

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

CASE NAME: Houston Tanglewood Partners, LLC  
CASE NO.: 09-32676

SUMMARY OF CASE RECEIPTS AND CASH DISBURSEMENTS  
For the Month Ending November 30, 2010

BEGINNING BALANCE IN ALL ACCOUNTS	\$ 3,546,731.84 <sup>1</sup>
RECEIPTS:	
1. Receipts from operations	\$ 0
2. Other receipts	\$ 182.70 <sup>2</sup>
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 Taxes	\$ 0
g. State Employee withholdings	\$ 0
h. All Other State Taxes	\$ 0
5. Necessary Expenses:	
a. Rent or Mortgage payment(s)	\$ 0
b. Utilities	\$ 0
c. Insurance	\$ 0
d. Merchandise bought for manufacture or sale	\$ 0
e. Other necessary expenses (specify)	\$ 0
Misc Payments (see Disbursements Section)	\$ 84,942.14
Bank Fees	\$ 60.00
FDIC Fees	\$ 23.93
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 7,330.46<sup>3</sup></b>

<sup>1</sup> The Trustee maintains one checking account and one money market savings account covering 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> Net of inter-account transfers.

NET RECEIPTS (DISBURSEMENTS) FOR THE CURRENT PERIOD \$ {84,843.37}  
ENDING BALANCE IN ALL ACCOUNTS \$ 3,461,888.47

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<sup>3</sup> The Trustee is allocating payment to American General Life in the amount of \$26,000.00 to debtor Life Fund 5.1, LLC. The Trustee is allocating payment to Lincoln National Life Insurance Company in the amount of \$7,712.87 to debtor Life Fund 5.2, LLC. The Trustee is allocating the balance of all other disbursements in the amount of \$51,313.20 evenly among all of the Debtors (\$51,313.20/7= approximately \$7,330.46). Accordingly, approximately \$33,330.46 is allocated to Life Fund 5.1, LLC, approximately \$15,043.33 is allocated to Life Fund 5.2, LLC, and approximately \$7,330.46 is allocated to each of the other five debtors.

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RECEIPTS LISTING  
 [Checking Account]

For the Month Ending November 30, 2010

Bank: Bank of America (TX1-492-08-16)  
 Location: 901 Main Street, 8<sup>th</sup> Floor, Dallas, TX 75202-3714  
 Account Name: Jeff Marwil, Trustee for Life Fund 5.1, LLC, et al. (Jointly Administered)  
 Account No: xxx-xxx-4250

DATE RECEIVED	DESCRIPTION	AMOUNT
11/1/2010	Transfer of funds from Bank of America Money Market Account #xxx-xxx-4238	\$ 5,000
11/17/2010	Transfer of funds from Bank of America Money Market Account #xxx-xxx-4238	\$ 35,000
	TOTAL:	\$ 40,000

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RECEIPTS LISTING  
[Money Market Savings Account]  
For the Month Ending November 30, 2010

Bank: Bank of America (TX1-492-08-16)  
Location: 901 Main Street, 8<sup>th</sup> Floor, Dallas, TX 75202-3714  
Account Name: Jeff Marwil, Trustee for Life Fund 5.1, LLC, et al. (Jointly Administered)  
Account No.: xxx xxx 4238

DATE RECEIVED	DESCRIPTION	AMOUNT
11/30/2010	Interest Accrued	\$ 182.70
TOTAL:		\$ 182.70

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DISBURSEMENT LISTING  
[Checking Account]

For the Month Ending November 30, 2010

Bank: Bank of America (TX1-492-08-16)  
Location: 901 Main Street, 8<sup>th</sup> Floor, Dallas, TX 75202-3714  
Account Name: Jeff Marwil, Trustee for Life Fund 5.1, LLC, et al. (Jointly Administered)  
Account No.: xxx xxx 4250

DATE DISBURSED	CHECK NO.	DESCRIPTION	AMOUNT
11/09/2010	1107	U.S. TRUSTEE QUARTERLY PAYMENT FOR LIFE FUND 5.1, LLC	\$ 650.00
11/09/2010	1108	U.S. TRUSTEE QUARTERLY PAYMENT FOR LIFE FUND 5.2, LLC	\$ 650.00
11/09/2010	1109	U.S. TRUSTEE QUARTERLY PAYMENT FOR HOUSTON TANGLEWOOD PARTNERS, LLC	\$ 650.00
11/09/2010	1110	U.S. TRUSTEE QUARTERLY PAYMENT FOR A&O RESOURCE MANAGEMENT, LTD.	\$ 650.00
11/09/2010	1111	U.S. TRUSTEE QUARTERLY PAYMENT FOR A&O LIFE FUND LLC	\$ 650.00
11/09/2010	1112	U.S. TRUSTEE QUARTERLY PAYMENT FOR A&O BONDED LIFE ASSETS, LLC	\$ 650.00
11/09/2010	1113	U.S. TRUSTEE QUARTERLY PAYMENT FOR A&O BONDED LIFE SETTLEMENTS, LLC	\$ 650.00
11/17/2010	1114	Premium payment to Lincoln National Life Insurance Company for Policy No. JJ7002605	\$ 7,712.87
11/22/2010	1115	Premium payment to American General Life Insurance Company for Policy No. U10033937L	\$ 26,000.00
10/29/2010	N/A	FDIC Assessment	\$ .05
TOTAL:			\$ 38,262.87

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DISBURSEMENT LISTING<sup>4</sup>  
[Money Market Savings Account]

For the Month Ending November 30, 2010

Bank: Bank of America (TX1-492-08-16)  
Location: 901 Main Street, 8<sup>th</sup> Floor, Dallas, TX 75202-3714  
Account Name: Jeff Marwil, Trustee for Life Fund 5.1, LLC, et al. (Jointly Administered)  
Account No.: xxx xxx 4238

DATE DISBURSED	DESCRIPTION	AMOUNT
11/01/2010	Transfer of funds to Bank of America Checking Account #xxx-xxx-4250	\$ 5,000
11/05/2010	Payment to Melville Capital, LLC for Sale of Life Insurance Policy	\$ 41,604.27
11/05/2010	Bank Wire Fee	\$ 20.00
11/17/2010	Transfer of funds to Bank of America Checking Account #xxx-xxx-4250	\$ 35,000.00
11/17/2010	Payment to Melville Capital, LLC for Sale of Life Insurance Policy	\$ 5,075.00
11/17/2010	Bank Assist Book Transfer Fee	\$ 20.00
11/17/2010	Bank Wire Fee	\$ 20.00
11/30/2010	FDIC Assessment	\$ 23.88
<b>TOTAL:</b>		<b>\$ 86,763.15</b>

<sup>4</sup> Without authorization from the Trustee, Bank of America debited the Debtors' accounts for a wire transfer and related fee. After the Trustee notified Bank of America of the unauthorized debit and fee, Bank of America credited the Trustee's account for the full amount of the transfer and the related fee, including interest that should have accrued to the accounts.

**IN THE UNITED STATES BANKRUPTCY COURT  
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CASE NAME: Houston Tanglewood Partners, LLC  
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FOR THE MONTH ENDING NOVEMBER 30, 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**

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

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\* Include only post-petition payments.

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FOR THE MONTH ENDING NOVEMBER 30, 2010

**STATEMENT OF AGED RECEIVABLES  
ACCOUNTS RECEIVABLE**

Beginning of month balance	\$	0		
Add: sales on account	\$	0		
Less: collections	\$	0		
End of month balance	\$	0		
<hr/>				
0-30 days		31-60 days	61-90 days	Over 90 days
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
				<b>End of Month TOTAL</b>
				\$ 0

**STATEMENT OF ACCOUNTS PAYABLE (POST-PETITION)**

Beginning of month balance	\$	0		
Add: sales on account	\$	0		
Less: collections	\$	0		
End of month balance	\$	0		
<hr/>				
0-30 days		31-60 days	61-90 days	Over 90 days
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
				<b>End of Month TOTAL</b>
				\$ 0

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

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FOR THE MONTH ENDING NOVEMBER 30, 2010

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 [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 2. | FICA Withholdings           | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 3. | Employee's Withholdings     | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 4. | Employer's FICA             | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 5. | Federal Unemployment Taxes  | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 6. | State Income Tax            | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 7. | State Employee Withholdings | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |
| 8. | All Other State Taxes       | Yes [ <input type="checkbox"/> ] | No [ <input checked="" type="checkbox"/> ] |

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, Jeremy T. Stillings, attorney to the Chapter 11 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/ Jeremy T. Stillings  
For the Trustee

Printed Name: Jeremy T. Stillings

Title: Counsel to Jeff Marwil, Trustee for the Debtors' Estates