

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

CASE NAME: A&O Life Fund, LLC
 CASE NO.: 09-32678

SUMMARY OF CASH RECEIPTS AND CASH DISBURSEMENTS

For the Month Ending July 31, 2011

BEGINNING BALANCE IN ALL ACCOUNTS	\$ 7,222,741.60
RECEIPTS:	
1. Receipts from operations	\$ 0
2. Other receipts	\$ 0
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)	\$
Misc Payments (see Disbursements Section)	\$ 994,640.16
Bank Fees	\$ 0
FDIC Fees	\$ 47.96

TOTAL DISBURSEMENTS	\$ 104,704.36 ¹
NET RECEIPTS (DISBURSEMENTS) FOR THE CURRENT PERIOD	\$ (994,688.12)
ENDING BALANCE IN ALL ACCOUNTS	\$ 6,228,053.48

¹ The Trustee is allocating the payment to Lincoln National for policy #JF5571244 in the amount of \$7,103.49 to debtor Life Fund 5.2, LLC. The Trustee is allocating the payment to Lincoln National for policy #JF5571385 in the amount of \$7,191.91 to A&O Life Fund, LLC. The Trustee is allocating payment to Prudential for policy #V1168732 in the amount of \$297,805.56 to Houston Tanglewood Partners, LLC. The Trustee is allocating the balance of all other disbursements in the amount of \$682,587.16 evenly among all of the Debtors ($\$682,587.16/7 =$ approximately \$97,512.45). Accordingly, approximately \$104,615.94 is allocated to Life Fund 5.2, LLC, approximately \$395,318.01 is allocated to Houston Tanglewood Partners, LLC, approximately \$104,704.36 is allocated to A&O Life Fund, LLC and approximately \$97,512.45 to each of the other four debtors.

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DISBURSEMENT LISTING
[Checking Account]

For the Month Ending July 31, 2011

Bank: Bank of America (TX1-492-08-16)
Location: 901 Main Street, 8th Floor, Dallas, TX 75202-3714
Account Name: Jeff Marwil, Trustee for Life Fund 5.1, LLC, et al. (Jointly Administered)
Account No.: xxx xxx 2450

DATE DISBURSED	CHECK NO.	DESCRIPTION	AMOUNT
06/20/2011	1146	Premium Payment to Prudential for Policy #V1168732	\$ 297,805.56
07/12/2011	1147	Payment to George Adams & Company Insurance Agency, LLC	\$ 5,680.00
07/12/2011	1148	Payment to The Garden City Group, Inc.	\$ 7,745.50
07/12/2011	1149	Premium Payment to The Lincoln National Life Insurance Co. for Policy #JF5571385	\$ 7,191.91
07/18/2011	1150	Payment to Perkins Coie LLP per final compensation order	\$ 669,113.70
07/18/2011	1151	Premium Payment to The Lincoln National Life Insurance Co. for Policy #JF5571244	\$ 7,103.49
06/30/2011	N/A	FDIC Assessment	\$ 47.96
TOTAL:			\$ 994,688.12

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FOR THE MONTH ENDING JULY 31, 2011

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

* Include only post-petition payments.

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FOR THE MONTH ENDING JULY 31, 2011

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

STATEMENT OF ACCOUNTS PAYABLE (POST-PETITION)

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 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90 days</u>	<u>End of Month 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 [✓] |
| 2. | FICA Withholdings | Yes [] | No [✓] |
| 3. | Employee's Withholdings | Yes [] | No [✓] |
| 4. | Employer's FICA | Yes [] | No [✓] |
| 5. | Federal Unemployment Taxes | Yes [] | No [✓] |
| 6. | State Income Tax | Yes [] | No [✓] |
| 7. | State Employee Withholdings | Yes [] | No [✓] |
| 8. | All Other State Taxes | Yes [] | No [✓] |

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, Brandon W. Levitan, 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/ Brandon W. Levitan
For the Trustee

Printed Name: Brandon W. Levitan

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