

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

In re:	)	Chapter 11
	)	
LIFE FUND 5.1, LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 09 B 32672
	)	
Debtors.	)	Jointly Administered

**ORDER GRANTING <sup>IL PART</sup> AMENDED SECOND INTERIM APPLICATION OF PROSKAUER ROSE LLP, COUNSEL TO THE TRUSTEE, FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES**

This matter coming to be heard upon the Amended Second Interim Application of Proskauer Rose LLP (“Proskauer”), Counsel to the Trustee, for Allowance of Compensation for Services Rendered and Reimbursement of Expenses (the “Application”)<sup>2</sup>;

THE COURT HEREBY FINDS

- A. Proskauer served written notice of the hearing on the Application to all parties in interest in the Chapter 11 Cases.
- B. The Bankruptcy Court has reviewed the Application.
- C. In the Application, Proskauer requested interim allowance of fees in the amount of \$309,162.00 for the Application Period.
- D. In the Application, Proskauer requested payment, subject to final allowance by order of the Bankruptcy Court and disgorgement, of eighty percent (80%) of fees allowed under the Application.
- E. In the Application, Proskauer requested interim allowance of actual and necessary expenses incurred during the Application Period in the amount of \$8,061.07.

<sup>1</sup> The Debtors in the cases are: (1) Life Fund 5.1, LLC; (2) Life Fund 5.2, LLC; (3) A&O Life Fund, LLC; (4) A&O Resource Management, Ltd.; (5) A&O Bonded Life Settlements, LLC; (6) A&O Bonded Life Assets, LLC; and (7) Houston Tanglewood Partners, LLC.

<sup>2</sup> Each capitalized term used but not defined shall have the meaning ascribed thereto in the Application.

F. In the Application, Proskauer requested reimbursement, subject to final allowance by the Bankruptcy Court and disgorgement, of 100% of expenses allowed under the Application.

G. The Bankruptcy Court held and concluded a hearing on the Application.

H. The Bankruptcy Court has jurisdiction over the matters raised in the Application pursuant to 28 U.S.C. §§ 157 and 1334.

I. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

J. Notice of the Application and the hearing on the Application was sufficient under the circumstances.

*K. The fees and expenses requested are reduced for* *RED*  
~~K. The legal and factual bases set forth in the Application establish just cause for the~~  
*the reasons stated on the record and in the attached exhibit*  
~~relief granted herein.~~  
*to this order.*

**THE BANKRUPTCY COURT HEREBY ORDERS THAT:**

1. The Application is granted <sup>*in part*</sup> on an interim basis, as set forth herein.
2. Proskauer is granted interim allowance of compensation in the <sup>*reduced*</sup> amount of \$ 262,079.50 (the "Interim Allowed Fees") for services rendered to the Trustee during the Application Period.
3. Proskauer is granted interim allowance of reimbursable expenses actually incurred in the <sup>*reduced*</sup> amount of \$ 2,963.90 (the "Interim Allowed Expenses") related to services rendered to the Trustee during the Application Period.
4. The Trustee is authorized and directed to immediately pay to Proskauer from cash of the Estates \$ 212,034.72, which amount represents eighty percent (80%) of the Interim Allowed Fees and 100% of the Interim Allowed Expenses.
5. All amounts allowed and authorized to be paid under the terms of this order are subject to final approval and final allowance by the Bankruptcy Court and disgorgement.

6. This Order is without prejudice to Proskauer seeking payment at a later date of amounts allowed, but not authorized to be paid, hereunder.

**16 MAR 2011**

Dated:

Chicago, Illinois

  
United States Bankruptcy Judge

<u>Date</u>	<u>Timekeeper</u>	<u>Reason for reduction</u>	<u>Amount (\$)</u>
General Case Administration			
9/15/10	Stillings	Vague	\$262.50
9/20/10	Stillings	Unnecessary, no benefit	\$105
10/5/10	Boyd	Unnecessary, no benefit	\$95
10/5/10	Levitan	Unnecessary, no benefit	\$1,457.50
10/2/10	Levitan	Unnecessary, no benefit	\$660
10/12/10	Levitan	Unnecessary, no benefit	\$1,732.50
11/1/10	Stillings	Unnecessary, no benefit	\$840
11/10/10	Marwil	Vague	\$447.50
11/15/10	Marwil	Vague	\$537.00
11/29/10	Wysocki	Vague, Unnecessary, no benefit	\$97.50

Adversary Pleadings and Litigation

9/1/10	Stillings	Excessive	\$200
9/2/10	Spector	Excessive	\$200
9/6/10	Spector	Excessive	\$220
9/7/10	Spector	Excessive	\$300
9/9/10	Spector	Excessive	\$76
9/14/10	Boyd	Excessive	\$100
9/15/10	Spector	Excessive	\$44
9/15/10	Boyd	Excessive	\$200
9/15/10	Rosenthal	Excessive	\$540
9/16/10	Spector	Excessive	\$88
9/16/10	Rice	Excessive	\$50
9/16/10	Boyd	Excessive	\$114
9/17/10	Stillings	Excessive	\$300
9/17/10	Rice	Excessive	\$58.50
9/17/10	Rosenthal	Excessive	\$240
9/22/10	Spector	Excessive	\$220
9/23/10	Spector	Excessive	\$836
9/24/10	Rice	Excessive	\$176
9/27/10	Spector	Excessive	\$748
9/27/10	Stillings	Excessive	\$350
9/27/10	Rosenthal	Excessive	\$840
9/28/10	Spector	Excessive	\$200
9/28/10	Stillings	Excessive	\$480
9/29/10	Spector	Excessive	\$1,000
9/29/10	Marwil	Excessive	\$200
9/29/10	Rosenthal	Excessive	\$480
9/20/10	Spector	Excessive	\$528
9/30/10	Rosenthal	Excessive	\$120

<u>Date</u>	<u>Timekeeper</u>	<u>Reason for reduction</u>	<u>Amount (\$)</u>
10/1/20	Spector	Excessive	\$308
10/11/10	Spector	Excessive	\$200
10/12/10	Spector	Excessive	\$88
10/12/10	Stillings	Excessive	\$105
10/19/10	Spector	Excessive	\$100
10/20/10	Rice	Excessive	\$200
10/25/10	Spector	Excessive	\$200
10/27/10	Spector	Excessive	\$300
11/5/10	Levitan	Excessive	\$2,000
11/9/10	Levitan	Excessive	\$1,593
11/10/10	Spector	Excessive	\$200
11/10/10	Stillings	Vague	\$100
11/10/10	Levitan	Excessive	\$2,271.50
11/11/10	Spector	Excessive	\$227.50
11/11/10	Levitan	Excessive	\$1,386.50
11/15/10	Levitan	Excessive	\$2,242
11/16/10	Marwil	Vague	\$537
11/16/10	Rosenthal	Excessive	\$492
11/16/10	Levitan	Excessive	\$678.50
11/18/10	Levitan	Excessive	\$1,091.50
11/19/10	Levitan	Excessive	\$1,150.50
11/22/10	Levitan	Excessive	\$944
11/23/10	Stillings	Excessive	\$750
11/23/10	Levitgan	Excessive	\$147.50
11/24/10	Levitan	Excessive	\$737.50

Claims Administration and Objection

10/13/10	Levitan	Excessive	\$200
11/4/10	Marwil	Vague	\$268.50

Fee Employment Applications

10/1/10	Marwil	Vague	\$716
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Corporate and Tax Matters

9/14/10	Levitan	Unnecessary, no benefit	\$50
9/15/10	Stillings	Unnecessary, no benefit	\$50
9/21/10	Stillings	Unnecessary, no benefit	\$157.50
9/21/10	Levitan	Unnecessary, no benefit	\$1,300
9/22/10	Levitan	Unnecessary, no benefit	\$1,375
9/23/10	Levitan	Unnecessary, no benefit	\$55
9/24/10	Levitan	Unnecessary, no benefit	\$1,760

<u>Date</u>	<u>Timekeeper</u>	<u>Reason for reduction</u>	<u>Amount (\$)</u>
9/25/10	Levitan	Unnecessary, no benefit	\$550
9/27/10	Levitan	Unnecessary, no benefit	\$550
9/29/10	Levitan	Unnecessary, no benefit	\$1,182.50
9/30/10	Levitan	Unnecessary, no benefit	\$137.50
10/1/10	Levitan	Unnecessary, no benefit	\$137.50
10/13/10	Levitan	Unnecessary, no benefit	\$412.50

Asset Disposition

9/13/10	Marwil	Vague	\$537
9/21/10	Marwil	Vague	\$447.50
10/5/10	Marwil	Vague	\$400
10/8/10	Marwil	Vague	\$268.50
10/13/10	Marwil	Vague	\$447.50
11/15/10	Marwil	Vague	\$80
11/17/10	Levitan	Excessive	\$1,000
11/23/10	Levitan	Excessive	\$500
11/24/10	Levitan	Excessive	\$937.50

Investor Communications

9/9/10	Rice	Vague	\$39
9/10/10	Rice	Vague	\$39
9/16/10	Rice	Vague	\$19.50
9/17/10	Rice	Vague	\$19.50
9/23/10	Boyd	Vague	\$19
9/28/10	Rice	Vague	\$39
10/5/10	Rice	Vague	\$58.50
10/5/10	Boyd	Vague	\$19
10/7/10	Rice	Vague	\$19.50
10/12/10	Rice	Vague	\$58.50
10/14/10	Rice	Vague	\$39

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**Total: \$47,082.50**

Costs

Facsimile	Office overhead	\$97
Computerized legal research	Office overhead	\$5,000.17
<b>Total:</b>		<b>\$5,097.17</b>