

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

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

**ORDER SUSTAINING SEVENTH OMNIBUS OBJECTION
TO CLAIMS (NO BASIS CLAIMS)**

Upon the *Trustee's Seventh Omnibus Objection to Certain Proofs of Claim (No Basis Claims)* (the "Objection")²; it appearing that notice of the Objection was good and sufficient upon the particular circumstances and that no other or further notice need be given; the Court having considered the Objection, the claims listed on Exhibit A attached hereto, and any responses to the Objection; upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby

FOUND AND DETERMINED THAT:

- A. The Objection is a core proceeding under 28 U.S.C. § 157(b)(2);
- B. Each holder of a claim (as to each, a "Claim") listed on Exhibit A hereto was properly and timely served with a copy of the Objection, the accompanying exhibit, and the notice of hearing thereon;
- C. Any entity known to have an interest in the Claims subject to the Objection has been afforded reasonable opportunity to respond to, or be heard regarding, the relief requested in

¹ 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.

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Objection.

the Objection; and

D. The relief requested in the Objection is in the best interests of the Estates, their creditors, and other parties in interest; and therefore

IT IS HEREBY ORDERED THAT:

1. The Objection is GRANTED as set forth herein.

2. The No Basis Claims listed on Exhibit A are expunged as set forth in Exhibit A.

3. The Trustee's rights to amend, modify, or supplement the Objection, to file additional objections to the Claims or any other claims (filed or not) which may be asserted against the Debtors, and to seek further reduction of any Claim to the extent such Claim has been paid, are preserved. Additionally, should one or more of the grounds of objection stated in the Objection be dismissed, the Trustee's right to object on other stated grounds or on any other grounds that the Trustee discovers during the pendency of the Chapter 11 Cases are further preserved.

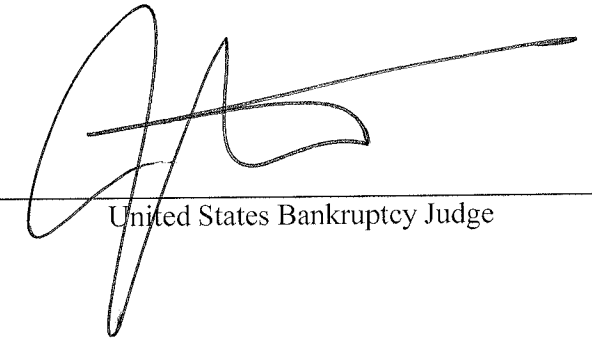
4. Each Claim and the objections by the Trustee to such Claim, as addressed in the Objection and as set forth on Exhibit A hereto, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate Order with respect to each Claim. Any stay of this Order pending appeal by any Claimants whose Claims are subject to this Order shall only apply to the contested matter which involves such Claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters listed in the Objection or this Order.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

6. All time periods set forth in this Order shall be calculated in accordance with
Bankruptcy Rule 9006(a).

Dated:

Chicago, Illinois

Oct 14, 2011 

United States Bankruptcy Judge

**Order Prepared By:
Proskauer Rose LLP
70 W. Madison St.
Chicago, IL 60602
Brandon W. Levitan
Counsel to the Trustee**

EXHIBIT "A"

No Basis Claims

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In re: Life Funds 5.1, LLC, et al. (09-32672) Exhibit A - Seventh Omnibus Objection Claims

Note: Claimants are listed alphabetically by last name or by entity name.

SEQ#	NAME	DATE FILED	CLAIMED DEBTOR	CASE NUMBER	NUMBER OF CLAIM TO BE EXPUNGED	CLAIMED AMOUNT
1	PETER BACHMANN 6329 OURTOWN ROAD SHEBOYGAN FALLS, WI 53085	08/31/10	Houston Tanglewood Partners, LLC	09-32676	871	\$361,326.00
2	PETER BACHMANN 6329 OURTOWN ROAD SHEBOYGAN FALLS, WI 53085	08/31/10	A&O Resource Management, Ltd	09-32677	872	\$361,326.00
3	STUART BENNEROTTE 4824 E 53RD ST UNIT 301 MINNEAPOLIS, MN 55417	10/14/09	Life Fund 5.1, LLC	09-32672	441	\$180,000.00
4	STUART BENNEROTTE 4824 EAST 53RD STREET UNIT 301 MINNEAPOLIS, MN 55418	11/12/09	Life Fund 5.1, LLC	09-32672	346	\$180,000.00
5	ENTRUST RETIREMENT SERVICES INC FBO KATALIN SZANISZIO 2423 MAPLE GROVE DR NEENAH, WI 54956	08/30/10	Houston Tanglewood Partners, LLC	09-32676	792	\$300,000.00
6	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DR MAGNOLIA, TX 77354	07/22/10	A&O Bonded Life Settlement, LLC	09-32681	573	\$2,193,684.50
7	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DR MAGNOLIA, TX 77354	07/22/10	A&O Life Fund, LLC	09-32678	574	\$2,193,684.50
8	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DRIVE MAGNOLIA, TX 77354	11/12/09	Life Fund 5.1, LLC	09-32672	348	\$2,000,000.00

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SEQ#	NAME	DATE FILED	CLAIMED DEBTOR	CASE NUMBER	NUMBER OF CLAIM TO BE EXPUNGED	CLAIMED AMOUNT
9	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DRIVE MAGNOLIA, TX 77354	07/22/10	A&O Life Fund, LLC	09-32678	568	\$2,193,684.50
10	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DRIVE MAGNOLIA, TX 77354	07/22/10	Life Fund 5.2, LLC	09-32674	569	\$2,193,684.50
11	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DRIVE MAGNOLIA, TX 77354	07/22/10	Life Fund 5.1, LLC	09-32672	570	\$2,193,684.50
12	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DRIVE MAGNOLIA, TX 77354	07/22/10	Houston Tanglewood Partners, LLC	09-32676	571	\$2,193,684.50
13	PAULA K HIGDON & PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 12026 LIVE OAK DRIVE MAGNOLIA, TX 77354	07/22/10	A&O Resource Management, Ltd	09-32677	572	\$2,193,684.50
14	PAULA K HIGDON 50% PAULA & RYAN WHITAKER CHARITABLE REMAINDER TRUST 50% PAULA K HIGDON & PAULA H WHITAKER TTEE 12026 LIVE OAK DR MAGNOLIA, TX 77354	10/09/09	Houston Tanglewood Partners, LLC	09-32676	450	\$2,000,000.00
15	KEVIN WIENKERS 2863 CIRCLE SHORE DR GREEN BAY, WI 54302	08/31/10	A&O Resource Management, Ltd	09-32677	878	\$800,000.00

Total: \$21,538,443.50