAS RE RESPONSE TO MOTION TO QUASH (.2). THOMAS P. YARDLEY	0.60 hr.
10/23/09	TELEPHONE CONFERENCE WITH CLEO NESS ON BEHALF OF INVESTOR ROBERT BEATTY RE FILING OF PROOF OF CLAIM FORM (.1); PREPARE EMAIL TO C. NESS TRANSMITTING PROOF OF CLAIM FORM (.1) BECKY L. SUTTON	0.20 hr.
10/28/09	LIFE FUND 5.1 - REVIEW EMERGENCY MOTION (.3); CONFERENCE WITH R. MACKERT RE STATUS OF MOTION TO QUASH (.2); SEARCH TEXAS FEDERAL COURTS FOR CASE ISSUING SUBPOENA (.3); ANALYZE ISSUES INVOLVING MOTION TO QUASH TO BE FILED BY R. MACKERT (.2). THOMAS P. YARDLEY	1.00 hr.
11/09/09	LIFE FUND 5.1 - CONFERENCE WITH ILLINOIS ATTORNEY GENERAL'S OFFICE RE ISSUES RELATING TO CASE (.4); REVIEW ISSUES RELATING TO BOND AND SUPPLEMENT TO SCHEDULES AND STATEMENT OF FINANCIAL AFFAIRS (.5) THOMAS P. YARDLEY	0.90 hr.
11/13/09	A&O - CALLS REGARDING TRUSTEE ELECTION. MIRIAM R. STEIN	0.20 hr.
11/13/09	ATTEND MEETING OF CREDITORS AND ELECTION OF TRUSTEE. ROBERT A MCKENZIE	3.00 hr.
12/01/09	REVIEW AND DOWNLOAD ORDER GRANTING TRUSTEE'S MOTION TO AUTHORIZE EMPLOYMENT AND RETENTION OF MELVILLE CAPITAL AS HIS LIFE SETTLEMENT BROKER (.2); FORWARD TO T. YARDLEY BY EMAIL (.1) BECKY L. SUTTON	0.30 hr.
12/02/09	TELEPHONE CONFERENCE WITH CREDITOR VINCENT PASCAL RE WANTS TO FILE PROOF OF CLAIM FORM (.1); PREPARE FAX TRANSMITTING SAME (.1); TRANSMIT COPY OF POC FORM BY FIRST CLASS MAIL ALSO (.1) BECKY L. SUTTON	0.30 hr.
12/03/09	LIFE FUND 5.1 - FINALIZE SCHEDULES INCLUDING CONFERENCE WITH CLIENT TO APPROVE SUBSTANCE OF SCHEDULE (1.7); CONFERENCE WITH TRUSTEE RE FORM OF SCHEDULES AND CHANGES TO SCHEDULES BASED UPON INSTRUCTIONS FROM TRUSTEE (1.2); CONFERENCE WITH B. SUTTON RE FILING OF SCHEDULES AND APPROVAL FROM CLIENT (.3). THOMAS P. YARDLEY	3.20 hr.

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October 22, 2010

Invoice: 872285

Page 21

12/23/09	LIFE FUND 5.1 - CONFERENCE WITH CLIENT RE 2004 AND REVIEW OF DOCKET TO OUTLINE TO CLIENT STATUS OF MOTION TO CHALLENGE TRUSTEE. THOMAS P. YARDLEY	1.00 hr.
01/05/10	TELEPHONE CONFERENCE WITH CREDITOR VINCENT PASCAL FROM HOUSTON, TEXAS RE INVESTOR IN A&O INVESTORS BECKY L. SUTTON	0.20 hr.
01/11/10	REVIEW, DOWNLOAD AND PRINT EXHIBIT LISTS AND WITNESS LISTS FOR JANUARY 13, 2010 EVIDENTIARY HEARING RE ELECTION OF TRUSTEE BECKY L. SUTTON	0.50 hr.
07/07/10	DRAFT FEE APPLICATION FOR DEBTORS. JOHN C. FULLER	1.70 hr.
07/09/10	A & O - REVIEW AND REVISE FEE APPLICATION. MIRIAM R. STEIN	1.00 hr.
09/15/10	A&O: REVIEW BILLING MEMOS FOR FIRST AND FINAL FEE APP. KEVIN H. MORSE	1.50 hr.
09/16/10	A & O - REVIEW FEES. MIRIAM R. STEIN	0.80 hr.
09/21/10	A&O: CONTINUE TO DRAFT FINAL FEE APPLICATION (1.5); DRAFT NOTICE TO ALL CREDITORS, PREPARE SERVICE LIST AND DRAFT ORDER (1.0); DISCUSS WITH B. CHATZ (0.2). KEVIN H. MORSE	2.70 hr.
09/23/10	A&O: CONTINUE REVISIONS TO FEE APPLICATION (1.7); DISCUSS POST-CH. 11 TRUSTEE SERVICES WITH T. YARDLEY AND J. FULLER (0.2); CONTINUE REVISIONS AND FINALIZE FEE APPLICATION (0.9); DISCUSS WITH B. CHATZ (0.2). KEVIN H. MORSE	3.00 hr.
09/24/10	A&O: REVIEW OBJECTION OF FRITSCHER/INVESTORS TO FEE APPLICATION OF PERKINS COIE. KEVIN H. MORSE	0.20 hr.
10/01/10	A&O: EMAILS FROM B. CHATZ RE: FEE APPLICATION FILING AND SERVICE (.3); REVISE ALL FEE APPLICATION DOCUMENTS AND FINALIZE FOR FILING AND SERVICE (1.4). KEVIN H. MORSE	1.70 hr.

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October 22, 2010

Invoice: 872285

Page 22

10/20/10 A & O - MULTIPLE CALLS AND E-MAILS REGARDING ISSUES WITH RESPECT TO FEE APPLICATION AND RESOLUTION OF SAME.

BARRY A. CHATZ 3.00 hr.

10/20/10 A&O: REVIEW STILLING'S OBJECTIONS (.2); DISCUSS WITH B. CHATZ (.2).

KEVIN H. MORSE 0.40 hr.

SUMMARY OF FEES

	<u>Hours</u>	<u>Rate/Hr</u>	<u>Amount</u>
BARRY A. CHATZ	12.50	595.00	7,152.50
BECKY L. SUTTON	38.70	215.00	8,320.50
JOHN C. FULLER	50.30	240.00	11,343.00
KEVIN H. MORSE	27.00	265.00	6,980.00
MIRIAM R. STEIN	38.10	450.00	16,419.00
ROBERT A MCKENZIE	3.00	265.00	795.00
THOMAS P. YARDLEY	94.30	380.00	35,834.00
TOTAL	263.90		\$86,844.00

Total Fees for Professional Services 86,844.00

REIMBURSABLE COSTS

BILL CLUTTER INVESTIGATIONS INC: SERVICE OF PROCESS RE; SHEPHERD MANAGEMENT LLP / GENERAL	363.30
DAY-N-NITE INC.: TO; 1 N LASALLE, CHICAGO	3.00
DAY-N-NITE INC.: TO; 1 N LASALLE, CHICAGO	3.00
ILCHICAGO 120 SOUTH RIVERSIDE PLZ STE 12 FEDERAL EXPRESS	29.99
EDIRECT IMPACT LLC: EDISCOVER PROCESSING RE; A & O LIFE FUND LP/ RESTRUCTURE	2,723.15
COURTS/USBC-IL-I - FILING AMENDED SCHEDULES - (7)	182.00
Reverse: PETTYCASH: CAB FARE TO AND FROM FEDERAL COURT - A&O - GENERAL	-10.00

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Page 23

REIMBURSABLE COSTS

Reverse: PETTYCASH: PETTYCASH: CAB FARE TO AND FROM FEDERAL COURT - A&O - GENERAL	-10.00
DAY-N-NITE INC.: TO; 131 S DEARBORN, CHICAGO	4.50
DAY-N-NITE INC.: TO; 131 S DEARBORN, CHICAGO	4.50
DAY-N-NITE INC.: TO; 131 S DEARBORN, CHICAGO	4.50
DAY-N-NITE INC.: TO; 131 S DEARBORN, CHICAGO	7.50
PHOTOCOPY CHARGES	1,561.40
SPECIAL POSTAGE/PRIORITY MAIL/EXPRESS MAIL CHARGES	83.40
LONG DISTANCE TELEPHONE CHARGES	11.50
Total Reimbursable Costs	<u>4,961.74</u>

TOTALS FOR THIS MATTER

Fees For Professional Services	86,844.00
Reimbursable Costs	4,961.74
NET CURRENT BILLING FOR THIS MATTER	<u>\$91,805.74</u>
TOTAL DUE FOR THIS MATTER	\$91,805.74

EIN: 36-2041272

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

In re:) Chapter 11
)
LIFE FUND, 5.1, LLC, et. al.,) Case No. 09-32672
) (Jointly Administered)
)
Debtors.) Hon. A. Benjamin Goldgar
)

**ORDER GRANTING FIRST AND FINAL APPLICATION FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR COUNSEL TO THE
DEBTORS**

This matter coming to be heard on the First and Final Application for Allowance of Compensation and Reimbursement of Expenses for Counsel to the Debtors, Arnstein & Lehr LLP, pursuant to 11 U.S.C. §330 and 331 of the Bankruptcy Code and the Court's Order Authorizing Retention and Employment of Arnstein & Lehr LLP as Counsel for the Debtors. The Court finding notice to be sufficient, and being otherwise fully advised in the premises,

IT IS HEREBY ORDERED that:

1. Arnstein & Lehr LLP ("A&L") is allowed compensation for the application period in the amount of \$_____ and reimbursement of expenses in the amount of \$_____ ("the Allowed Claim")
2. The Trustee is authorized to pay A&L the Allowed Claim.

Dated: _____

ENTERED:

UNITED STATES BANKRUPTCY JUDGE