

CAUSE NO. D-1-GV-10-000454

STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
	§	
<b>Plaintiff,</b>	§	
	§	
v.	§	
	§	
RETIREMENT VALUE, LLC,	§	
RICHARD H. "DICK" GRAY, HILL	§	
COUNTRY FUNDING, LLC, a	§	
Texas Limited Liability Company,	§	
HILL COUNTRY FUNDING, a Nevada	§	TRAVIS COUNTY, TEXAS
Limited Liability Company, and	§	
WENDY ROGERS,	§	
	§	
<b>Defendants,</b>	§	
	§	
AND	§	
	§	
KIESLING, PORTER, KIESLING, &	§	
FREE, P.C.,	§	
	§	
<b>Relief Defendant.</b>	§	126 <sup>th</sup> JUDICIAL DISTRICT

**FIFTH APPLICATION FOR FEES  
BY THE RECEIVER AND RECEIVER'S COUNSEL**

Eduardo S. Espinosa, court-appointed temporary receiver for Retirement Value, LLC, files his second application for fees incurred by the Receiver and his counsel, K&L Gates, LLP.

**BACKGROUND**

On May 5, 2010, the State of Texas filed this suit against Retirement Value, Richard H. Gray and Bruce Collins alleging that they had perpetrated a \$77 million securities fraud and seeking temporary and permanent injunctive relief, restitution for the losses suffered by investors, penalties and other monetary relief. On that date, the Court entered an order appointing Eduardo S. Espinosa of K&L Gates, LLP as Receiver. The State subsequently amended its suit to include Wendy Rogers as a defendant, and to seek a receivership over two additional entities affiliated with the defendants.

On May 28, 2010, the Court entered a temporary injunction (the “Agreed TI”) against Gray and Retirement Value and continued the Receiver’s appointment. In the Agreed TI, the Court directed and authorized the Receiver to, among other things:

- (a) to take possession of and preserve all books, records and assets of Retirement Value and all assets derived from the operations of Retirement Value;
- (b) to attempt to effect fair restitution to the investor-victims; and
- (c) to assist the State in its investigation of the Defendants and others.

The temporary injunction and the receivership will remain in place until the end of the trial of this matter, which is currently scheduled for May 16, 2011 but will likely be postponed until July 2011.

To assist the Receiver in the performance of these duties, the Agreed TI authorizes the Receiver to “to hire employees, contractors, consultants, accountants, attorneys, legal assistants, or other assistants under terms to be determined by the Receiver, whose services in the sole discretion of the Receiver, are necessary for an efficient and accurate administration of the receivership estate.” Agreed TI at 14, ¶8. To that end, the Receiver has retained the law firm of K&L Gates, LLP to represent him in connection with this case, to assist him in the performance of his duties and to prosecute or defend litigation on behalf of Retirement Value.<sup>1</sup>

By its Order Regarding the First Application for Fees by the Receiver and Receiver’s Counsel entered on October 26, 2010 (the “Fees Order”), the Court modified the basis by which the Receiver and his counsel are paid. Pursuant to the Fees Order, the Receiver shall charge an hourly rate of \$320 per hour and the Receiver’s counsel shall discount its rates by 9.5% from its then current hourly rates in effect as of the time services are rendered beginning on August 1,

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<sup>1</sup> The Receiver has also retained other professionals to assist him. An application to pay the fees of those professionals is the subject of a separate application.

2010. Fees Order at 2. Moreover, the Receiver and his counsel are to submit to the Court and to the parties of record their request for payment of fees. If no party of record files an objection to the request for payment within ten days from the filing of the request for payment, then the Receiver shall pay the amount of the request from funds he holds in the receivership estate. Any objection must state with specificity the particular items of the Receiver's request to which the objection is made. If an objection is made, the Receiver shall not pay the contested portion of the invoice until a hearing has been held on the objection, but the Receiver may pay the portions of the request to which no objection is made. *Id.*

#### **APPLICATION FOR PROFESSIONAL FEES**

By this Application, the Receiver seeks approval from the Court to pay from the assets of the Receivership the fees incurred by the Receiver and his counsel, K&L Gates, LLP, for the time period from December 1, 2010 through February 28, 2011. The Receiver has incurred fees of \$74,366 during the period covered by this Application. He has retained the legal services of K&L Gates, which has incurred fees of \$281,591 for the three-month period covered by this Application. Affidavit of Eduardo S. Espinosa (“Espinosa Affid.”) at ¶11 (attached as Exhibit 1). While substantial, these fees were both reasonable and necessary.

The fees charged by the Receiver and his counsel represent a discount of 22.5% from the usual and customary fees charged by K&L Gates. As a general matter, the charge for the services provided by K&L Gates is determined by multiplying the total number of hours worked by each timekeeper by that timekeeper’s billing rate. *Id.* at ¶6. In this case, the billing rate of each timekeeper was discounted from the usual and customary rates charged by K&L Gates. The Receiver is charging \$320/hour, which represents a 30% discount from his usual and customary rate of \$455/hour. In addition, K&L Gates has discounted its rates by 9.5% and further discounted its bills by approximately \$45,924.32. In the aggregate the discounts and

write-offs associated with this Fee Application amount to \$75,483.61. Espinosa Affid at ¶6. The chart below summarizes the fees charged and the discounts applied.

<b>Invoice Summary</b>					
Services Rendered in:		<u>December</u>	<u>January</u>	<u>February</u>	<u>Total</u>
Fees Requested					
Matter .00001		\$110,409.97	\$131,272.61	\$96,576.13	\$338,258.71
Matter .00003		<u>\$2,953.05</u>	<u>\$11,246.58</u>	<u>\$3,468.75</u>	<u>\$17,668.38</u>
Total		\$113,363.02	\$142,519.19	\$100,044.88	\$355,927.09
	<i>Rate</i>				
Receiver Incurred		\$40,320.00	\$33,943.00	\$28,073.50	\$102,336.50
Receiver Billed	\$320.00	\$30,720.00	\$23,872.00	\$19,744.00	\$74,336.00
Receiver adj		(\$9,600.00)	(\$10,071.00)	(\$8,329.50)	(\$28,000.50)
KLG Incurred	various	\$109,782.74	\$144,083.10	\$103,208.85	\$357,074.70
KLG Billed	various	\$82,643.02	\$118,647.19	\$80,300.88	\$281,591.09
KLG adj.	(9.5%)	(\$8,675.23)	(\$12,454.68)	(\$8,429.37)	(\$29,559.29)
Write-offs		(\$18,464.49)	(\$12,981.23)	(\$14,478.60)	(\$45,924.32)
<b>Total Adj</b>		<b>(\$27,139.72)</b>	<b>(\$25,435.91)</b>	<b>(\$22,907.97)</b>	<b>(\$75,483.61)</b>

The reasonableness of the fees incurred by the Receiver and his counsel should be examined in light of the challenges faced by the estate, the work necessary to administer the estate and the accomplishments of the Receiver to date. The estate is large, with significant money, assets and claims against it. It is also complicated to administer. As a result, the Receiver has been required to expend significant time and resources to identify, collect and preserve assets and to determine who is owed money by the estate and against whom the estate may have significant and valuable claims. These efforts have born significant fruit, with substantial recoveries already received by the estate.

In December, January and February, the Receiver and his counsel devoted substantial attention to the resolution of claims by and against the estate. The significant tasks during this time period include

- Investigation, assertion and negotiation of claims against Kiesling Porter. These negotiations have recently led to a \$710,000 settlement with Kiesling Porter on behalf of the Receiver, the State and a class of investors lead by the Intervenor. In the coming weeks, we will request court approval of the settlement.

- Preparation of claims against Dick Gray and Wendy Rogers to recover the funds they received from Retirement Value. We have reached a settlement with Dick Gray resulting in the return of cash and property worth about \$650,000. In the coming weeks, we will request court approval of this settlement. We have also engaged in substantive negotiations with Wendy Rogers but have been unable to reach an agreement.
- Assertion of a claim for death benefits under policy PLI140-111109-DM in the amount of \$10 million. After receiving the Receiver's claim for benefits, Pacific Life Insurance Company raised a number of questions about the propriety of the transfer of the policy from the original owners to James Settlement Services. We have investigated the transfer from the original owner to James Settlement and have worked with Pacific Life's counsel as well as counsel for the insured's family to resolve these questions. This matter has been resolved, and the Pacific Life has remitted the policies face value plus interest from the insured's date of death to the Receiver.
- Litigation with a set of investors attempting to receive a preferential payout in advance of other investors. After an evidentiary hearing, the court ruled in favor of the Receiver.
- Completion of the updated life expectancy analyses on the insureds in the portfolio and review of the initial analysis of the portfolio by the actuaries.
- Incorporation of the updated life expectancies into the actuarial analysis and substantial progress on modeling the portfolio's projected cash flows.
- Analyzed the fiscal and tax implications associated with Retirement Value's organizational structure.

The work by the Receiver and his counsel has entered into a new phase. Initially, the Receiver undertook to investigate the business of Retirement Value, to collect the assets readily available to it and to put in place interim measures to protect the value of those assets. That work is largely complete. Over the last two months and continuing in future months, the Receiver is working on two major initiatives. The first is to develop and execute upon a long-term plan for the portfolio of insurance policies that maximizes the value of those policies. The second is to resolve and collect upon the substantial claims that the estate has against various parties. Both initiatives are under way.

The key variable to the success of the estate and ultimately the restitution paid to the investors is the performance of portfolio of insurance policies owned by Retirement Value. Maximization of the value of the portfolio depends upon the expected cash flow to and from the policies (premiums paid and benefits received) as well as on the structure of the portfolio itself.

To determine the expected cash flow from the portfolio, the Receiver, with the assistance of the estate's portfolio servicer, ASG, has obtained updated life expectancy calculations for each of the insureds. In order to have the best possible life expectancy calculations, we have requested that each of the insureds consent to the doctors releasing medical information to us. Although each insured is contractually obligated to provide updated medical information and to execute the consents necessary for their doctors to release that information to us, a number of insureds have delayed returning the consents to us and, in a few cases, outright refused to return the consents. This lack of cooperation hampered our efforts to obtain new life expectancy calculations and required additional effort by ASG, the Receiver and his counsel. We have now obtained new life expectancy calculations for all of the remaining 43 insureds.<sup>2</sup> The new life expectancy calculations were forwarded to Lewis & Ellis, the estate's actuarial consultants, to prepare cash flow projections for each policy and the portfolio as a whole. We expect to issue a report this month which will discuss some of these issues in greater detail.

The Receiver and his counsel have also been working to determine the best way to structure of the portfolio so that the Receiver can maximize the assets available for distribution and distribute them in a legally appropriate and equitable manner. Based on his research and the results of the new life expectancy certificates available so far, the Receiver believes that the best course of action is to consolidate the portfolio so that all claimants share in all of the assets of the

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<sup>2</sup> In a few instances, the decision was made to secure updated life expectancy certificates, even though updated medical records were not provided or available.

estate. The Receiver previously sought permission from the Court to do so, but agreed to postpone resolution of the matter until the actuarial analysis was completed. The Receiver anticipates that he will re-urge the Court for permission to consolidate the portfolio within the next few months. The Receiver's proposal is not without controversy and additional litigation before the Court will be necessary to determine the appropriate structure of the portfolio and the most equitable method of distributing assets to the claimants. The Receiver is engaged in ongoing discussions with various groups of investors regarding this issue.

The Receiver and his counsel are also working to collect on claims owed to the estate. The Receiver has filed suit against David and Elizabeth Gray (former owners of Retirement Value) to recover the substantial sums of money paid to them by Retirement Value. This application includes approximately \$17,668.38 in fees that were incurred by the Receiver and Receiver's counsel in that matter. In addition, the Receiver has been engaged in negotiations with various other parties, including some licensees, towards the settlement of the estate's claims against them. Further, the Receiver has begun to make demand upon the various licensees who sold investments in the Resale Life Insurance Policy Program.<sup>3</sup> If the various negotiations currently in progress are not concluded in the near future, the Receiver will file additional suits to collect amounts owed to the estate.

Because of the expense and risk inherent in litigation, the Receiver is taking a deliberate approach towards the claims of the estate. As a general matter, the Receiver is engaging in negotiations with those against whom the estate has claims rather than immediately filing suit. Moreover, the Receiver is concentrating his initial efforts on claims that are either the most likely

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<sup>3</sup> The Receiver has recently retained the law firm of George & Brothers, LLP to prosecute claims against the licensees. George & Brothers will be paid a contingency fee based on the amount that recovered from the licensees. The Receiver will pay reimbursable expenses up to \$50,000 out of pocket and any additional expenses will be paid out of any recovery from the licensees.

to succeed or which provide for the largest potential recovery, including engaging in mediation with certain parties. After consultation with the State and the Intervenors, we have decided to retain contingency fee counsel to prosecute claims against the licensees.

In addition to the work on the two initiatives discussed above, the Receiver and his counsel have been engaged in various other matters for the estate.

#### ARGUMENT

The Receiver's administrative costs, including his fee and that of his counsel, are to be paid out of the funds and other assets of the estate.<sup>4</sup> These costs are considered costs of court and have priority over all other claims against the estate. *Jordan v. Burbach*, 330 S.W.2d 249 (Tex. Civ. App. – El Paso 1959, writ ref'd n.r.e.); also TEX. CIV. PRAC. & REM. CODE §64.051. The Court should consider the reasonableness of the fees requested by both the Receiver and counsel.<sup>5</sup>

In evaluating the reasonableness of the fees, the Court should consider the following factors: (1) the time and labor involved, the novelty and difficulty of the questions involved, and the skill required to perform the legal services properly; (2) the likelihood that the acceptance of the particular employment will preclude other employment by the lawyer; (3) the fee customarily charged in the locality for similar legal services; (4) the amount involved and the results obtained; (5) the time limitations imposed by the client or the circumstances; (6) the nature and length of the professional relationship with the client; (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; and (8) whether the fee is fixed or contingent

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<sup>4</sup> The Receiver will pay the fees requested in this application from the Estate's operating accounts which do not include accounts denominated in the names of the individual defendants or HCF.

<sup>5</sup> The Receiver has not acted as his own counsel; therefore all of his time is billed at his "Receiver" rate as opposed to a higher rate for his services as an attorney. *Espinosa Affid.* at ¶4.

on results obtained or uncertainty of collection before the legal services have been rendered. *Arthur Andersen & Co. v. Perry Equip. Corp.*, 945 S.W.2d 812, 818 (Tex.1997).<sup>6</sup> These factors support the award of the requested fees.

*Time, labor, skill & complexity.* By its nature, a receivership proceeding is unique and complicated. As discussed above, this receivership is particularly complicated due to its size, the assets involved, the poor record keeping of Retirement Value and the sheer number of people involved (900 investors, 1,000 licensees, 18 insurance companies and several banks). To properly administer the estate requires a high degree of skill and diligence. Moreover, the Receiver and his counsel have had to devote significant time to this matter. The exact time expended and work performed by the Receiver and his counsel are shown on the invoices attached to the Espinosa Affidavit. In addition, the Receiver's Initial Report previously filed with the Court summarizes the work of the Receiver and his counsel.

*Preclusion of other employment.* K&L Gates has not had to decline any representation solely because of its services in this case. However, because of the magnitude of the effort required, the Receiver and certain individual K&L Gates professionals working on this matter have been largely precluded from working on other matters.

*Customary fees.* An attorney's usual and customary fees are presumed to be reasonable. TEX. CIV. PRAC. & REM. CODE § 38.003. The fees charged by K&L in this case are the usual and customary fees that it charges to and collects from its clients for the services of the attorneys and other professionals working on this matter, except that the Receiver is charging 30% less than his

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<sup>6</sup> Certain older cases have described the factors used to consider the reasonableness of a receiver's fee using slightly different terminology. See *Taylor v. Taylor*, 91 S.W.2d 394, 397-98 (Tex. Civ. App. – Amarillo 1936, no writ). However, the factors used by these cases incorporate all of the same considerations set out in the *Arthur Anderson* factors. In order to simplify this application, the Receiver has used the *Arthur Anderson* framework to discuss the reasonableness of his fees and those of his counsel.

usual and customary rate and K&L Gates is charging 9.5% less than its usual and customary rates on all other timekeepers. Espinosa Affid. at ¶6. Further, the court may take judicial notice of customary fees and of the contents of the case file without further evidence. TEX. CIV. PRAC. & REM. CODE § 38.004.

Every year, K&L Gates undertakes an analysis of the markets in which it operates in order to determine the appropriate fees to charge for its professionals based on the fees charged by its competitors and peer firms. The goal of this analysis is to set rates for each professional at the median rate for professionals at peer firms in similar practices areas and similar experience. Accordingly, the rates charged by K&L Gates in this matter are well within the norm for firms of its type in Texas. Espinosa Affid. at ¶8.

*Amount involved and results obtained.* The amount involved in this matter, measured either by the \$77 million invested by the investors or the \$30+ million value of the estate already seized by the Receiver, is very large. Although involved for only six months, the Receiver has already obtained significant results. He recovered the \$1.2 million that the Defendants attempted to secret; settled with Collins for approximately \$320,000; resolved the outstanding purchase of policies from James Settlement in a manner favorable to the estate under adverse circumstances; and successfully mediated with the Relief Defendant and Richard H. Gray, recovering additional assets in excess of \$1.2 million for the estate. The Receiver also recovered \$10 million on a policy of insurance after satisfying the objections of the insurer.

*Time limitations.* Time is of the essence in a receivership. This is particularly true in the initial stages. The efforts undertaken in this case to recover assets, investigate the facts and preserve the portfolio of polices were conducted on an expedited basis.

*The nature and length of the professional relationship.* This factor cuts no particular way. However, neither the Receiver nor his counsel has any particular relationship with any of the parties involved in this matter. Nor is there any possibility of a future relationship with the estate. By their nature, receiverships are a one-time event. As a result, no discount would normally be appropriate. Nevertheless, K&L Gates has provided a discount of 22.5% off of the fees it would normally charge for the work performed during this time period.

*Experience, reputation, and ability of the professionals.* K&L Gates is one of the world's premier law firms. It comprises nearly 2,000 lawyers who practice in 37 offices located on three continents. K&L Gates represents leading global corporations, growth and middle-market companies, capital markets participants and entrepreneurs in every major industry group as well as public sector entities, educational institutions, philanthropic organizations and individuals.

*Whether the fee is fixed or contingent.* The fees of the Receiver and his counsel are based on upon their hourly rates with a substantial discount. However, the payment of fees depends upon the approval of the court and the availability of assets in the estate – something which could not be known at the time the engagement was accepted and which remain uncertain.

In addition, the Receiver's fees are less than Retirement Value's operating expenses for the four months preceding the receivership. This is significant because the Receiver is tasked with preserving Retirement Value's assets for the benefit of the investors, which requires, among other things, that the Receiver perpetuate certain aspects of Retirement Value's operations. The following table reflects Retirement Value's expenses for the period of January 1, 2010 through April 30, 2010.

<b>Retirement Value's</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>Average</b>
<i>Expenses</i>					
Payroll	170,140.04	151,665.13	185,159.25	161,598.27	167,140.67
Other Expenses	<u>289,177.90</u>	<u>432,748.48</u>	<u>121,837.00</u>	<u>107,384.87</u>	<u>237,787.06</u>
<i>Total Expenses</i>	<u>459,317.94</u>	<u>584,413.61</u>	<u>306,996.25</u>	<u>268,983.14</u>	<u>404,927.73</u>

Retirement Value's expenses averaged approximately \$405,000 per month for the months preceding the receivership. In contrast, the fees sought by the Receiver and his counsel since the receivership's inception have averaged \$158,058.14 per month for the first ten months, a metric which continues to trend downward. By comparison, the fees requested for services rendered in December 2010, January 2011 and February 2011 are, on average, approximately \$48,500 less than Retirement Value's monthly payroll costs and \$286,000 less than Retirement Value's average monthly expenses in 2010.<sup>7</sup> Moreover, the fees for services rendered during December 2010, January 2011 and February 2011 represent a significant decline from the approximately \$175,000 per month average over the receivership's first seven months.

The Receiver anticipates that his fees and the fees of his counsel will fluctuate over the coming months but continue to trend downward. The amount of fees incurred will depend primarily on the Receiver's success in convincing licensees and others who owe money to the estate to pay without requiring recourse to the courts. It will also depend upon other circumstances beyond the control of the Receiver such as the filing of claims against Retirement Value by investors or non-investor claimants as well as the cooperation of the Defendants. The

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<sup>7</sup> Arguably, Retirement Value's operating expenses for April 2010 may be a better proxy for the effort required to maintain the estate because Retirement Value was not soliciting investments in April due to the cease and desist order imposed by the State Securities Board. Even so, the fees sought for the Receiver and his counsel are significantly less than Retirement Value's April operating expenses.

more the Defendants and others cooperate with the Receiver, the lower the fees incurred by the Receiver and his counsel will be. The converse is also true.

Based on the size and complexity of the estate, the difficulties of administering it, the efforts expended and the results obtained, the fees requested by the Receiver and his counsel are reasonable and necessary.

ACCORDINGLY, the Receiver requests that this Application be granted in its entirety and that he be authorized to pay the fees requested by him and his counsel from the funds available to the estate.

Respectfully submitted,



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ATTORNEYS FOR THE COURT-APPOINTED  
RECEIVER OF RETIREMENT VALUE, LLC

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above pleading has been served on the following, via certified mail, return receipt requested and e-mail on this the 11<sup>th</sup> day of April 2011:

Jack Hohengarten  
Office of the Attorney General  
Financial Litigation Division  
300 W. 15<sup>th</sup> Street, Sixth Floor  
PO Box 12548  
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98 San Jacinto Boulevard, Suite 300  
Austin, Texas 78701

Alberto T. Garcia III  
Garcia & Martinez, L.L.P.  
5211 W. Mile 17 ½ Road  
Edinburg, Texas 78541



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Michael D. Napoli

# **Exhibit 1**



federal securities laws. Since entering private practice in 1998, I have been counsel to multiple defendants in similar proceedings. I am familiar with the reasonable and customary fees charged by attorneys in this type of matter.

3. I am making this Affidavit in support of the Fourth Application for Fees by the Receiver and Receiver's Counsel (the "Application").

4. Pursuant to the Court's Order of May 5, 2010 and the Agreed Temporary Injunction Order of May 28, 2010 (the "Agreed TI"), I have employed professionals necessary "for an efficient and accurate administration of the receivership estate." To this goal, I have retained the law firm of K&L Gates to represent me in connection with my duties and responsibilities as Receiver and have utilized a number of K&L Gates lawyers and paralegals to assist me therewith. I have not acted as my own counsel.

5. Attached to this Affidavit as Exhibit A, B, C, D, E and F are redacted copies of K&L Gates' invoices 2335849, 2335850, 2335853, 2335854, 2353867 and 2353868 respectively (the "Invoices"). The Invoices detail the services performed, from December 1, 2010 through February 28, 2011, by: (a) myself as Receiver; and (b) K&L Gates as Receiver's counsel. At the end of each Invoice is a Timekeeper Summary that lists the professional staff that billed time to this matter during the relevant time period, the number of hours billed and their respective rates.

6. As a general matter, the charge for the services provided by K&L Gates is determined by multiplying the total number of hours worked by each timekeeper by that timekeeper's billing rate.

The fees charged by the Receiver and his counsel represent a discount of approximately 22.5% from the usual and customary fees charged by K&L Gates. In this case, the billing rate of each timekeeper was discounted from the usual and customary rates charged by K&L Gates.

The Receiver is charging \$320/hour, which represents a 30% discount from his usual and customary rate of \$455/hour. In addition, K&L Gates has discounted its rates by 9.5% and further discounted its bills by approximately \$45,924.32. In the aggregate the discounts and write-offs associated with this Fee Application amount to \$75,483.61. The chart below summarizes the fees charged and the discounts applied.

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KLG adj.	(9.5%)	(\$8,675.23)	(\$12,454.68)	(\$8,429.37)
Write-offs		(\$18,464.49)	(\$12,981.23)	(\$14,478.60)
<b>Total Adj</b>		<b>(\$27,139.72)</b>	<b>(\$25,435.91)</b>	<b>(\$22,907.97)</b>

7. I have personal experience working with every person billing time to this matter, they are each of high quality and their have skills and expertise that are invaluable to assist me in performing my duties and responsibilities in this matter.

8. The hourly rates set forth in the Invoices are set at a level designed to compensate the firm fairly for the work of its staff and to cover fixed and routine overhead expenses. Such rates are normal and customary in this market for legal professionals with the same level of experience and expertise at comparable legal firms in Texas. Each year, K&L Gates undertakes an analysis of the markets in which it operates in order to determine the appropriate fees to charge for its professionals based on the fees charged by its competitors and peer firms. The goal of this analysis is to set rates for each professional at the median rate for professionals at

peer firms in similar practices areas and similar experience. Accordingly, the rates charged by K&L Gates in this matter are well within the norm for firms of its type in Texas.

9. The hourly rates charged are reasonable rates for this case, given: (1) the time and labor involved, the novelty and difficulty of the questions involved, and the skill required to perform the legal services properly; (2) the likelihood that the acceptance of the particular employment will preclude other employment by the K&L Gates professionals; (3) the fee customarily charged in the locality for similar services; (4) the amount involved and the results obtained; (5) the time limitations imposed by the client or the circumstances; (6) the nature and length of the professional relationship with the client; and (7) the experience, reputation, and ability of the professionals performing the services.

10. The amount billed for my services during the three-month time period covered by this application is \$74,336.00. The amount billed for my counsel's professional services during the three-month time period covered by this application is 281,591.09. These amounts were calculated by taking the time billed for each task performed in connection with this case multiplied by the discounted hourly rate for the professional or staff member who performed the task. Based on my experience and knowledge of this matter, the fees charged by myself and my team for work from December 1, 2010 through February 28, 2011 are reasonable.

11. I have reviewed K&L' Gates' invoices for services rendered from December 1, 2010 through February 28, 2011. Based on my experience and knowledge of this matter, the work performed by my staff from December 1, 2010 through February 28, 2011 was reasonable and necessary to properly allow me to fulfill my duties and responsibilities in this case.

12. In addition, the Receiver's fees are less than Retirement Value's operating expenses for the four months preceding the receivership. This is significant because the

Receiver is tasked with preserving Retirement Value's assets for the benefit of the investors, which requires, among other things, that the Receiver perpetuate certain aspects of Retirement Value's operations. The following table reflects Retirement Value's expenses for the period of January 1, 2010 through April 30, 2010.

Retirement Value's	January	February	March	April	Average
<i>Expenses</i>					
Payroll	170,140.04	151,665.13	185,159.25	161,598.27	167,140.67
Other Expenses	<u>289,177.90</u>	<u>432,748.48</u>	<u>121,837.00</u>	<u>107,384.87</u>	<u>237,787.06</u>
<i>Total Expenses</i>	<u>459,317.94</u>	<u>584,413.61</u>	<u>306,996.25</u>	<u>268,983.14</u>	<u>404,927.73</u>

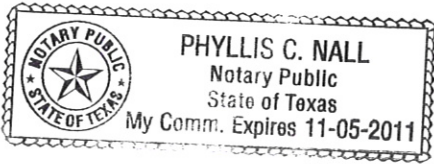
Retirement Value's expenses average approximately \$405,000 per month for the months preceding the receivership. In contrast, the fees sought by the Receiver and his counsel since the receivership's inception have averaged \$158,058 per month for the first ten months, a metric which continues to trend downward. By comparison, the fees requested for services rendered in December 2010, January 2011, and February 2011 are, on average, approximately: (i) \$48,500 less than Retirement Value's monthly payroll costs; and (ii) \$286,000 less than Retirement Value's average monthly expenses in 2010. Moreover, the fees for services rendered during December 2010, January 2011, and February 2011, represent a significant decline (on average, about 34%) from the approximately \$175,000 per month average over the receivership's first seven months.


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**FURTHER AFFIANT SAYETH NOT.**

  
Eduardo S. Espinosa

SUBSCRIBED AND SWORN TO BEFORE ME this 8<sup>th</sup> day of April 2011.



  
Notary Public  
My Commission Expires: 11-05-2011

# Exhibit A

Invoice 2335849

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eduardo S. Espinosa, Receiver  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335849  
Matter Desc.: State of Texas vs.  
Retirement Value LLC, et. al.  
Client/Matter #: 1203981.00001

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This statement covers fees for legal services rendered and expenses incurred for your account during the period ending 12/31/2010. Detailed information regarding these fees and expenses is attached.

**Current Charges:**

Fees 110,409.97

**Total Current Charges \$110,409.97**

PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE MARCH 20, 2011

*Please Return a Copy of This Page With Your Payment to K&L Gates, RCAC, 925 Fourth Avenue, Suite 2900, Seattle, Washington 98104-1158, Reference Invoice: 2335849*

*Payment Can Also be Made by wire to: US Bank, Private Financial Services, 1420 5<sup>th</sup> Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number: 125000105, Account # 153557906580, Reference Invoice 2335849*

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eduardo S. Espinosa, Receiver  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335849

**FOR PROFESSIONAL SERVICES RECORDED AS OF 12/31/10:**

Matter: 1203981.00001

Matter Description: State of Texas vs. Retirement Value LLC, et. al.

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/1/10	Brown, A. G.	1.90	343.90	Conduct and respond to telephone and email inquiries from P. Marvin, K. Petrovic, D. Eckermann, R. Walthers and J. Jimenz; conduct research for documentation requested and prepare for delivery
12/1/10	Brown, A. G.	1.00	<b>No Charge</b>	Review, analyze and compare Objections to Second Application for Fees by the Receiver; prepare document highlighting various objections by the parties for attorney review
12/1/10	Cunningham, E.	0.40	97.74	Telephone conference with Texas Workforce Commission regarding unemployment; complete employer response to application for unemployment.
12/1/10	Dietz, M.S.	1.20	608.16	Telephone conference with James Parsons - staff attorney for Judge Treana-Doyle regarding scheduling hearing; email regarding same to James Parsons and all attorneys; telephone conference with M. Napoli regarding hearing; conference with G. Weisbart regarding meeting prior to argument
12/1/10	Espinosa, E. S.	4.90	1,568.00	Consult with A. Brown regarding analysis of objections, change of beneficiaries; correspond with R. Diaz at TWC regarding abatement; consult with M. Dietz and M. Napoli regarding pending motions for 12/7 hearing; reconcile AT&T billings to RV, D. Gray and HCF; review Wells Fargo Leasing/TBF Financial records in preparation for objection to Gray's motion; attend to Project Management Planning; review ASG maturity report and consult with M. Napoli regarding proposed language; download WF November statements

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/1/10	Napoli, M. D.	6.10	2,760.25	Telephone conference with J Hohengarten (.3); e-mail correspondence with S. Rosen and R. Richter regarding Bejcek (.2); e-mail correspondence with C Bradford regarding (.1); review/research AT&T accounts for response to motion to pay (.2); review/research HBF Financial and Wells Fargo lease for response to motion to pay accounts (.2); prepare response to motion to pay accounts (1.6); confer with M. Dietz regarding motions for hearing (.2); review/revise maturity notice (.1); prepare response to Rogers motion to release funds (3.1)
12/1/10	Quinn, M. J.	0.70	<b>No Charge</b>	Review and analyze correspondence from attorney for several licensees in response to demand letters
12/2/10	Brown, A. G.	0.60	108.60	Review incoming documentation and respond to email request from
12/2/10	Dietel, K.	6.60	2,299.64	Draft Answers and Objections to Defendants' Interrogatories to the State of Texas and Receiver E. Espinosa (1.2); confer with M. Napoli and E. Espinosa regarding Response to Motion to Release Funds (.2); research and analyze case authority for Response to Motion to Release Funds (5.2)
12/2/10	Dietz, M.S.	2.50	1,267.00	Telephone conference with consulting expert regarding review of attorney bills in preparation for hearing (.8); telephone conference with court administrator regarding hearing schedule (.1); prepare consulting expert agreement (.3); prepare packet of pleadings/motions, etc. for consulting expert (1.3)
12/2/10	Espinosa, E. S.	5.60	1,792.00	Telephone conference with M. Napoli, M. Dietz and J. Howard; consult with M. Napoli and K. Dietel regarding objections to defendants' motions; review Bejcek's motion; telephone conference with L. Edwards regarding potential rental income; analyze Roger's Chase funds; consult with M. Napoli regarding KPKF mediation; forward WF November statements to P. Dennis at BKD; review D. Gray's HCF proforma cash flows; review draft response to Roger's motion; consult with M. Napoli in preparation for hearing
12/2/10	Hardin, J.R.	0.60	<b>No Charge</b>	Work session on insurance research with M. Napoli; work session on insurance research with M. Sikes
12/2/10	Napoli, M. D.	7.20	3,258.00	Telephone conference and correspondence with M. Nielsen regarding Kiesling and mediation (.3); e-mail correspondence with G. Weisbart regarding same (.1); confer with E. Espinosa regarding Kiesling mediation (.2); prepare response to Rogers motion to release funds (4.5); prepare response to

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				Gray motion to pay accounts (1.0); e-mail correspondence with counsel regarding hearings (.3); review/revise Rule 11 regarding interrogatories (.1); e-mail correspondence with regarding information request (.2); review Bejcek motion to release funds (.4); prepare objection to hearing (.3); confer with M. Dietz and E. Espinosa regarding objection and motion (.2); telephone conference with M. Dietz and J. Howard regarding fee hearing (.5); review consulting agreement for J. Howard (.1)
12/2/10	Quinn, M. J.	3.30	<b>No Charge</b>	Research and analyze claims from licensees; review correspondence from licensees and counsel
12/2/10	Sanchez, J. R.	0.60	81.45	Prepare and load exhibits, Confidential Docs from AG and deposition transcript to Ringtail database.
12/3/10	Brown, A. G.	4.80	868.80	Review incoming documentation and update pleading and investor files; review and revise letter to Judge regarding Objections to Hearing on Bejcek Intervenor's Motion to Release Funds, fax to chambers and electronically file same; review and prepare for filing Receiver's Response to Gray's Motion to Require Payment of Accounts; electronically file same; draft letters to counsel enclosing same and prepare for mailing; prepare spreadsheet analysis of objections to Receiver's fee in preparation for hearing
12/3/10	Dietel, K.	7.50	2,613.23	Review e-mail correspondence from M. Napoli regarding Objection to Hearing on Bejcek Intervenor's Motion to Release Funds from the Receiver's Control (.2); prepare correspondence to court regarding Objection to Hearing on Bejcek Intervenor's Motion, circulate to E. Espinosa and M. Dietz for comments, finalize same and prepare for filing with Court (1.3); draft Response to W. Rogers Motion to Release Funds and review and analyze authority regarding same (4.5); confer with E. Espinosa and M. Napoli regarding Response (.3); confer with E. Espinosa regarding Response to R. Gray's Motion to Require Payment of Accounts (.2); review and revise Response to R. Gray's Motion to Require Payment of Accounts and prepare same for filing with court (.8); telephone conference with J. Hohengarten's office regarding Rule 11 Agreement on extension of time to respond to Defendants' Interrogatories to the State of Texas and Receiver (.2)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/3/10	Dietz, M.S.	0.50	253.40	Review letter to judge and emails regarding Bejcek motion (.2); review email from and to court reporter (.1); review emails regarding hearing objection (.1); letter to expert (.1)
12/3/10	Espinosa, E. S.	7.40	2,368.00	Compile Fee Application #2 and Objection; compile HCF Analysis; review RV's governing documents, Roger's bank account and disbursements; review Objection and hearing Bejcek's Motion on 12/7; correspond with M. Quinn regarding CA Corp Code and registration; review and finalize Objection to Gray's Motion to Pay Accounts; review and revise Objection to Roger's Motion to Release Funds; review Rule 11 Agreement regarding Gray's Interrogatories
12/3/10	Napoli, M. D.	1.80	814.50	Review correspondence from J Parsons regarding hearing; prepare letter to court regarding Bejcek motion; teleconference with K. Dietel and E. Espinosa regarding response to motion to release funds and other matters scheduled for Tuesday hearing
12/3/10	Quinn, M. J.	3.80	1,977.44	Research and analysis concerning licensee claim
12/3/10	Sikes, J. M.	4.50	997.79	s; confer with M. Brown; correspondence with E. Espinosa; update licensee contact chart Research regarding definition of under TX law.
12/4/10	Espinosa, E. S.	4.10	1,312.00	Draft Affidavit in Support of Objection and Roger's Motion for Release of Funds; review of Objection to Fee App #2 Chart; email C. Bradford regarding HCF premiums
12/5/10	Napoli, M. D.	0.40	181.00	Review revise response to motion to release funds and affidavit in support
12/6/10	Brown, A. G.	1.50	271.50	Conduct and respond to telephone inquiries from and (agents); review incoming e-mail from and and draft responses to same; review incoming documentation and update pleading files; update client list; review and organize documentation in preparation for filing with court; file same with court
12/6/10	Dietz, M.S.	3.50	1,773.80	Telephone conference with expert witness regarding documents sent for review (.2); telephone conference with court administrator regarding hearing (.2); prepare for hearing (1.); meet with G. Weisbart regarding hearing (1.4); email to all (.1)
12/6/10	Espinosa, E. S.	6.40	2,048.00	Finalize Objection to Roger's Motion to Release Fund and Receiver's Affidavit (1.1); review FCB account statement and reconcile with records (.3);

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				review Analysis and Objections (.3); compile exhibits and supporting documents regarding hearing (1.2); telephone conference with J. Howard (.4); consult with M. Napoli and M. Dietz in preparation for hearing, subsequently joined by J. Howard (1.5); review ISC November invoice and compile A/P run for BKD (.4); consult with A. Brown regarding investor inquiries; address response to (.3); review Defendants applications for attorney fees (.2); review November fees regarding Fee App #4 (.7)
12/6/10	Espinosa, E. S.	0.50	<b>No Charge</b>	Review Roger's Motion to Quash Subpoena (.2); attention to travel accommodations for 12/7 (.2); monitor counsel correspondence regarding scheduling of 12/7 hearing (.1)
12/6/10	Hardin, J.R.	0.80	<b>No Charge</b>	Work session with M. Sikes on research findings; review research findings and case law
12/6/10	Napoli, M. D.	2.50	<b>No Charge</b>	Travel to Austin
12/6/10	Napoli, M. D.	6.60	2,986.50	Review/revise response to Rogers motion to release funds (.3); review research regarding number of occurrences for Kiesling policy (2.0); prepare for hearings on various motions (2.0); meet with M Dietz and G Weisbart regarding various issues (1.0); prepare J Howard for testimony (.5); prepare E Espinosa for testimony(.8)
12/6/10	Sikes, J. M.	0.80	177.38	Draft correspondence to and discuss with J. Hardin; research regarding related acts in insurance policies
12/7/10	Brown, A. G.	1.20	217.20	Conduct and respond to telephone inquiry from D. Lightman, counsel to investor (.5); review incoming documentation (.2); update files (.2)
12/7/10	Dietz, M.S.	5.90	2,990.12	respond to email inquiry from (.3) Prepare for hearing (.5); meet with all parties and attorneys in Judge Triana's jury room (3.8); revise and circulate proposed order (.2); telephone conference with expert (.2); review emails regarding scheduling hearing (.2)
12/7/10	Espinosa, E. S.	6.30	2,016.00	Prepare outline of Case Status Report Presentation (1.3); meet with J. Hohengarten, G. Weisbart, P. Richter, C. Bradford, B. Johnson, M. Dietz and M. Napoli regarding Case Progression Fee App #2, Objections and Motions (4.0); debriefing with M. Napoli and M. Dietz (1.0)
12/7/10	Espinosa, E. S.	5.00	<b>No Charge</b>	Travel to/from Austin, TX
12/7/10	Napoli, M. D.	4.90	2,217.25	Prepare for hearing on fees (1.0); attend conference with counsel regarding settlement, fees, mediation and other issues (3.5); correspondence with M Nielsen regarding Kiesling mediation (.2); confer

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				with J Hohengarten and E Espinosa regarding claims against licensees and others (.2)
12/7/10	Napoli, M. D.	3.10	<b>No Charge</b>	Travel to Dallas
12/8/10	Brown, A. G.	0.40	72.40	Review incoming documentation and update pleadings files
12/8/10	Brown, M. A.	3.50	1,472.90	Research regarding securities under California law and availability of exemption of qualification of sales of securities ; conference with S. Katz regarding results of research
12/8/10	Dietz, M.S.	1.00	506.80	Work on order and transmit to all, follow-up with emails (.8); telephone conference with C. Bradford regarding logistics of getting order to him for his submission, etc. (.2)
12/8/10	Espinosa, E. S.	4.10	1,312.00	Correspondence regarding 12/19 hearing (.4); review draft proposed order regarding Fee App #2 (.2); review P. Richter's proposed Rule 11 Agreement and consult with M. Napoli regarding same (.3); correspond regarding extension of Gray's time and review his deposition (.2); consult with M. Napoli regarding the \$2.6 million in Wells Fargo main account on 5/5/10; KPKF's allocation of same to various liability accounts; KPKF's transfer of funds from main account to policy specific accounts; facts surrounding Bejcek's deposit and legal effect thereof (.7); review open A/P regarding PS and subset (.2); review RV's records regarding correspond with M. Napoli, A. Goldate and regarding same (.7) Prep work regarding Fee Application #4 (.2); correspond with S. Wodans at Wells Fargo (.1); review Weisbart's Class Action filing (.3); correspond with P. Dennis regarding A/P (.3); review ASG maturity report (.1); review C. Bradford's submission and consult with Napoli regarding same (.4)
12/8/10	Hardin, J.R.	0.90	342.09	Meeting with M. Napoli regarding insurance research
12/8/10	Katz, S. D.	0.20	<b>No Charge</b>	Discussion and analysis with M. Brown regarding state securities and definition of in relation to
12/8/10	Napoli, M. D.	8.50	3,846.25	Revise proposed order (.2); respond to request for information from Idaho Securities Department (.6); confer with E. Espinosa regarding Kiesling mediation(.4); confer with J. Hardin regarding Kiesling coverage issues (.8); work on 4th Fee Application(1.0); review and confer with E. Espinosa regarding Bejcek proposed Rule 11 (.2);

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				review and respond to proposed Rule 11 regarding objections to 3d Fee App (.1); telephone conferences with M. Nielsen regarding mediation (.4); review Intervenor's class action petition (.3); e-mail correspondence with G. Weisbart regarding same (.1); review and revise responses to Gray interrogatories (1.5); review and analyze Defendants supplemental memorandum on the 2d Fee App (.4); prepare response to same (1.8); confer with E. Espinosa regarding KPKF treatment of \$2.6 million and effect of payment (.7)
12/9/10	Boyer, A. L.	0.30	No Charge	Review communications from counsel for Lorin Corporation and Fellowship; contact each to discuss resolution
12/9/10	Brown, M. A.	2.40	No Charge	Research regarding sales of securities under California law and ; prepare correspondence to M. Quinn summarizing results of research
12/9/10	Dietz, M.S.	0.30	152.04	Review and revise letter of submission to judge
12/9/10	Espinosa, E. S.	3.00	960.00	Review proposed written submission; revise and consult with M. Napoli regarding proposed modifications (.6); correspond with B. Harloff regarding his subs invoices (.3); transmit FCB and Chase statements to BKD; correspond with P. Dennis at BKD regarding account reconciliations (.4); review Gray's monthly Affidavit and Property Tax request (.2); record and correspond with CTW regarding Rainmaker invoice (.2); consult with M. Napoli regarding Gray's TWC benefits (.3); review OAG's submission in opposition to Gray's Objection (.2); review November fee billings (.7)
12/9/10	Napoli, M. D.	4.20	1,900.50	Prepare letter to Court regarding Defendants objection to 2d Fee App (1.8); confer with M. Dietz regarding same (.3); e-mail correspondence with P. Richter regarding 3d Fee App (.1); review and execute Rule 11 regarding 3d Fee App (.1); confer with E. Espinosa regarding KPKF mediation (.3); telephone conference with J. Hohegarten regarding Defendants objection (.2); review State's response (.3); e-mail correspondence with J. Parsons regarding orders, scheduling and objections (.1); prepare mediation presentation (1.0)
12/9/10	Quinn, M. J.	1.40	728.53	Research and analysis of issues related to claimed exemption from registration; related correspondence

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/10/10	Dietz, M.S.	0.20	101.36	Telephone conference with J. Parsons regarding entry of order (.1); telephone conference with E. Espinosa regarding same (.1)
12/10/10	Espinosa, E. S.	3.50	1,120.00	Attention to account balances and transfer funds (.4); telephone conference with S. Adams at Wells Fargo (.1); telephone conference with (Investor) (.2); finalize invoice for November fees and obtain authorization to reduce billing (.3); correspond with BKD regarding fund transfer (.2); correspond regarding Gillum's setting of LLB & L's Motion (.1); draft Fee Application #4 and Affidavit in Support (1.1); correspond with M. Nielsen and J. Hohergartner regarding mediation (.2); scheduling January mediation dates (.2); review Gray's request to liquidate assets (.4); review Rule 11 Agreement filed by Weisbart (.1); correspond with C. Bradford regarding Proposed Agreed Order Releasing Roger's Fund (.2)
12/10/10	Napoli, M. D.	3.50	1,583.75	Telephone conferences with M. Nielsen regarding mediation (.4); confer with E. Espinosa regarding Kiesling mediation(0.4); telephone conference and e-mail correspondence with B. Mock regarding mediation (.2); e-mail correspondence with counsel regarding LLBL fee application (.1); e-mail correspondence with J. Parsons (.1); prepare mediation presentation (1.9); telephone conference with J. Hohengarten (.2); review correspondence from C. Bradford regarding Gray defense fund and e-mail from E. Espinosa regarding same (.2)
12/10/10	Quinn, M. J.	1.20	<b>No Charge</b>	Review and analyze correspondence from counsel for licensees; related research regarding claimed exemption
12/11/10	Espinosa, E. S.	0.70	224.00	Review ASG LE report; revise Fee Application #4 (.5); administrative attention to website (.2)
12/13/10	Dietel, K.	1.00	348.43	Confer with M. Napoli regarding Receiver's Answers to Defendants' Interrogatories (.2); confer with E. Espinosa regarding revisions to Receiver's Answers to Defendants' Interrogatories (.2); revise and finalize Answers to Defendants' Interrogatories (.6)
12/13/10	Espinosa, E. S.	6.80	2,176.00	Reconcile Order Approving Fee Application #2 with Actual Invoices; correspond with BKD to Accounting Department regarding recordation of remittance(.8); prepare Exhibit responding to Interrogatories reflecting disbursement from defendants' account (1.8); refine Exhibit reflecting funds frozen in May (.5); review Receiver's response

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/13/10	Napoli, M. D.	8.50	3,846.25	to Interrogatories and verification (.6); draft 3rd Motion to Pay Professional Fees; analyze BKD's invoice and tee-up conversation regarding billing rates and discount (1.6); consult with M. Napoli regarding mediation strategy, Gray's request to sell assets, Interrogatories, Fee Application #4 (1.5) Confer with E. Espinosa regarding Gray interrogatories(.2); telephone conference with R. Stoddard and M. Nielsen (in lieu of preparing a formal mediation memo (1.8); revise response to interrogatories (.4); prepare mediation presentation (5.3); revise 4th Fee Application (.8)
12/13/10	Quinn, M. J.	1.80	<b>No Charge</b>	Research and analysis of claimed exemption; prepare correspondence to counsel for licensees in response
12/14/10	Brown, A. G.	1.50	271.50	Conduct and respond to telephone inquiry from and collected documentation requested and forward via email (.9); review and respond to email request from (.3); update client index (.3)
12/14/10	Espinosa, E. S.	7.30	2,336.00	Telephone conference with R. Kipp regarding BKD's partner rates; amend engagement agreement to reflect rate range, caps and blended rate target (.5); revise Application for professional fees to reflect agreed to modifications regarding BKD, circulate same to M. Napoli (.2); correspond with P. Dennis regarding bank accounts where we do not receive statements, disbursements o/b/o defendants and updated QB file (.2); submit Gray's Dec 2010 living and tax disbursements (.2); correspond with ASG & Lewis & Ellis regarding accessing policy information and scheduling an all-hand telephone conference (.3); consult with K. Dietel regarding discovery requests, RV's governing docs, lack of Company Agreement and reference in Organizational minutes regarding same (.3); review investor correspondence (.2); preparation for KPK&F Mediation including compilation of timeline reflecting proceeds from investors and disbursements to KPK&F and RV on a month-by-month basis; preparation of presentation material regarding same (5.4)
12/14/10	Hardin, J.R.	0.30	114.03	Work session with M. Napoli on Stowers demand
12/14/10	Napoli, M. D.	6.90	3,122.25	E-mail correspondence with J. Blair regarding Weisbart call (.1); prepare mediation presentation (5.0); research Stowers (.5); review and revise application for professional (non-KLG) fees (.2); review MedMarc policy in preparation for mediation(1.0); confer with E. Espinosa regarding

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/15/10	Espinosa, E. S.	9.30	2,976.00	Gray request to sell assets (.2)
12/15/10	Hardin, J.R.	0.60	228.06	Mediation regarding KPK&F @ R. Stoddard
12/15/10	Napoli, M. D.	9.50	4,298.75	Research Stowers issue
12/15/10	Quinn, M. J.	2.20	1,144.84	Prepare for and attend mediation
12/16/10	Espinosa, E. S.	1.90	608.00	Correspondence to counsel representing licensees; related email correspondence with E. Espinosa and M. Napoli; analysis of issues raised by counsel for licensees
12/16/10	Napoli, M. D.	1.60	724.00	Telephone conference with B. Rose, A. Cullen, P. Maur and J. Lee regarding progression of updated medicals, LE and actuarial analysis, lay-out game plan for finalizing data accumulation by year's end and finalizing actuarial analysis in January (.7); review ASG's December invoice and projections (.2); telephone conference with regarding his analysis of portfolio's potential IRR (1.0), information regarding R. James and Milkie.
12/16/10	Quinn, M. J.	0.60	312.23	E-mail correspondence with R Stoddard regarding mediation (.1); e-mail correspondence regarding Bejcek motion (.1); review LLBL objection to CTW fees (.1); telephone conference with G Weisbart regarding Kiesling and other issues (1.0); telephone conference with J. Hohengarten regarding Kiesling and other issues (.3)
12/17/10	Cunningham, E.	0.10	No Charge	Review and respond to correspondence from counsel for licensee
12/17/10	Espinosa, E. S.	5.30	1,696.00	Telephone call to EEOC mediator regarding status of negotiations.
12/17/10	Espinosa, E. S.	0.40	No Charge	Funds management regarding IRS refund of 941 fees (.2); review Weisbarts objection (.3); correspond with J. Morgan regarding office depot (.3); release of HCF funds to John Hancock Company (.2); strategy session and analysis with M. Napoli regarding: (i) conversation with Weisbart regarding KPK & F mediation, Gray's request for funds; (ii) ASG/LE analysis, (iii) Becjek's Motion brief; (iv) Gray's request for funding; (v) Assertion of Claim against RV principal; (vi) planning for a meeting with OAG and TSSB; (vii) R. James; (viii) licenses-claims, top 20; (ix) CA & FL; (x) tax implication of RV; and Beste's communications with investors (4.1); telephone conference with M. Quinn regarding CA (.2)
12/17/10	Espinosa, E. S.	0.40	No Charge	Coordinate schedules regarding meeting with TSSB and OAG (.2); monitor Richter/Parson/Napoli correspondence regarding 1/19 hearing (.2)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/17/10	Napoli, M. D.	6.40	2,896.00	Research regarding Receiver's (.3); e-mail correspondence with P. Richter regarding Bejcek motion (.1); e-mail correspondence with J. Parsons regarding hearings and orders; strategy session with M. Napoli and analysis regarding: (i) conversation with Weisbart regarding KPK & F mediation, Gray's request for funds; (ii) ASG/LE analysis; (iii) Bejcek's Motion brief; (iv) Gray's request for dunning; (v) Assertion of Claim against RV principals; (vi) planning for a meeting with OAG and TSSB; (vii) R. James; (viii) licenses-claims, top 20; (ix) CA & FL; (x) tax implication for RV and (xi) Beste communications with investor (4.1); consider potential bar order and indemnification of settling licensees (.6); e-mail correspondence with J. Hohengarten (.1); analysis of Bejcek claim and proposed stipulations (1.2)
12/17/10	Quinn, M. J.	0.70	364.27	Analysis of issues related to available releases to licensees; telephone conference with E. Espinosa and M. Napoli; correspondence with counsel for licensees
12/20/10	Brown, A. G.	0.60	108.60	Review and respond to email request from (.4); review incoming documentation and update files (.2)
12/20/10	Dietel, K.	1.20	418.12	Review and analyze potential legal theories regarding Bejceks Intervenors claim against the estate and strategy session with M. Napoli regarding same (1.2)
12/20/10	Dietz, M.S.	1.10	557.48	Review emails and prepare proposed order and briefing schedule regarding same and circulate (.8); teleconference with M. Napoli regarding proposed order and hearing schedule; email to all regarding same (.3)
12/20/10	Espinosa, E. S.	2.50	800.00	Download January premiums from secure server, transfer funds among WF accounts, wire premium remittance to ASG and correspond with ASG & BKD regarding fund transfers (1.2); correspond with K. Henderson regarding LE and updated medicals (.2); coordinate 12/29 meeting with the state and travel arrangements (.4); attention to 01/19/11 hearing docket and parties' correspondence regarding same (.2); correspond with A. Goldate regarding imaging (.2); telephone conference with M. Quinn regarding CA licensees settlement efforts; consult with M. Napoli and K. Dietel regarding Bejcek's motion (.3)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/20/10	Napoli, M. D.	6.40	2,896.00	Telephone conferences with M. Dietz regarding briefing schedule and order setting Bejcek hearing (.1); telephone conference with M. Nielsen (.3); analysis of Bejcek claim (4.4); review claim form for PLI140 claim (.1); telephone conference with M Quinn regarding settlement discussions with licensees(.4); e-mail correspondence with counsel regarding hearing and briefing schedule (.1); research regarding capacity to sue and defend (1.0)
12/20/10	Quinn, M. J.	1.20	No Charge	Conference call with M. Napoli and E. Espinosa concerning responses to defenses and other issues raised by licensees; correspondence on related issues
12/21/10	Brown, A. G.	1.10	199.10	Conduct and respond to telephone inquiry from and (.2); collect documentation requested and forward via email (.5); review and respond to email follow-up request from (.3); update client index (.1)
12/21/10	Dietz, M.S.	0.20	101.36	Email from J. Parsons; teleconference with M. Napoli regarding hearing settings and briefing schedule
12/21/10	Espinosa, E. S.	2.50	800.00	Telephone conference with C. Bradford and M. Napoli regarding 1/19 hearing and group motions for additional funds (.6); consult with M. Napoli regarding same (.3); review, execute and transmit claim forms regarding (.3); attention to 1/19 docket (.2); review analysis of Application #3 & #4 objection (.5); email J. Segerdahl and C. Budner regarding release of funds (.6)
12/21/10	Napoli, M. D.	7.50	3,393.75	Response and analysis of Bejcek claim (3.2); teleconference with C. Bradford regarding motions, mediation and request for funds (.4); confer with E. Espinosa regarding request for funds and response (.3); circulate proposed order regarding briefing schedule (.1); analysis of objections to 3rd and 4th Fee Apps (3.0); telephone conference with M. Nielsen regarding mediation (.3); e-mail correspondence with G. Weisbart regarding Kiesling (.2)
12/21/10	Quinn, M. J.	1.20	624.46	Telephone conferences with several lawyers representing licensees concerning potential settlement and response to issues raised in defense
12/22/10	Dietz, M.S.	0.10	No Charge	Review emails regarding hearings, mediation dates
12/22/10	Espinosa, E. S.	0.50	160.00	Correspond with C. Bradford and 1stCB regarding AXA premium; consult with M. Napoli regarding Objection analysis and C. Bradford's motion for funds from Special Acquisition funds

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/22/10	Fine, J.	1.00	No Charge	Meeting with M. Napoli regarding issue of investor whether monies contributed on the eve of receivership are property of the estate
12/22/10	Napoli, M. D.	4.90	2,217.25	Telephone conference with G. Weisbart regarding Kiesling (.4); prepare e-mail to R. Stoddard regarding settlement proposal (.2); e-mail correspondence with C. Bradford regarding various issues (.1); e-mail correspondence regarding mediation (.1); research and analysis in response to Bejcek motion (3.3); confer with J. Fine regarding same (.8)
12/23/10	Cunningham, E.	0.20	48.87	Telephone conference with EEOC mediator regarding status of negotiations with Moss
12/23/10	Espinosa, E. S.	0.70	224.00	Correspond with M. Kaye regarding maturity (.4); correspond with ATT (.1); download updated QBB (.2)
12/23/10	Fine, J.	1.50	No Charge	Research escrow funds issues
12/23/10	Quinn, M. J.	1.00	520.38	Update contact status chart for licensees; review related correspondence
12/27/10	Dietz, M.S.	0.30	152.04	Brief telephone conference with M. Napoli regarding status of order setting hearing and briefing; circulate email regarding same (.3)
12/27/10	Espinosa, E. S.	0.60	192.00	Correspond with C. Bradford regarding RV's tax accounting and its implication
12/27/10	Espinosa, E. S.	0.30	No Charge	Correspond with J. Segerdahl regarding Intervenor Objection to Fee Application #3 and #4 (.3)
12/27/10	Fine, J.	2.00	No Charge	Further research on what is/is not property of the estate
12/27/10	Napoli, M. D.	2.60	1,176.50	Telephone conference with M. Nielsen regarding Kiesling (.2); telephone conference with R Stoddard regarding Kiesling (.2); review and respond to Bradford e-mail regarding tax issues (.4); research and analysis regarding Bejcek claim (1.8)
12/28/10	Brown, A. G.	1.00	181.00	Conduct and respond to telephone inquiry from M. Cramer (.2); review and respond to email requests from J. Stanion(.3); update client index (.2); respond to telephone request from AT&T regarding cancellation of Retirement Value service (.3)
12/28/10	Dietz, M.S.	0.20	101.36	Review emails; email to J. Parson regarding order (.2)
12/28/10	Espinosa, E. S.	4.00	1,280.00	Attend to accounting associated with Fee Apps #3 and #4 (.5); correspond with M. Hadaway and P. Dennis (BKD) regarding accounting entries (.2); attention to funds management at Chase (.1); transmit Consultants fees to BKD for payment (.2); review correspondence from investors (.1); consult with M. Napoli regarding (a) KPK&F and Weisbart's

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/28/10	Napoli, M. D.	6.50	2,941.25	review of coverage issues; (b) efficient resolution of Weisbart's objections (.4); consult with A. Brown regarding ATT correspondence (.1); preparation for 12/29 meeting with TSSB and OAG (.7); review Defendant's objections to Fee App #4 and consult with M. Napoli regarding impact on Weisbart discussions (.3); review Draft Agreed Order regarding Rogers Funds (.1) working session with M. Napoli regarding 12/29 meeting with (1.3) Review McDermott motion to transfer in Harrison (.3); e-mail correspondence with M. Nielsen and G. Weisbart regarding Kiesling mediation (.1); prepare for meeting with the State (3.5); review late objections by Defendants to 3d and 4th Fee App (.3); confer with E. Espinosa regarding same (.2); update ISC LEs (.4); confer with E. Espinosa regarding 2010 and 2011 tax filings (.3); e-mail correspondence regarding scheduling (.1); work on response to Bejcek motion (1.3)
12/29/10	Dietz, M.S.	1.30	658.84	Obtain agreement and sign on proposed order (.3); work on proposed temporary injunction extension (.8); message to court coordinator regarding Agreed Order and letter transmitting same (.2)
12/29/10	Dotson, J. R.	1.60	492.32	Conference with M. Dietz regarding temporary injunction research issues and trial date (.1); research regarding same per M. Dietz request (1.5)
12/29/10	Espinosa, E. S.	7.50	2,400.00	Meet with J. Hohngartner, J. Rotunda and A. Goldate & M. Napoli regarding status updates (7.5)
12/29/10	Espinosa, E. S.	4.00	<b>No Charge</b>	Travel to Austin (2.0); travel to Dallas (2.0)
12/29/10	Napoli, M. D.	7.50	3,393.75	Prepare for and attend meeting with J. Rotunda, A Goldate and J Hohengarten
12/29/10	Napoli, M. D.	4.50	<b>No Charge</b>	Travel to Austin (2.5); travel to Dallas (2)
12/30/10	Brown, A. G.	0.60	108.60	Conduct and respond to telephone inquiry from (.5); update client index (.1)
12/30/10	Dietz, M.S.	1.00	506.80	Work on order resetting trial date; review research (.8); teleconference with M. Napoli regarding orders and strategy (.2)
12/30/10	Dotson, J. R.	0.20	61.54	Discuss preliminary results of research regarding extension of trial date and injunction issues with M. Dietz
12/30/10	Espinosa, E. S.	1.10	352.00	Review draft order resetting trial dates (.2); review "maturity" correspondence from K. Henderson and consult with M. Napoli regarding same (.2); consult with M. Napoli regarding yesterday's meeting (.3); reply to investor inquiries (.4)

Matter: State of Texas vs. Retirement Value LLC, et. al.  
 Client/Matter #: 1203981.00001

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/30/10	Napoli, M. D.	2.10	950.25	Review and comment on proposed order regarding Rogers funds (.2); prepare claim against Gray (1.5); e-mail correspondence with A. Goldate regarding NY Licensees 0.2); telephone conference with M. Dietz regarding hearing schedule, trial schedule and continuance (.2)
12/31/10	Dietz, M.S.	0.10	<b>No Charge</b>	Review research on reset of trial issues (.1).
12/31/10	Dotson, J. R.	1.10	338.47	Follow-up research regarding resetting of trial date and temporary injunction issues per M. Dietz request (1.0); discuss results of same with M. Dietz (.1)
TOTAL HOURS				324.50
TOTAL FOR SERVICES				\$110,409.97

### TIMEKEEPER SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Quinn, M. J.	10.90	520.38	5,672.15
Dietz, M.S.	19.20	506.80	9,730.56
Napoli, M. D.	113.60	452.50	51,404.00
Brown, M. A.	3.50	420.83	1,472.90
Hardin, J.R.	1.80	380.10	684.18
Dietel, K.	16.30	348.43	5,679.42
Espinosa, E. S.	96.00	320.00	30,720.00
Dotson, J. R.	2.90	307.70	892.33
Cunningham, E.	0.60	244.35	146.61
Sikes, J. M.	5.30	221.73	1,175.17
Brown, A. G.	15.20	181.00	2,751.20
Sanchez, J. R.	0.60	135.75	81.45
Total for All Timekeepers	324.50	\$340.25	\$110,409.97

### INVOICE TOTAL

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Current Charges	110,409.97	0.00	110,409.97
<b>TOTAL BALANCE DUE</b>			<b>\$110,409.97</b>

PAYMENT DUE IN FULL ON OR BEFORE MARCH 20, 2011

# Exhibit B

Invoice 2335850

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
K&L Gates, LLP  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335850  
Matter Desc.: David & Elizabeth Gray  
Client/Matter #: 1203981.00003

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This statement covers fees for legal services rendered and expenses incurred for your account during the period ending 12/31/2010. Detailed information regarding these fees and expenses is attached.

**Current Charges:**

Fees	2,953.05
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<b>Total Current Charges</b>	<b>\$2,953.05</b>
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PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE MARCH 20, 2011

*Please Return a Copy of This Page With Your Payment to K&L Gates, RCAC, 925 Fourth Avenue, Suite 2900, Seattle, Washington 98104-1158, Reference Invoice: 2335850*

*Payment Can Also be Made by wire to: US Bank, Private Financial Services, 1420 5<sup>th</sup> Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number: 125000105, Account # 153557906580, Reference Invoice 2335850*

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DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
K&L Gates, LLP  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335850

**FOR PROFESSIONAL SERVICES RECORDED AS OF 12/31/10:**

Matter: 1203981.00003

Matter Description: David & Elizabeth Gray

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
12/3/10	Brown, A. G.	0.20	No Charge	Office conference with K. Dietel regarding preparation for document production and related issues
12/3/10	Dietel, K.	0.20	69.69	Exchange e-mail correspondence with N. Laurent, counsel for Defendants, regarding document production and Defendants' Responses to Plaintiff's Request for Disclosure
12/9/10	Brown, A. G.	1.10	199.10	Review responses to Interrogatories and Request for Production and gather relevant documents in preparation for production
12/10/10	Brown, A. G.	0.50	90.50	Draft listing of relevant documents to defendant's request for production; prepare documents for electronic delivery and forward to attorney for review
12/13/10	Brown, A. G.	0.20	No Charge	Office conference with K. Dietel regarding preparations for document production to defendant
12/13/10	Dietel, K.	0.50	174.21	Review documents for production in response to Defendants' Request for Production (.3); confer with A. Brown regarding documents for production (.2)
12/14/10	Dietel, K.	0.70	243.90	Exchange e-mail correspondence with M. Napoli and E. Espinosa regarding responsive documents (.2); review and analyze Defendants' Answers to Plaintiff's Interrogatories and Responses to Plaintiff's Request for Production (.3); draft e-mail correspondence to M. Napoli regarding Defendants' discovery responses (.2)
12/14/10	Dietel, K.	4.80	No Charge	Review and analyze documents for production in response to Defendants' Request for Production
12/15/10	Brown, A. G.	1.00	181.00	Prepare document for production to defendants
12/15/10	Dietel, K.	1.50	522.65	Review e-mail correspondence from M. Napoli regarding document production (.1); review and

Matter: David & Elizabeth Gray  
 Client/Matter #: 1203981.00003

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				analyze documents for response to Defendants' Request for Production (1.2); confer with A. Brown regarding document production (.2)
12/16/10	Brown, A. G.	0.80	144.80	Review, bates number and finalize documents for production to defendants
12/16/10	Dietel, K.	0.60	209.06	Review document production in response to Defendants' Request for Production of Documents (.2); confer with A. Brown regarding finalizing documents for production (.1); draft correspondence to N. Laurent, counsel for Defendants, regarding service of documents in response to Defendants' Request for Production (.2); review e-mail correspondence from N. Laurent regarding same (.1)
12/16/10	Napoli, M. D.	0.30	135.75	Review proposed production and correspond with K Dietel regarding same
12/17/10	Dietel, K.	0.50	174.22	Confer with M. Napoli regarding confidentiality agreement (.2); review and analyze confidentiality agreement for protection of discovery materials (.3)
12/21/10	Dietel, K.	0.10	<b>No Charge</b>	Review and respond to e-mail correspondence from N. Laurent, counsel for Defendants, regarding confidentiality order
12/22/10	Dietel, K.	0.80	278.74	Draft Confidentiality Stipulation and Agreed Protective Order as to Discovery Materials
12/27/10	Dietel, K.	1.00	348.43	Revise Confidentiality Stipulation and Agreed Protective Order as to Discovery Materials (.9); exchange e-mail correspondence with counsel for Defendants, N. Laurent, regarding proposed confidentiality agreement and forward copy of same (.1)
12/27/10	Napoli, M. D.	0.40	181.00	Review and revise Confidentiality Stipulation
TOTAL HOURS				15.20
TOTAL FOR SERVICES				\$2,953.05

**TIMEKEEPER SUMMARY**

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Napoli, M. D.	0.70	452.50	316.75
Dietel, K.	5.80	348.43	2,020.90
Brown, A. G.	3.40	181.00	615.40
Total for All Timekeepers	15.20	\$194.28	\$2,953.05

Matter: David & Elizabeth Gray  
Client/Matter #: 1203981.00003

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February 18, 2011  
Invoice: 2335850

**INVOICE TOTAL**

	<u><i>Fees</i></u>	<u><i>Expenses</i></u>	<u><i>Total</i></u>
Current Charges	2,953.05	0.00	2,953.05
	<b>TOTAL BALANCE DUE</b>		<b>\$2,953.05</b>

PAYMENT DUE IN FULL ON OR BEFORE MARCH 20, 2011

# Exhibit C

Invoice 2335853

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
K&L Gates, LLP  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335853  
Matter Desc.: David & Elizabeth Gray  
Client/Matter #: 1203981.00003

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This statement covers fees for legal services rendered and expenses incurred for your account during the period ending 01/31/2011. Detailed information regarding these fees and expenses is attached.

**Current Charges:**

Fees 11,246.58

**Total Current Charges**

**\$11,246.58**

PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE MARCH 20, 2011

*Please Return a Copy of This Page With Your Payment to K&L Gates, RCAC, 925 Fourth Avenue, Suite 2900, Seattle, Washington 98104-1158, Reference Invoice: 2335853*

*Payment Can Also be Made by wire to: US Bank, Private Financial Services, 1420 5<sup>th</sup> Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number: 125000105, Account # 153557906580, Reference Invoice 2335853*

**PRIVILEGED AND CONFIDENTIAL  
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The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
K&L Gates, LLP  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335853

**FOR PROFESSIONAL SERVICES RECORDED AS OF 01/31/11:**

Matter: 1203981.00003

Matter Description: David & Elizabeth Gray

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/5/11	Dietel, K.	0.30	108.60	Review comments and changes to Confidentiality Agreement from N. Laurent, counsel for Defendants (.2); confer with M. Napoli regarding same (.1)
1/7/11	Dietel, K.	0.50	181.00	Review Defendants' First Amended Original Answer and Counterclaim (.3); review Defendants' second set of discovery requests (.2)
1/7/11	Espinosa, E. S.	0.60	192.00	Consult with M. Napoli regarding David Gray's answer & counterclaims and TBOC requirements [REDACTED]
1/11/11	Dietel, K.	0.70	253.40	Revise Confidentiality Agreement regarding comments from N. Laurent, counsel for Defendants (.5); review and respond to e-mail correspondence from N. Laurent regarding same (.2)
1/12/11	Dietel, K.	0.10	<b>No Charge</b>	Exchange e-mail correspondence with N. Laurent, counsel for Defendants, regarding confidentiality agreement
1/18/11	Dietel, K.	0.20	72.40	Telephone conference with counsel for Defendants, N. Laurent, regarding confidentiality agreement
1/20/11	Dietel, K.	0.20	72.40	Review and respond to e-mail correspondence from counsel for Defendants, N. Laurent, regarding confidentiality stipulation
1/24/11	Dietel, K.	4.20	1,520.40	Review Defendants' Counterclaim and draft Original Answer, Verified Denial and Affirmative Defenses to same (3.5); exchange e-mail correspondence with N. Laurent, counsel for Defendants, regarding revised confidentiality stipulation (.2); review revised confidentiality stipulation and draft clean version incorporating changes from counsel for Defendants (.5)
1/24/11	Napoli, M. D.	5.50	2,687.85	Prepare 2nd amended petition (5.0); review and revise answer to counterclaim (.3); review proposed changes to confidentiality order (.2)

Matter: David & Elizabeth Gray  
 Client/Matter #: 1203981.00003

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 February 18, 2011  
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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/25/11	Dietel, K.	2.30	832.60	Draft Receiver's Responses to Defendants' Second Set of Requests for Admissions and Second Set of Interrogatories (1.0); draft Plea in Abatement, Original Answer and Verified Denial (1.0); calculate discovery and expert designation deadlines (.3)
1/25/11	Napoli, M. D.	3.70	1,808.19	Prepare second amended petition (3.5); confer with E Espinosa regarding same (.2)
1/26/11	Dietel, K.	2.60	941.20	Draft Agreed Motion for Entry of Protective Order (.5); prepare final executed confidentiality agreement and draft e-mail correspondence to N. Laurent, counsel for Defendants, regarding same (.3); review and respond to e-mail correspondence from N. Laurent regarding Agreed Motion for Entry of Protective Order and timing for production of outstanding document (.3); confer with R. Sanchez regarding preparation of document production (.3); review Defendants' requests and documents responsive to same (1.0); confer with M. Napoli regarding same (.2)
1/26/11	Napoli, M. D.	3.30	<b>No Charge</b>	Prepare 2nd Amended Petition (3.0); consider documents for production (.3)
1/27/11	Brown, A. G.	1.00	185.53	Review and organize documents in preparation for filing (.3); file Agreed Motion for Entry of Protective Order with the court (.3); draft supplemental FAQ's (.4)
1/27/11	Dietel, K.	4.60	1,665.20	Prepare Agreed Motion for Entry of Protective Order for filing with court and service on Defendants' Counsel (.2); draft Receiver's Responses to David Gray's Second Set of Interrogatories (2.2); review and revise Second Amended Original Petition (2.2)
1/28/11	Brown, A. G.	0.40	74.21	Review and organize documents in preparation for filing (.2); file Receiver's Plea in Abatement, Answer and Verified Denial in Gray Cross Claim (.2)
1/28/11	Dietel, K.	1.80	651.60	Revise Receiver's Responses to Defendants' Second Request for Admissions (.4); follow-up and telephone conference with client regarding Plea in Abatement, Original Answer and Verified Denial to Defendants' Counterclaim (.3); finalize Plea in Abatement, Original Answer and Verified Denial to Defendants' Counterclaim and prepare same for filing and service (.3); draft Answers and Objections to Defendants' Second Set of Interrogatories (.8)

TOTAL HOURS 32.00

TOTAL FOR SERVICES \$11,246.58

Matter: David & Elizabeth Gray  
Client/Matter #: 1203981.00003

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February 18, 2011  
Invoice: 2335853

## TIMEKEEPER SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Napoli, M. D.	9.20	488.70	4,496.04
Dietel, K.	17.40	362.00	6,298.80
Espinosa, E. S.	0.60	320.00	192.00
Brown, A. G.	1.40	185.53	259.74
Total for All Timekeepers	32.00	\$351.46	\$11,246.58

## INVOICE TOTAL

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Current Charges	11,246.58	0.00	11,246.58
	<b>TOTAL BALANCE DUE</b>		<b>\$11,246.58</b>

PAYMENT DUE IN FULL ON OR BEFORE MARCH 20, 2011

# Exhibit D

Invoice 2335854

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eduardo S. Espinosa, Receiver  
1717 Main Street, Suite 2800  
Dallas, TX 75201

February 18, 2011  
Invoice: 2335854  
Matter Desc.: State of Texas vs.  
Retirement Value LLC, et. al.  
Client/Matter #: 1203981.00001

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This statement covers fees for legal services rendered and expenses incurred for your account during the period ending 01/31/2011. Detailed information regarding these fees and expenses is attached.

**Current Charges:**

Fees 131,272.61

**Total Current Charges \$131,272.61**

PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE MARCH 20, 2011

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The Estate of Retirement Value, LLC  
 c/o Eduardo S. Espinosa, Receiver  
 1717 Main Street, Suite 2800  
 Dallas, TX 75201

February 18, 2011  
 Invoice: 2335854

**FOR PROFESSIONAL SERVICES RECORDED AS OF 01/31/11:**

Matter: 1203981.00001

Matter Description: State of Texas vs. Retirement Value LLC, et. al.

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/3/11	Brown, A. G.	1.50	278.30	Conduct and respond to telephone inquiries from [REDACTED], [REDACTED] and [REDACTED] (.4); collect and forward documentation requested by [REDACTED] (.4) update client index (.2); telephone conference with [REDACTED] from IRA Plus Southwest regarding letter sent to investors on valuation of account and follow-up regarding same (.5)
1/3/11	Dietel, K.	0.50	181.00	Legal research regarding issues for Response to Bejceks' Motion (.5)
1/3/11	Dietz, M.S.	0.60	320.37	Court appearance regarding entry of Agreed Order (brief) (.3); circulate order (.2); review emails regarding scheduling issues (.1).
1/3/11	Espinosa, E. S.	4.50	1,440.00	Respond to [REDACTED] (investor) regarding value of his investment in RV (1.4); review correspondence from K. Henderson regarding PacLife's recall of PL1140 remittance (.2); review Weisbart's request for information (.2); review IRA Southwest's form 5498 inquiries to IRA account holders & review IRS instructions for form 5498 (.7); address [REDACTED] inquiry regarding FMV (.3); review Rogers' Jan 2011 living allowance request (.2); attention to scheduling mediation and January 19 hearing (.4); review ISC's LE invoices (.1); telephone conference with delaCruz at AT&T regarding RV account billed with HCF's consolidated statement (1.0)
1/3/11	Napoli, M. D.	5.30	2,590.11	Prepare cross-claim against Gray and Rogers (4.0); e-mail correspondence with G. Weisbart regarding information request(.2); confer with E. Espinosa regarding information request(.3); confer with E. Espinosa regarding response by Pacific Life counsel

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/4/11	Brown, A. G.	0.90	166.98	to PL1140 claim (.3); e-mail correspondence with counsel regarding scheduling hearings and mediation (.3); analysis and research regarding claims against PL1140 funds and effect on consolidation (.5) Conduct and respond to telephone inquiry of [REDACTED] (.2); review incoming email and forward to attorneys for review (.3); review incoming documentation and update files (.4)
1/4/11	Dietel, K.	3.00	1,086.00	Legal research regarding issues for Response to Bejceks' Motion
1/4/11	Dietz, M.S.	0.20	106.79	Prepare Order for Court/hearing (resetting trial)
1/4/11	Espinosa, E. S.	0.10	<b>No Charge</b>	Review Wall Street Journal 1/2/11 article regarding lawsuits against life settlement insurers
1/4/11	Espinosa, E. S.	5.80	1,856.00	Review letter to S. Toretto at PacLife, finalize, execute & transmit same. (.4); correspond with ASG regarding PacLife's request for supplemental documentation (.2); funds management at Wells Fargo and queue 50 statement download for 12/10 (.3); review Quickbooks accounts and correspond with P. Dennis regarding reconciliation of Wells Fargo accounts (.6); revise response to [REDACTED] (.5); correspond with ASG regarding Weisbart's request for information, updated medicals and open item status report (.4); review revised ISC invoice (.2) process Gray & Rogers Jan 2011 Living expense requests (.5); correspond with J. Lee regarding data access for actuarial analysis (.4); Respond to inquiry from [REDACTED] (.5); correspond with ASG regarding soliciting additional medical records from JSS (.4); correspond with R. Kipp and P. Riley regarding upcoming mediation and coordination of tax analysis (.3); consult with M. Napoli regarding mediation strategy (1.1).
1/4/11	Napoli, M. D.	8.50	4,153.95	E-mail correspondence with G. Weisbart regarding Kiesling and information request (.1); analyze and respond to correspondence from Pacific Life regarding PL1140 claim (.3); confer with E. Espinosa regarding same (.3); prepare correspondence to Pacific Life (1.2); communication with ASG regarding Pacific Life (.1); e-mail correspondence with P. Richter regarding Bejcek motion (.1); review and revise statement regarding IRA valuations (.8); correspondence with J. Lee regarding actuarial analysis (.1); confer with E. Espinosa regarding Gray and Rogers mediation (.5); revise proposed stipulation for Bejcek motion (1.0); prepare claim against Gray and Rogers (4.0)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/4/11	Quinn, M. J.	2.80	1,495.06	Correspondence and telephone conferences with licensees and counsel concerning responses to claims of exemption and potential settlement; update licensee contact chart
1/4/11	Riley, P.	0.60	312.23	Review email from E. Espinosa concerning tax issues [REDACTED]; review the tax returns and analyze the same.
1/5/11	Brown, A. G.	1.00	185.53	Conduct and respond to telephone inquiry from [REDACTED] and [REDACTED] (.3); review and respond to email requests from [REDACTED], [REDACTED], [REDACTED] and [REDACTED] (.5); update client index (.2)
1/5/11	Dietel, K.	0.30	108.60	Review Bejcek Intervenors' Supplemental Brief in Support of their Motion to Release Funds (.2); confer with M. Napoli regarding same (.1)
1/5/11	Espinosa, E. S.	3.80	1,216.00	Correspond with R. Kipp regarding tax issues (.3); correspond with P. Dennis regarding A/P processing (.4); review Bejceks' proposed stipulations and M. Napoli's comments (.4); telephone conference with B. Reid regarding licensee's (.6); review invoices for website and New Braunfels Utilities (.2); review list of names from TSSB (.2); correspond with ASG regarding PacLife production (.3); correspond with S. Toretto regarding PL1140 policy (.2); Telephone conference with M. Miller at Drinker Biddle regarding same (.4); correspond with J. Dotson regarding Rogers' Rainmaker invoice (.1); correspond with ASG regarding response from JSS regarding medical information (.2); review correspondence from C. Bradford regarding mediate (.3); consult with M. Napoli regarding same (.2)
1/5/11	Napoli, M. D.	8.60	4,202.82	E-mail correspondence with S. Torreto of Pacific Life regarding PL1140 claim (.2); telephone conference with M. Miller (Drinker Biddle) regarding PL1140 claim (.3); e-mail correspondence with A. Goldate (.2); research information requested by SSB (.4); gather LE information for Qvest (.1); e-mail correspondence with ASG regarding Pacific Life information request (.2); e-mail correspondence with J. Blair regarding mediation (.1); telephone conference with S. Schwarz regarding Kiesling settlement (.3); e-mail communication and telephone conference with M. Nielsen regarding Kiesling settlement (.3); review Bejcek supplemental motion (.5); prepare response to Bejcek motion (4.5); prepare claim against Gray and Rogers (.4); telephone conference with J. Hohengarten regarding medication (.2); analyze correspondence from C.

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/6/11	Dietz, M.S.	0.20	106.79	Bradford regarding mediation (.3); telephone conference with B. Reid regarding licensees (.6)
1/6/11	Espinosa, E. S.	3.60	1,152.00	Review letter from Bradford regarding mediation; review emails regarding hearing plans
1/6/11	Espinosa, E. S.	0.20	<b>No Charge</b>	Telephone conference with P. Dennis reconciling outstanding account imbalances (1.6); coordinate tax matters with R. Kipp and P. Riley (.1); review SIS' demand on Gray (.2); consult with M. Napoli regarding Bejcek's, requesting Nielsen's clarification as to account imbalances, Grey's motion for additional funds and SIS' demand on Gray (1.7)
1/6/11	Napoli, M. D.	6.90	3,372.03	Monitor Bejcek's correspondence between P. Richter and M. Napoli
1/6/11	Riggs, M. L.	1.10	243.90	Revise Bejcek stipulation (.3); e-mail correspondence with P. Richter regarding stipulation (.4); e-mail correspondence with A. Cullen and P. Maule regarding growth of COI (.2); review proposed order on Gray 3rd fee application (.1); review correspondence from C. Bradford regarding SIS demand (.1); analyze Gray motion to release funds (.8); prepare response to Bejcek motion (4.0); analysis of homestead issues (.5); analysis of PL1140 comingling (.5)
1/7/11	Brown, A. G.	1.00	185.53	Analyze exception to the homestead exemption where home is purchased with proceeds of a fraud (.9); research fraudulent transfer theory (.2)
1/7/11	Dietel, K.	2.00	724.00	Conduct and respond to telephone inquiry from [REDACTED] (.2); review and respond to email request from [REDACTED] (.2); review incoming documentation and update client files (.6)
1/7/11	Espinosa, E. S.	3.40	1,088.00	Review and analyze case authority for Response to Bejcek Motion to Release Funds (1.0); confer with M. Napoli regarding Response (.5); draft Response to Bejcek Motion to Release Funds (.5)
				Correspond with B. Reid regarding contingency counsel (.3); telephone conference with B. Baillette and M. Napoli regarding same (.8); correspond with ASG regarding "[REDACTED] Issues" (.3); consult with M. Napoli regarding [REDACTED], [REDACTED] and [REDACTED] (.5); review updated LE's (.3); correspond with C. Bradford regarding W. Roger's Rainmaker invoice, supplemental January expenses (.6); transfer funds to Chase Op Acct, and correspond with P. Dennis regarding same (.2); review and process W. Roger's supplemental expense request (.4).

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/7/11	Napoli, M. D.	8.20	4,007.34	Analyze ISC LEs (.3); prepare e-mail to E. Espinosa regarding results of LEs (.1); e-mail correspondence with B. Reid and B. Baillette regarding licensees (.1); telephone conference with G Weisbart (.5); telephone conference with B. Baillette & C. Boneau regarding contingency fee for licensees (.8); e-mail correspondence with counsel regarding order on Rogers funds (.1); prepare response to investor ██████ (.4); analysis and response to correspondence from investors (.3); research regarding standing under ██████ (.3); e-mail correspondence with A. Cullen regarding premiums due (.1); e-mail correspondence regarding estate tax issues (.1); prepare response to Bejcek Supplemental Brief (5.2)
1/8/11	Espinosa, E. S.	0.20	64.00	Email Wells Fargo regarding Account Analysis Statements
1/8/11	Napoli, M. D.	3.00	1,466.10	Prepare response to Gray motion for additional defense funds
1/10/11	Brown, A. G.	1.70	315.40	Conduct and respond to telephone inquiry from ██████ (.2); review letters from ██████ and ██████, review files and draft responses to same (1.1); review incoming documentation and update client files (.4)
1/10/11	Dietel, K.	1.00	362.00	Review and analyze information and authority for Response to Bejcek Intervenors' Motion to Release Funds
1/10/11	Dietz, M.S.	0.20	106.79	Prepare and make docket calls for hearings next week.
1/10/11	Espinosa, E. S.	5.90	1,888.00	Telephone conference with C. Bradford regarding Tax Issue and Sale of Assets (.5); review correspondence from M. Miller regarding PL1140; discuss response with M. Napoli (.3); correspond with J. Winebrensa at Chase regarding Roger January expense (.1); correspond with W. Giles at Wells Fargo regarding Analyzed Account Earnings Allowance and S. Adams and 2010 Account Statements (.7); correspond with G. Weisbart regarding ██████ at ██████ (.1); review and revise correspondence to ██████ and ██████ and ██████ (.5); correspond with P. Dennis at BKD regarding Roger Supplemental January expenses, Gray's January expenses, HCF premium disbursements (.4); review 54-WF account balances as of 12/31/10 and reconcile various issues and prepare a report reflecting account balances and main account value (2.3); correspond with ASG regarding policy premium information (.1); review

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1/10/11	Napoli, M. D.	8.20	4,007.34	production of supplement information for Weisbart (.4); analyze Main Account transaction 3/23/10 - 3/30/10 in connection with Bejcek's Motion (.5) Prepare response to Bejcek motion (6.1); e-mail correspondence with ██████████ regarding PL1140 claim (.2); e-mail correspondence with M. Fellers regarding insurance on building (.1); revise correspondence to investors O'Neill and Petersen (.2); prepare response to information request by Weisbart (1.0); confer with E. Espinosa regarding same (.2); telephone conference with M. Nielsen (.2); e-mail correspondence with G. Weisbart regarding Kiesling and Gray motion (.2)
1/10/11	Nelson, M. S.	0.30	<b>No Charge</b>	Review materials forwarded by M. Napoli
1/10/11	Riley, P.	1.70	884.65	Review the Company's tax returns for 2009; review the form agreements and other background materials; analyze issues related to the Company's income taxes for 2009 and 2010.
1/11/11	Brown, A. G.	0.50	92.77	Conduct and respond to telephone inquiry of ██████████ (2); review and respond to email request from ██████████ (3)
1/11/11	Dietel, K.	9.30	3,366.60	Draft Response to Bejceks' Motion to Release Funds (4.6); review documentation and authority regarding same (4.2); confer with M. Napoli and E. Espinosa regarding Response (.5)
1/11/11	Dietz, M.S.	0.10	<b>No Charge</b>	Review Order of Court
1/11/11	Espinosa, E. S.	6.60	2,112.00	Telephone conference with M. Nelson and M. Napoli regarding PL1140 policy (.5); telephone conference with R. Kipp, P. Dennis, S. Holden, P. Riley, M. Napoli regarding 2009, 2010, 2011 tax returns(1.7); telephone conference with W. Giles at Wells Fargo regarding Analyzed Account rates of return and fund management (.8); working session with M. Napoli and K. Dickel regarding response to Bejcek's Motion and prepare for hearing (2.7); correspond with P. Dennis regarding main account reconciliation and transmittal of 2010 statement (.5); consult with M. Napoli and A. Brown regarding investor inquiries regarding PL1140 (.2); review fax from J. O'Neill (.2)
1/11/11	Napoli, M. D.	9.20	4,496.04	Prepare response to Bejcek motion (2.0); prepare correspondence to James Settlement and Wilmington Trust regarding PL1140 claim (1.0); correspondence with J. Pavlovcak regarding PL1140 claim (.1); review correspondence from ██████████ (2); prepare form response to investors regarding PL1140 claim (.5); telephone conference with G. Weisbart

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/11/11	Nelson, M. S.	0.70	300.92	(.4); review faxed orders from court (.1); telephone conference on tax issues (1.7); telephone conference with M. Nelson regarding PL1140 claim (.5); working session regarding hearing on Bejcek claim and Gray motion (2.7)
1/11/11	Osipovich, D. R.	0.20	<b>No Charge</b>	Telephone conference with M. Napoli regarding insurance issues (.4); conference with D. Osipovich regarding same (.3)
1/11/11	Quinn, M. J.	0.80	427.16	Conference with M. Nelson regarding "insurable interest" research
1/11/11	Riley, P.	4.10	2,133.56	Telephone conference with counsel representing licensees concerning potential settlement; review and analyze related documents
1/12/11	Brown, A. G.	1.20	222.64	Review tax returns and other background materials; analyze tax issues related to the Company's 2009 and 2010 tax years; meeting with E. Espinosa and M. Napoli to discuss the same; telephone conference with E. Espinosa, M. Napoli, Robert Kipp and other members of the BKD accounting firm to discuss the same.
1/12/11	Dietel, K.	3.00	1,086.00	Review and organize exhibits in preparation for filing Response to Intervenor Motion to Release Funds (.5); file motion with court and prepare documents for service to parties (.3); conduct and respond to e-mail requests from [REDACTED], [REDACTED] and [REDACTED] (.4)
1/12/11	Espinosa, E. S.	5.90	1,888.00	Finalize Response to Bejcek Intervenors' Motion to Release Funds and prepare for filing (3.0)
1/12/11	Fine, J.	1.50	<b>No Charge</b>	Telephone conference with B. Reid, B. Baillotte and M. Napoli regarding contingency counsel (.7); request premium payment for HCF, correspond with C. Bradford regarding same (.3); review Chase Fraud Alert regarding check payment (.1); review and revise draft response to Bejcek Motion (1.8); telephone conference with M. Kaye (investor) (.5); telephone conference with S. Roy (QVest) (.8); review correspondence with Pac Life and JSS regarding PL1140 (.6); correspond with M. Fellers at B. Donagan regarding insurance (.1); follow-up on responses to [REDACTED] & [REDACTED] (investors) (.1); address HCF's ability to request documentation directly from ICB with C. Bradford (.2); identify K&L contact at Wilmington Trust (PL1140) (.5); correspond with ASG regarding funds forecast (.1)
				Research 5th circuit bankruptcy cases on escrow funds and ownership issues

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/12/11	Napoli, M. D.	7.30	3,567.51	Prepare response to Bejcek motion (6.5); telephone conference with B. Reid regarding contingency fee for licensee suits (.5); conference with E. Espinosa regarding proposed fee for Reid (.2); e-mail correspondence with ██████ regarding PL1140 claim (.1)
1/13/11	Brown, A. G.	0.60	111.32	Conduct research and respond to email inquiry from ██████ (.3); review incoming documentation and update files (.3)
1/13/11	Cunningham, E.	0.20	54.30	Draft e-mail to M. Napoli regarding status of ██████ charge; telephone call to A. Karpf regarding the same.
1/13/11	Fine, J.	3.00	<b>No Charge</b>	Prepare for and meet with M. Napoli regarding escrow cases from the bankruptcy courts and their application to how the funds are treated in this case;
1/13/11	Napoli, M. D.	3.50	1,710.45	E-mail correspondence with E. Cunningham regarding ██████ claim (.1); confer with B. Baillotte regarding licensee claims (.2); review Intervenors' response to Bejcek motion (.2); e-mail correspondence with A. Goldate (.1); telephone conference with C. Bradford regarding motion to release funds and other issues (.3); review order setting motion (.1); confer with J. Fine regarding treatment of escrows in bankruptcy and liquidating trusts (.5); prepare for hearing on Bejcek motion (.5); prepare response to Gray motion to release funds (1.5)
1/13/11	Riggs, M. L.	2.20	487.81	Legal research regarding fraud exclusion to homestead exemption
1/14/11	Cunningham, E.	0.20	54.30	Telephone conference with M. Napoli regarding T. Moss's EEOC charge; review T. Moss's unemployment application.
1/14/11	Dietel, K.	2.50	905.00	Confer with M. Napoli regarding preparation for hearing on Intervenors' Motion to Release Funds (.5); prepare exhibits for hearing (2.0)
1/14/11	Espinosa, E. S.	0.20	64.00	Correspond with P. Dennis regarding Chase and ICB bank statements (.1); multiple correspondence regarding 1/19 hearing (.1)
1/14/11	Napoli, M. D.	6.10	2,981.07	Prepare response to Gray motion to release funds (4.5); correspondence with ██████ (Wilmington Trust) regarding PL1140 policy (.1); review tax memo (.2); report to R. Pulie (Hartford) regarding ██████ claim (.3); research regarding Retirement Value corporate documents (1.0)
1/14/11	Quinn, M. J.	1.40	<b>No Charge</b>	Telephone conference and correspondence with D. Kozich, counsel for several licensees, in connection with potential settlement; correspondence with

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/14/11	Riggs, M. L.	1.80	399.11	counsel for other licensees Legal research regarding fraud exclusion to homestead exemption
1/14/11	Riley, P.	1.00	520.38	Review the Tax Matters Memo prepared by BKD; analyze and research various matters related to the same.
1/17/11	Riggs, M. L.	4.30	953.44	Analyze the sub-accounts which were withdrawn from to fund the PL1140 account (2.3); analyze the amounts withdrawn from the PL1140 account to fund other policy sub-accounts (2.0)
1/18/11	Brown, A. G.	1.60	296.85	Conduct and respond to telephone inquiry from [REDACTED], licensee regarding client (.4); review incoming documentation and update client files (.2); conduct research for case law cited in Bejcek's Motions in preparation for hearing (1.0)
1/18/11	Cunningham, E.	1.20	325.80	Telephone conferences with Texas Workforce Commission regarding [REDACTED]' unemployment claim; draft e-mails to M. Napoli regarding the same; telephone conference with Texas Workforce Commission regarding change of address; draft letter to Texas Workforce Commission regarding the same.
1/18/11	Dietel, K.	9.30	3,366.60	Review and analyze documents for hearing on Bejcek Intervenors Motion to Release Funds (1.5); prepare exhibits for hearing on Motion to Release Funds (4.3); review and analyze case authority cited by Bejceks' Motion and Supplemental Brief (3.0); draft e-mail correspondence to M. Napoli regarding analysis of same (.5)
1/18/11	Dietz, M.S.	1.40	747.53	Review motions and pleadings in preparation of hearing.
1/18/11	Espinosa, E. S.	4.30	1,376.00	Telephone conference with [REDACTED] in Coppell, Texas (.5); correspondence with Tax team regarding tax matter memo and filing of 2009 1120S(.3); review ASG January invoice and Premier Projections (.5); compile records for Bejcek's hearing (2.8); monitor scheduling emails (.2)
1/18/11	Napoli, M. D.	9.30	4,544.91	Prepare for hearings on Bejcek motion and Gray motion to sell assets (9.0); telephone conferences with J. Hohengarten (.2); telephone conference with A. Garcia regarding PL1140 claim and Harrison suit (.1)
1/18/11	Riggs, M. L.	6.60	1,463.42	Prepare memo regarding [REDACTED] (3.7); legal research regarding effect of [REDACTED] (2.9)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/19/11	Brown, A. G.	1.10	204.08	Conduct and respond to telephone inquiry from ██████████ and conduct research regarding request and draft e-mail response (.6); review and respond to e-mail from ██████████ (.3); review incoming documentation and update files (.2)
1/19/11	Dietz, M.S.	6.50	3,470.68	Court hearings on Bejcek's motion and Gray motion (6.2); meet with E. Espinosa and M. Napoli regarding status and strategy (.3)
1/19/11	Espinosa, E. S.	6.50	2,080.00	Hearing on Bejcek's Motion to Release Funds and Gray's Motion to Sell assets (6.2); consult with M. Napoli and M. Dietz regarding hearings, proposed trial dates (.3)
1/19/11	Espinosa, E. S.	5.00	<b>No Charge</b>	Travel to Austin (2.5); travel to Dallas (2.5)
1/19/11	Napoli, M. D.	6.80	3,323.16	Attend hearings on Bejcek motion and Gray motion to release (6.2); confer with G. Weisbart (.3); consult with M. Dietz and E. Espinosa (.3)
1/19/11	Napoli, M. D.	4.00	<b>No Charge</b>	Travel to Austin (2.0); travel to Dallas (2.0)
1/19/11	Nelson, M. S.	0.80	343.90	Review/revise D. Osipovich memorandum regarding Pennsylvania coverage issues (.6); conference with D. Osipovich regarding same (.2)
1/19/11	Osipovich, D. R.	3.30	836.22	Research Pennsylvania life insurance law; draft and send memo to M. Nelson, M. Napoli and E. Espinosa regarding research results
1/20/11	Brown, A. G.	0.80	148.42	Conduct and respond to telephone inquiries from ██████████ and ██████████ (.3) conduct research regarding client document request (.4); review and respond to e-mail from ██████████ (.1)
1/20/11	Espinosa, E. S.	2.50	800.00	Consult with P. Riley regarding 2009 taxes (.3); consult with M. Napoli, B. Reid and J. Collins regarding licensee claims (2.0); consult with P. Dennis regarding update QBB (.2)
1/20/11	Napoli, M. D.	6.30	3,078.81	Telephone conference with J. Hohengarten (.3); telephone conference with M. Nielsen (.6); e-mail correspondence regarding mediation (.1); meet with B. Reid and J. Collins regarding licensee claims (2.0); prepare confidentiality order (2.5); review discovery control plan (.3); review order resetting trial (.1); review memo regarding Pennsylvania insurance law regarding PL1140 claim (.4)
1/20/11	Riggs, M. L.	1.10	243.90	Review spreadsheet of the subaccounts related to the PL1140 policy (.2); create spreadsheets with formulas for calculating the funding and expenditures related to the PL1140 policy (.9)
1/20/11	Riley, P.	0.30	156.11	Meeting with E. Espinosa to discuss tax issues related to the Company and it's 2009 refund claim.
1/21/11	Brown, A. G.	0.60	111.32	Draft email response to L. Tiscione (.3); review incoming documentation and update files (.3)

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1/21/11	Dietz, M.S.	0.40	213.58	Review order of Court setting trial and proposed Protective order (.2); review emails regarding trial setting order and other matters (.2).
1/21/11	Espinosa, E. S.	1.70	544.00	Consult with A. Brown regarding [REDACTED] (investor) (.2), correspond with ASG regarding PL1140 (.1); various emails regarding Proposed Confidentiality Order, scheduling (.4); correspond with C. Bradford regarding Safety Deposit Box (.2); review Drinker Biddle correspondence (.2); review WF 2010 Tax Statement and forward to BKD; (.4) correspond with [REDACTED] and C. Bradford regarding HCF's \$15,000 to John Hancock (.4)
1/21/11	Napoli, M. D.	6.60	3,225.42	E-mail correspondence and calls regarding proposed discovery plan and confidentiality order (1.2); revise discovery control plan (.2); revise proposed confidentiality order (.4); research regarding claims against McDermott (3.0); review documents from Pacific Life investigation (.5); telephone conference with M. Nielsen (.4); review L. Harrison intervention (.3); review objections to discovery control plan by Kiesling and Defendants (.3); telephone conference with [REDACTED] of Wilmington Trust regarding PL1140 (.3)
1/21/11	Riggs, M. L.	2.10	465.63	Legal research regarding availability of homestead exemption for securities fraud claims under the bankruptcy code
1/21/11	Riley, P.	0.30	156.11	Review materials related to the Company's taxes.
1/24/11	Brown, A. G.	0.70	129.87	Draft email response to [REDACTED] (.3); conduct and respond to telephone inquiry from [REDACTED] (.2); review incoming documentation and update files (.2)
1/24/11	Dietel, K.	3.00	1,086.00	Review and analyze Defendants' Request for Production to Receiver and draft responses to same (2.3); confer with M. Napoli and E. Espinosa regarding same (.2); exchange e-mail correspondence with J. Halter regarding production of documents in response to Defendants' Request for Production (.2); review and analyze Intervenor L. Harrison's discovery requests to Receiver and calendar deadline for responses to same (.3)
1/24/11	Dietz, M.S.	0.40	213.58	Review emails regarding protective order and other matters; email to all regarding protective order signatures.
1/24/11	Espinosa, E. S.	1.70	544.00	Consult with M. Napoli and K. Dietel regarding various litigation matters (confid, scheduling, interrogatories)(.3); consult with T. Moran and J. Swanson regarding [REDACTED] (.5); telephone

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				conference with [REDACTED] regarding outstanding item and RV032 (.4); email C. Bradford regarding SDB (.1); correspond with T. Harper at ICB (.1); review B. Gray's correspondence regarding Provident (.1); review various emails regarding scheduling and production (.2)
1/24/11	Goodfried, M.B.	1.00	No Charge	Conduct analysis of document collection issues for purposes of responding to inquiry from K. Dietel
1/24/11	Halter, J.A.	0.30	No Charge	Review and respond to email from K. Dietel regarding request for W. Rogers and D. Gray hard drive material; follow up with team regarding same
1/24/11	Napoli, M. D.	2.20	1,075.14	Revise confidentiality order (.4); review Weisbart correspondence to court regarding discovery plan (.2); telephone conference with G. Weisbart (.5); review and consider response to discovery from Harrison intervenors (.4); correspondence with A. Garcia regarding discovery (.2); research regarding McDermott claims (.5)
1/24/11	Riggs, M. L.	2.80	No Charge	Prepare memo regarding [REDACTED]
1/25/11	Brown, A. G.	0.30	No Charge	Review and revise certificates of service on RFP and Interrogatory responses with new intervenor information
1/25/11	Brown, A. G.	0.20	37.11	Conduct and respond to telephone inquiry from [REDACTED]
1/25/11	Dietel, K.	2.20	796.40	Telephone conference with J. Halter and M. Napoli regarding production of electronic documents in response to Defendants' Request for Production (.2); draft Receiver's Responses to Defendants' Request for Production (2.0)
1/25/11	Dietz, M.S.	2.50	1,334.88	Review status of Proposed Protective Order (.1); revise Protective Order and re-circulate (.9); work on setting up interviews with plaintiffs attorney to handle licensees matter on contingency (1.1); email from mediator/follow-up with M. Napoli and mediator regarding mediator question (.2); email from Jack Hohengarten regarding revision to proposed Protective Order; revise same; circulate to all parties (.1); telephone conference with James Parsons regarding status of Proposed Protective Order (.1).
1/25/11	Espinosa, E. S.	2.80	896.00	Respond to K. Gray regarding W-2 inquiry (.1) call Dommford Inc. regarding Profit Sharing Plan and email regarding same (.3); monitor various email regarding scheduling, discovery and confidentiality (.5); consult with M. Napoli and K. Dietel regarding various litigation matters, review of PL1140

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				remittance analysis (1.2); review Gray cross claim (.7)
1/25/11	Halter, J.A.	0.90	No Charge	Conference with M. Napoli and K. Dietel regarding request to reproduce copies of W. Rogers and D. Gray material; coordinate with team regarding same; communicate with team regarding request for data associated with loose electronic files in order to prepare cost estimate and risk analysis related to same
1/25/11	Hein, G.	0.40	No Charge	Prepare HDD for shipment to K. Dietel in Dallas office
1/25/11	Napoli, M. D.	5.20	2,541.24	Telephone conference with M. Nielsen (.3); e-mail correspondence with J. Parsons regarding orders (.1); attention to confidentiality order (.5); attention to production of policy binders (.3); research regarding [REDACTED] (2.0); prepare cross-claim against Gray and Rogers (1.5); conference with E. Espinosa regarding contingency counsel (.3); telephone conferences with M. Dietz regarding interviews with contingency counsel (.2)
1/25/11	Riggs, M. L.	1.40	310.42	Review draft discussion of all the relevant case law explaining when a court will use equitable remedies to foreclose on a homestead (1.1); determine internal coding for all sub-accounts contributing to the PL1140 (.3)
1/25/11	Sanchez, J. R.	2.10	294.59	Prepare supplemental document production.
1/26/11	Brown, A. G.	0.80	148.42	Draft email response to [REDACTED] (.4); conduct and respond to telephone inquiry from [REDACTED] (.2); review incoming documentation and update files (.2)
1/26/11	Dietel, K.	3.80	1,375.60	Draft Receiver's Responses to Defendants' Request for Production of Documents (3.0); confer with M. Napoli regarding responses (.5); exchange e-mail correspondence with J. Dotson and S. Meisel regarding documents responsive to Defendants' requests (.3)
1/26/11	Dietz, M.S.	0.80	427.16	Work on schedule of plaintiffs' attorney to meet with M. Napoli (.3); work on protective order revisions and final (.5).
1/26/11	Dotson, J. R.	0.70	215.39	Document review regarding request for production of communications between Receiver and Pacific Northwest
1/26/11	Espinosa, E. S.	4.70	1,504.00	Review and revise Receiver's cross-claims regarding D. Gray, W. Gray, C. Gray (3.2); correspond with B. Rose (ASG) regarding RV031 (.2); follow up with M. Napoli regarding discussion of 1/25 (.1); consult with A. Brown regarding [REDACTED] and [REDACTED]

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				██████████ (.3); correspond with P. Dennis and W. Giles regarding March 2010 statement for account #7212 (.4); review correspondence regarding Confidential Order (.2); consult with M. Napoli regarding discovery production (.3)
1/26/11	Goodfried, M.B.	0.90	264.72	Coordinate and oversee production of documents; address production issues to J. Halter
1/26/11	Napoli, M. D.	5.60	2,736.72	Telephone conference with J. Halter regarding responses to Gray RFP (.3); review and revise responses to Gray RFP (.4); prepare memo to J. Hohengarten and A. Goldate (3.5); confer with M. Riggs regarding PL1140 payment analysis (.2); review estimate for additional data analysis and search (.2); correspondence with A. Goldate regarding investor LMG (.2); consider documents for production to defendants and intervenor (.5); prepare for counsel interviews (.3)
1/26/11	Nelson, J. D.	0.70	114.03	Conference with J. Dotson regarding Pacific Northwest request; email with K. Dietel regarding same; review emails and correspondence file regarding same.
1/26/11	Riggs, M. L.	4.10	909.09	Create spreadsheet tracking all funds from all sub-accounts that were used to fund the ██████████ policy (LFG183-111109-MR) including the percent of the policy funded by each sub-account (.9); create spreadsheet tracking all funds expended from the ██████████ sub-account and where the funds went (1.2); create spreadsheet tracking all funds from all sub-accounts used to fund the Cramer policy (AXA091-012110-PC) (1.0); create spreadsheet tracking all expenditures from the ██████████ sub-account and where the funds went (1.2)
1/26/11	Sanchez, J. R.	1.10	154.31	Finalize RV production
1/27/11	Dietel, K.	0.20	72.40	Exchange e-mail correspondence with C. Bradford, counsel for Defendants, regarding production of electronic files in response to Request for Production (.2)
1/27/11	Dietz, M.S.	1.50	800.93	Staff attorney visit regarding entry of protective order (.4); meet with M. Napoli regarding strategy and plaintiffs' lawyer for claims against licensee's (1.1).
1/27/11	Espinosa, E. S.	1.50	480.00	Consult with M. Napoli and M. Dietz regarding judge's rulings and action items (.7); correspond with M. Fellers regarding insurance renewal (.2); monitor discovery plan emails (.2); review inquiry from C. Bradford regarding Andrew's account (.2); correspond with B. Reid regarding contingency

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/27/11	Napoli, M. D.	6.70	3,274.29	engagement (.2) Meet with [REDACTED] and [REDACTED] regarding licensee claims (.8); meet with [REDACTED] regarding licensee claims (1.5); meet with [REDACTED] regarding licensee claims(.8); meet with [REDACTED] regarding licensee claims (1.1); prepare cross-claim against Gray and Rogers (2.0); review and revise discovery responses to Gray and Rogers (.5)
1/27/11	Napoli, M. D.	4.00	No Charge	Travel to Austin (2.0); travel to Dallas (2.0)
1/27/11	Riggs, M. L.	2.40	532.15	Review documents regarding claims against [REDACTED]
1/28/11	Brown, A. G.	0.20	No Charge	File Receivers Cross Claim against Dick Gray, Catherine Gray and Wendy Rogers with court
1/28/11	Brown, A. G.	0.80	148.42	Review documents in preparation for filing with court (.2); arrange for service of claim on Catherine Gray (.4); conduct and respond to telephone inquiry from [REDACTED] (.2)
1/28/11	Dietel, K.	1.70	615.40	Review and finalize Receiver's Cross-Claim against D. Gray, C. Gray and W. Rogers (.5); confer with A. Brown regarding filing and service of same (.3); exchange e-mail correspondence to C. Bradford, counsel for Defendants regarding acceptance of service for C. Gray (.2); revise Receiver's Responses to Defendants' Request for Production (.7)
1/28/11	Dietz, M.S.	0.50	266.98	Review orders from Court (.2); telephone conference with staff attorney regarding dismissal order (.2); telephone message to mediator regarding fee (.1).
1/28/11	Espinosa, E. S.	3.30	1,056.00	Telephone conference with [REDACTED] regarding updates (.7); telephone conference with P. Dennis regarding W-2's/1099's; bank reconciliation (.4); respond to request for production (.6); correspond with L. Eduards regarding 707 Walnut (.2); consult with M. Napoli regarding 707 Walnut; Andrew Gray's funds (.4); correspond with W. Giles and P. Dennis regarding Wells Fargo account #7212 (.1); monitor correspondence regarding Discovery Plan; finalize [REDACTED] response (.1); review Answer to Verification to D. Gray's Counterclaim (.4); correspond with P. Dennis regarding Chase and ICB statements (.2); review response to Garcia (.2)
1/28/11	Espinosa, E. S.	0.20	No Charge	Review Life Partner current events
1/28/11	Napoli, M. D.	4.50	2,199.15	E-mail correspondence with A Garcia regarding discovery, mediation and other issues (.3); prepare memo to A Garcia (1.5); confer with E Espinosa regarding Andrew Gray account (.2); revise cross-claim against Gray (1.0); consider revisions to Discovery Control Plan (.2); review/revise responses

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
1/28/11	Riggs, M. L.	1.80	399.11	to Gray RFP (1.0); review Kiesling motion to strike (.3); Review documents regarding claims against [REDACTED]
1/28/11	Sanchez, J. R.	0.60	<b>No Charge</b>	Prepare ESI for loading into Ringtail for review.
1/30/11	Espinosa, E. S.	0.20	64.00	Review memo from D. Osipovich
1/31/11	Brown, A. G.	1.50	278.30	Follow-up regarding service of cross-claim on Catherine Gray (.2); conduct research for licensee agreement per M. Napoli request (1.1); conduct and respond to inquiry from investor (.2)
1/31/11	Dietel, K.	0.80	289.60	Finalize Receiver's Responses to Defendants' Request for Production and prepare same for service on counsel (.2); confer with R. Sanchez regarding status of supplemental document production (.2); confer with M. Napoli regarding same (.1); draft correspondence to C. Bradford, counsel for Defendants, regarding production of documents on hard drive and prepare same for production (.3)
1/31/11	Espinosa, E. S.	4.90	1,568.00	Telephone conference with P. Dennis regarding 1099's and W-2's (.5); telephone conference with [REDACTED] at ICB regarding Hill Country Funding (.4); telephone conference with K. Hinkle regarding Confidentiality Agreement (.3); consult with A. Brown regarding [REDACTED] (.4); telephone conference with M. Feller at BDF regarding property insurance (.5); consult with M. Napoli regarding content value of 707 N. Walnut (.2); consult with M. Napoli regarding contingency fee bids; [REDACTED] letter regarding ICB (.5); correspondence with C. Moore and C. Bradford regarding ICB (.9); telephone conference with [REDACTED] regarding inquiry into portfolio (.6); consult with M. Napoli regarding Sales force data and delegate (.4); Tax ID coordination to A. Brown and P. Dennis; consult with M. Napoli regarding contingency counsel (.2)
1/31/11	Napoli, M. D.	5.80	2,834.46	Review demand letters from FCB (.3); confer with E. Espinosa regarding same (.1); review/revise response to Gray RFP (.3); telephone conference with M. Nielsen (.2); prepare information packets for potential contingency fee counsel (1.0); e-mail correspondence with [REDACTED] and [REDACTED] (.3); review proposals by [REDACTED] and [REDACTED] (.5); confer with E. Espinosa regarding same (.3); analysis of receiver's authority to sell assets and necessary approvals (.5); confer with E. Espinosa regarding missing SS#s for licensee 1099s (.2); research

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				regarding SS#s (.3); confer with E. Espinosa regarding property insurance and valuation of miscellaneous assets (.3); prepare for strategy session (1.5)
1/31/11	Riggs, M. L.	0.20	No Charge	Schedule research training with Ringtail advisor to work through searches regarding [REDACTED]
1/31/11	Sanchez, J. R.	1.10	154.31	Prepare and load ESI to Ringtail for attorney review.
		TOTAL HOURS		362.30
		TOTAL FOR SERVICES		\$131,272.61

### TIMEKEEPER SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Quinn, M. J.	3.60	533.95	1,922.22
Dietz, M.S.	15.20	533.95	8,116.06
Riley, P.	8.00	520.38	4,163.04
Napoli, M. D.	133.80	488.70	65,388.06
Nelson, M. S.	1.50	429.88	644.82
Dietel, K.	42.60	362.00	15,421.20
Espinosa, E. S.	74.00	320.00	23,680.00
Dotson, J. R.	0.70	307.70	215.39
Goodfried, M.B.	0.90	294.13	264.72
Cunningham, E.	1.60	271.50	434.40
Osipovich, D. R.	3.30	253.40	836.22
Riggs, M. L.	28.90	221.73	6,407.98
Brown, A. G.	16.50	185.53	3,061.26
Nelson, J. D.	0.70	162.90	114.03
Sanchez, J. R.	4.30	140.28	603.21
Total for All Timekeepers	362.30	\$362.33	\$131,272.61

### INVOICE TOTAL

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Current Charges	131,272.61	0.00	131,272.61
<b>TOTAL BALANCE DUE</b>			<b>\$131,272.61</b>

PAYMENT DUE IN FULL ON OR BEFORE MARCH 20, 2011

# Exhibit E

Invoice 2353867

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eduardo S. Espinosa, Receiver  
1717 Main Street, Suite 2800  
Dallas, TX 75201

March 31, 2011  
Invoice: 2353867  
Matter Desc.: State of Texas vs.  
Retirement Value LLC, et. al.  
Client/Matter #: 1203981.00001

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This statement covers fees for legal services rendered for your account during the period ending 02/28/2011. Detailed information regarding these fees is attached.

**Current Charges:**

Fees

96,576.13

**Total Current Charges**

**\$96,576.13**

PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE APRIL 30, 2011

*Please Return a Copy of This Page With Your Payment to K&L Gates, RCAC, 925 Fourth Avenue, Suite 2900, Seattle, Washington 98104-1158, Reference Invoice: 2353867*

*Payment Can Also be Made by wire to: US Bank, Private Financial Services, 1420 5<sup>th</sup> Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number: 125000105, Account # 153557906580, Reference Invoice 2353867*

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eduardo S. Espinosa, Receiver  
1717 Main Street, Suite 2800  
Dallas, TX 75201

March 31, 2011  
Invoice: 2353867

**FOR PROFESSIONAL SERVICES RECORDED AS OF 02/28/11:**

Matter: 1203981.00001

Matter Description: State of Texas vs. Retirement Value LLC, et. al.

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/1/11	Dietel, K.	0.20	72.40	Exchange e-mail correspondence with M. Napoli and A. Brown regarding service of Cross-Claim on C. Gray and Defendants' counsel agreement to accept service regarding same (.2)
2/1/11	Espinosa, E. S.	2.00	640.00	Review Real Estate Brokerage Agreement, execute and forward to L. Edwards (.5); telephone conference with ██████████ regarding balance (.4); correspond with T. Harper and C. Moore regarding 707 N. Walnut (.3); revise proposed order regarding CTW and LLB&L (.2); correspond with GCU and Chase Bank regarding February living expenses (.4); review ISC invoice; correspond with BKD (.2)
2/2/11	Brown, A. G.	2.60	482.38	Conduct research for licensee agreements per M. Napoli request (2.1); conduct and respond to inquiries ██████████, ██████████ and ██████████ (.50)
2/2/11	Espinosa, E. S.	4.10	1,312.00	Consult with M. Napoli regarding property value and resale, taxes, mediation and other issues (.9); telephone conference with K. Hinkle at ASG regarding D3G and portfolio valuations (.9) consult with A. Brown regarding investor inquiry regarding ██████████ and licensees (.4); review and revise Suppl. ██████████ correspond with L. Edwards regarding 707 N. Walnut and other real estate appraisal (.3); correspond with Chase, ICB and C. Bradford regarding living expense (.2); review WTC documentation regarding McKay (.4); review correspondence from A. Garcia and M. Napoli regarding ██████████ (.3); correspond with G. Quioner regarding website update (.2)

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/2/11	Napoli, M. D.	8.30	4,056.21	Telephone conference with ██████████ (.1); e-mail correspondence with J George (.1); confer with E Espinosa regarding taxes, property sales, FAQs, mediation and other issues (.9); e-mail correspondence with G Weisbart regarding ASG and other issues (.1); revise FAQs (.5); e-mail correspondence with A Garcia regarding nature of investment and production (.8); review documents from Wilmington Trust (.5); telephone conference with ██████████ of Wilmington (.2); telephone conference with J Hohengarten and A Goldate (.4); review KPKF motion to quash Gray deposition (.3); prepare notice of continuation of Gray deposition (.3); draft year end report (3.0); prepare for strategy meeting (1.0)
2/3/11	Brown, A. G.	4.30	797.78	Conduct research for licensee Social Security or Tax ID numbers to assist in preparation of tax forms and update spreadsheet regarding same (3.3); conduct research for licensee agreements per M. Napoli request (.8) review incoming documentation and forward to attorneys for review (.2)
2/3/11	Dietz, M.S.	1.50	800.93	Conference with M. Napoli regarding status of plaintiffs contingency contracts and strategy (1.3); review emails regarding status of litigation/discovery (.2).
2/3/11	Espinosa, E. S.	1.70	544.00	Correspond with R. Kipp regarding 1120S draft (.5); review and comment on BKD tax memo (.9); review ██████████ correspondence (.1); correspond with ASG and L&E regarding open items (.2)
2/3/11	Napoli, M. D.	5.50	<b>No Charge</b>	Travel to Austin (3.0) travel to Dallas (2.5)
2/3/11	Napoli, M. D.	4.00	1,954.80	Attend strategy meeting with State and Intervenor (3.0); meet with J. Hohengarten and A Goldate (1.0)
2/4/11	Dietel, K.	1.00	362.00	Review Agreed Discovery Control Order and calendar deadlines regarding same for defense team (1.0)
2/4/11	Napoli, M. D.	8.20	4,007.34	Work on year-end report (3.5); prepare mediation materials (3.5); review analysis of policy payments (.5); e-mail correspondence regarding KPKF mediation (.2); analyze contingency fee proposals (.5);
2/4/11	Riley, P.	0.60	<b>No Charge</b>	Review Tax Matters Memo prepared by BKD and various emails concerning the same.
2/7/11	Brown, A. G.	1.50	278.30	Review and finalize research for licensee Social Security or Tax ID numbers to assist in preparation of tax forms and finalize spreadsheet regarding same
2/7/11	Dietz, M.S.	0.20	106.79	Emails from and to Jack Hohengarten regarding orders from Court (.2)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/7/11	Espinosa, E. S.	1.60	512.00	Correspond with R. Kipp and M. Napoli regarding tax matters, review various attachments from BKD (.7); telephone conference with T. Moran regarding expert testimony (.4); consult with M. Napoli regarding experts, litigation deadline (.5); correspond with A. Brown and P. Dennis regarding TIN's for 1099's
2/7/11	Napoli, M. D.	4.60	2,248.02	E-mail correspondence with R. Kipp regarding tax issues (.2); e-mail correspondence with J. Lee and S. Gibson regarding expert testimony and due date for analysis (.2); telephone conference with T. Moran (.3); conference with E. Espinosa regarding strategy meeting and mediation (.6); prepare memo to E. Espinosa regarding contingency fee proposals (.3); prepare mediation memo and gather information for mediation (3.0)
2/7/11	Riggs, M. L.	0.60	133.04	Research documents on Ringtail
2/7/11	Riggs, M. L.	2.00	443.46	Cross-reference all wire transfer data used for the LFG566/183, AXA091, and PL1140 policy spreadsheets (2.0)
2/7/11	Riggs, M. L.	2.20	487.81	Review & analyze documents as to issues & sub-issues pertaining to [REDACTED], Dick Gray, [REDACTED], and [REDACTED] (2.2)
2/7/11	Riley, P.	1.60	No Charge	Review memo and other materials prepared by BKD concerning tax issues of the Company; review various emails concerning these tax issues and various GAAP accounting issues related to the same.
2/8/11	Brown, A. G.	3.50	649.36	Conduct research for licensee agreements per M. Napoli request (3.1); conduct and respond to telephone inquiries from investors (.3); respond to email inquiry from [REDACTED] (.1)
2/8/11	Espinosa, E. S.	1.40	448.00	Various discussion with NBU and L. Edwards regarding water leak @ 707 N. Walnut (.6); correspondence and consultation with R. Kipp and M. Napoli regarding tax (.4); correspondence with G. Quinones regarding website, correspond with J. Savanson regarding PWC request (.2); address returned 1099s
2/8/11	Napoli, M. D.	8.30	4,056.21	Review and analyze memo and spreadsheets from tax accountants (1.0); research, correspondence and comments to tax accountants regarding 2009 through 2011 tax scenarios (2.5); prepare mediation memorandum (3.5); analysis of documents provided to PacLife by JSS regarding PL1140 policy (.8); prepare correspondence to [REDACTED] of Abacus Settlements regarding PL1140 policy (.5)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/8/11	Riggs, M. L.	3.80	842.57	Review documents related to Dick Gray's communications with the [REDACTED]
2/8/11	Riley, P.	3.80	<b>No Charge</b>	Review memo, spreadsheet and other materials prepared by BKD concerning the tax issues related to the Company's 2009 and 2010 tax years and the proposed amended returns for the Company's 2009 tax year; analyze and research these tax issues.
2/9/11	Brown, A. G.	0.40	74.21	Conduct and respond to email inquiry from [REDACTED] and [REDACTED] (.4)
2/9/11	Dietel, K.	0.70	253.40	Confer with M. Napoli regarding petition concerning McKay policy (.2); follow-up with R. Sanchez regarding status of production (.1); review documentation regarding PL1140 policy (.4)
2/9/11	Espinosa, E. S.	1.60	512.00	Telephone conference with G. Quinones regarding updates (.2); telephone conference with M. Fellers regarding insurance on 707 W. Walnut (.3); correspondence with P. Dennis regarding A/P (.3); consult with M. Napoli regarding status report progress (.4); address HCF request for premiums (.2); review PWC correspondence/consult with M. Napoli (.2)
2/9/11	Napoli, M. D.	6.10	2,981.07	Prepare text for website updates (.5); prepare letter to Abacus Settlement regarding McKay policy (.5); prepare mediation packet (1.5); research regarding Hess report (.8); prepare e-mail correspondence regarding same (.2); prepare response to Qvest auditors (.4); e-mail correspondence with [REDACTED] (.2); analysis and communication with R Kipp regarding taxes (2.0)
2/9/11	Sanchez, J. R.	0.40	56.11	Load documents to Ringtail in preparation for RV production.
2/10/11	Dietel, K.	0.20	72.40	Review e-mail correspondence from R. Sanchez regarding document production and draft response regarding same (.2)
2/10/11	Espinosa, E. S.	0.50	160.00	Telephone conference with J. Lee, S. Gibson and M. Napoli regarding actuarial report
2/10/11	Napoli, M. D.	1.50	733.05	Telephone conference with R. Kipp regarding taxes (1.0); telephone conference with J. Lee and S. Gibson regarding expert testimony (.5)
2/10/11	Riley, P.	2.50	<b>No Charge</b>	Review memo and other materials prepared by BKD concerning various tax issues related to the Company and the proposed filing of amended returns for 2009; analyze the same.
2/10/11	Sanchez, J. R.	3.00	420.84	Collect e-mail from E. Espinosa in preparation for document production; prepare and load client data to Ringtail; prepare copies of audio CDs and video DVDs for RV production.

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/11/11	Dietel, K.	4.70	1,701.40	Draft pleading asserting claim against Pacific Life Insurance Company regarding PL1140 policy (3.9); draft e-mail correspondence to M. Napoli regarding same (.1); review Intervenor L. Harrison's discovery requests to Receiver (.2); review and analyze documents regarding same (.3); follow-up with R. Sanchez regarding supplemental document production and review e-mail correspondence from M. Napoli regarding same (.2)
2/11/11	Dietz, M.S.	0.20	106.79	Work on mediation scheduling
2/11/11	Napoli, M. D.	1.10	537.57	Telephone conference with ██████████ regarding expert testimony (.9); e-mail correspondence with C. Bradford (.2)
2/11/11	Quinn, M. J.	3.20	<b>No Charge</b>	Prepare correspondence to licensees and counsel for licensees concerning status of settlement discussions; telephone conferences with counsel for licensees; correspondence to M. Napoli; review and update licensee contact chart
2/11/11	Sanchez, J. R.	7.10	995.99	Prepare and load client data to Ringtail; prepare client data for document production; prepare copies of audio CDs and video DVDs for RV production
2/14/11	Brown, A. G.	0.80	148.42	Review incoming documentation and update client files and index (.3); review and organize Receiver's First Amended Cross-Claim and prepare for filing with court (.3); conduct and respond to telephone inquiry from ██████████ regarding status of case (.2)
2/14/11	Cunningham, E.	0.70	190.05	Review request from New Jersey Department of Labor for separation information regarding ██████████ review file to confirm appropriate response; draft e-mail to E. Espinosa regarding the same; revise letter to New Jersey Department of Labor.
2/14/11	Dietel, K.	0.50	181.00	Review and revise Amended Cross-Claim against Defendants Gray and Rogers (.2); research ██████████ ██████████ and draft e-mail correspondence to M. Napoli regarding same (.3)
2/14/11	Espinosa, E. S.	4.70	1,504.00	Telephone conference with S. Lankford regarding insurance coverage (.5); telephone conference with M. Fellers at BDI regarding Hartford policy (.2); consult with M. Napoli regarding insurance coverage and exclusion (.2); review KPKF damage analysis (.3); transfer JSS funds from Wells Fargo to Chase Operations (.4); remit insurance premium to J. Hancock regarding 707 N. Walnut (.2); correspond with and fund account at First Commercial Bank (.3); deposit at Chase operating account funds (.4); consult with M. Napoli regarding amended cross claims,

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/14/11	Napoli, M. D.	8.10	3,958.47	allegations and cause of action (.5); correspond with BKD regarding accounting entries, review accounting experts CV (.3); review RV023-CPG option; consult with M. Napoli and correspond with ASG (.5); consult with E. Cunningham regarding correspondence from NJ (.3); review bids from contingency counsel and consult with C. Budner regarding outsourcing (.6) E-mail correspondence with E. Gonzalez of Abacus regarding PL1140 claim (.2); revise claim against Pacific Life regarding PL1140 (1.5); e-mail correspondence to M. Miller regarding PL1140 claim (.2); e-mail correspondence with [REDACTED] of Wilmington (.1); prepare materials for experts (2.6); review Burchett CV (.3); prepare 1st amended cross-claim (1.5); confer with E. Espinosa regarding property insurance for 707 Walnut (.1); analyze premium guarantee option on policy (.3); confer with E. Espinosa regarding premium guarantee proposal (.1); review State's amended petition and Intervenor's cross-claim against Gray and Rogers (.7); Confer with E. Espinosa regarding contingency fee proposals (.5)
2/14/11	Quinn, M. J.	1.20	No Charge	Analysis of issues related to potential settlement with licensees and related claims of estate
2/14/11	Sanchez, J. R.	0.40	56.11	Load production documents to Ringtail.
2/15/11	Brown, A. G.	1.70	315.40	Draft letter to [REDACTED] and forward to E. Espinosa for review (.3); conduct and respond to telephone inquiry from [REDACTED] and [REDACTED] regarding case status (.3); review incoming email and draft responses to same (.4); update investor files and index (.7)
2/15/11	Espinosa, E. S.	2.60	832.00	Review PacLife correspondence and consulted with M. Napoli regarding PacLife and discussion regarding original briefing (.7); consult with M. Napoli regarding KPKF damage analysis (.2); consult with M. Feller regarding Hartford inquiry; respond to [REDACTED] regarding same (.4); telephone conference with [REDACTED], Investor (.2); correspond with R. Kipp regarding execution of 1120S (.2); review draft correspondence to [REDACTED]; revise and finalize (.7); review correspondence from B. Rose (.2)
2/15/11	Napoli, M. D.	3.10	1,514.97	Research documents and information for accountants (2.0); e-mail correspondence with [REDACTED] regarding PL1140 claim (.2); research regarding insurable interest under PA law for PL1140 claim

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/15/11	Sanchez, J. R.	1.40	196.39	(.5); research regarding ██████ LLC (.2); e-mail correspondence with R. Kipp and T. Burchett regarding accounting experts and taxes (.2)
2/16/11	Brown, A. G.	1.80	333.95	Prepare document CD's for expert review; prepare additional document for RV production
2/16/11	Espinosa, E. S.	1.70	544.00	Conduct research regarding the ██████ 2007-1 Family LLC entity and draft request for Delaware Secretary of State documentation (1.0); conduct and respond to telephone inquiries from ██████ and ██████ and research investors issues (.6); update investor spreadsheet (.2)
2/16/11	Napoli, M. D.	5.70	2,785.59	Consult with ██████ regarding public records request (.2); consult with M. Napoli regarding C. Brown's correspondence; research, RV payment to Andrew, compile emails regarding prior reference to Gray's safety deposit box and discussion regarding Motor Home; address ██████ issue (.8); consult with L. Edwards regarding appraisals (.4); review correspondence from T. Barchett and forward comments to M. Napoli (.3)
2/16/11	Quinn, M. J.	1.30	No Charge	Review actuarial analysis (1.5); respond to miscellaneous issues raised by C. Bradford (1.5); e-mail correspondence with ██████ regarding ██████ Trust (.2); review and comment on Burchett engagement letter for expert services (.3); review DE documents regarding ██████ LLC (.1); review Gray and Rogers answers to various claims (.2); telephone conference with C. Bradford (.4); e-mail correspondence with Burchett regarding documents for review (.2); e-mail correspondence with M. Quinn regarding licensee settlements (.2); telephone conference with T. Burchett (.2); analysis of PL1140 policy in light of PA insurable interest rule and conference with E. Espinosa regarding same (.3); review contract for sale of rental house (.2); correspondence with broker regarding valuation of house (.1); consider settlement demand (.2); confer with E. Espinosa regarding settlement demand (.2)
2/16/11	Sanchez, J. R.	0.30	42.08	Telephone conferences with counsel for licensees; correspondence with M. Napoli; review status of licensee negotiations
2/16/11	Sanchez, J. R.	0.30	42.08	Prepare and load additional production document to Ringtail.
2/17/11	Brown, A. G.	0.90	166.98	Conduct and respond to telephone inquiry from ██████ and ██████ (.5); review incoming email and respond to same (.2); review incoming documentation and update pleading files (.2)

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/17/11	Dietel, K.	1.80	651.60	Confer with M. Napoli regarding Defendant R. Gray's Motion for Leave to Designate Responsible Third Party (.2); research case authority regarding [REDACTED] and objections to same (1.6)
2/17/11	Dotson, J. R.	0.20	No Charge	Team e-mails regarding coordination of meeting Dick Gray at Frost Bank in New Braunfels to pick up certain items in safe deposit boxes
2/17/11	Espinosa, E. S.	4.30	1,376.00	Telephone conference with [REDACTED] (investor) (.2); telephone conference with [REDACTED] (investor) (.6); telephone conference with P. Dennis and R. Carter regarding reconciling Purchase Price allocation between RV and KPKF books (.3); draft reply to [REDACTED] regarding [REDACTED] Investors (.5); consult with M. Napoli regarding SDB access and Frost contact info (.2); correspond with [REDACTED] at The Hartford (.2); review proformas for December and January billings (.8); telephone conference with L. Edwards regarding [REDACTED] appraisal (.4); consult with A. Brown regarding [REDACTED] response (.1); attention to RainMaker invoices (.2); review Roger's proposed order (.2); consult with M. Napoli regarding [REDACTED] and coordination of SDB access (.2)
2/17/11	Napoli, M. D.	8.20	4,007.34	Review, analyze and comment on actuaries report (3.0); prepare expert disclosures (1.0); confer with E. Espinosa regarding Gray/Rogers settlement demand (.5); telephone conferences with T. Burchett (.3); review filing by Gray (.1); review Rogers order to release funds (.2); correspondence with P. Dennis regarding RV policy breakdown spreadsheets (.2); confer with E. Espinosa regarding actuarial analysis (.4); work on settlement demand (); telephone conference with J. Hohengarten and G. Weisbart (.8); telephone conference and e-mail correspondence with C. Bradford (.3); telephone conference with R. Petry of Frost Bank (.1); e-mail correspondence regarding safe deposit box (.2); telephone conference with J. Hohengarten regarding expert disclosure (.1); review appraisal on [REDACTED] (.2); consider designation of responsible third parties by Gray (.4);
2/17/11	Nelson, J. D.	0.50	81.45	Review emails and document inventory regarding bank meeting at safety deposit box; scheduling same.
2/18/11	Brown, A. G.	1.70	315.40	Review and prepare for filing Receivers Objection to Gray Motion for Leave to Designate Responsible Third Parties and file same with court (.3); review and respond to emails from [REDACTED] (.5);

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/18/11	Dietel, K.	4.50	1,629.00	conduct and respond to telephone inquiries from [REDACTED], [REDACTED] and [REDACTED] (.9) Review and analyze case authority regarding [REDACTED] and objections to same (1.5); draft Objection to Defendant R. Gray's Motion for Leave to Designate Responsible Third Parties (1.5); draft Motion for Leave to Join Third Party Pacific Life Insurance Company and Agreed Order Granting Motion (1.5)
2/18/11	Espinosa, E. S.	4.10	1,312.00	Meeting with T. Burchett of BKD and M. Napoli (2.0); consult with Administrative Partner (.3); consult with M. Napoli regarding "PLI140-Trust" LLC and Messr Simon (.4); telephone conference with CT Corp regarding LLC's agent for service (.2); track down Messr Simon; telephone conference with him regarding the LLC (.6); review round table appraisal, discuss same with L. Edwards and M. Napoli (.3); request appraisal on [REDACTED] (.1); request January statement from WF (.2)
2/18/11	Napoli, M. D.	8.60	4,202.82	Prepare demand letter to Gray and Rogers (3.0); meet with T. Burchett regarding expert testimony (2.0); telephone conference with [REDACTED], counsel for [REDACTED]ys (.3); confer with E. Espinosa regarding same (.2); e-mail correspondence with [REDACTED] regarding [REDACTED] Family LLC (.3); telephone conference with G. Weisbart (.3); telephone conferences with C. Bradford (.4); confer with K. Dietel regarding responsible third parties (.2); review and revise objection to motion for leave to designate responsible 3d parties (.3); telephone conference with A. Garcia (.4); prepare expert disclosure (.5); review/revise motion for leave to join Pacific Life (.7)
2/18/11	Quinn, M. J.	0.80	<b>No Charge</b>	Telephone conference with counsel for licensees; research and analysis of related issues
2/21/11	Brown, A. G.	0.80	148.42	Conduct and respond to telephone inquiry from [REDACTED] (.3); review incoming emails and respond to same (.2); review incoming documentation and update files (.3)
2/21/11	Espinosa, E. S.	5.50	1,760.00	Meeting with J. Lee, S. Gibson and M. Napoli (3.4); review account balances from Quickbooks (.4); telephone conference with P. Dennis regarding QBB update (.2); telephone conference with B. Boarnet regarding [REDACTED] (.3); prepare report reflecting bank balance as of 1/31/11 (.2); download and transmit 1/31/11 WF statement balance to P. Dennis (.3); correspond with W. Giles regarding release of Andrew Gray's funds(.2); review draft

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				settlement demand; consult with M. Napoli regarding same (.5)
2/21/11	Napoli, M. D.	8.70	4,251.69	Meet with J Lee, S Gibson and E Espinosa regarding actuarial analysis (3.0); prepare expert disclosure (2.0); prepare demand letter (3.0); confer with E. Espinosa regarding contingency fee counsel and settlement strategy (.3); correspondence with C. Bradford regarding various issues (.3); correspondence with K. Henderson regarding PL1140 claim (.1)
2/21/11	Nelson, J. D.	0.80	130.32	Emails and telephone conference confirming safe deposit box meeting; draft signature page for removal of documents; review and prepare for meeting.
2/22/11	Brown, A. G.	0.70	129.87	Conduct and respond to telephone inquiries from J. ██████ and ██████ (.4); review incoming email and draft responses to ██████ and ██████ (.3)
2/22/11	Dietel, K.	3.50	1,267.00	Review and analyze documents responsive to Intervenor Harrison's Request for Production of Documents (1.5); draft Receiver's Responses to Intervenor Harrison's Request for Production of Documents and First Set of Interrogatories to Retirement Value (2.0)
2/22/11	Espinosa, E. S.	1.60	512.00	Telephone conference with B. Boardnet regarding ██████; email B. Boardnet and L. Edwards regarding same (.4); review comments to settlement demand (.2); correspond with ██████ at the Hartford (.2); correspond with ██████. (investor) (.1); correspond with D. Nelson regarding Gray's safety deposit box (.1); correspond with W. Giles regarding Andrew Gray (.1); consult with M. Napoli regarding Capital One's proof of claim (.4); correspond with A. Brown regarding ██████ (.1)
2/22/11	Napoli, M. D.	4.70	2,296.89	Finalize demand letter (.5); prepare expert designation (1.0); review and comment on motion to sell motor home (.2); prepare for mediation (3.0)
2/22/11	Nelson, J. D.	2.50	407.25	Travel to Frost Bank in New Braunfels to meet with R. Gray to retrieve limited contents from safety deposit box; forward signed list to M. Napoli.
2/22/11	Riggs, M. L.	2.10	465.63	Legal research re ██████; draft memo re same.
2/22/11	Sanchez, J. R.	0.20	28.06	Prepare document CD for expert review.
2/23/11	Brown, A. G.	0.40	74.21	Conduct and respond to telephone inquiry from ██████ and ██████ (.4)
2/23/11	Dietel, K.	3.20	1,158.40	Revise Receiver's Responses to Intervenor Harrison's Request for Production to Retirement Value (.2); exchange e-mail correspondence with R. Sanchez regarding document production (.2); draft e-mail

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
				correspondence to E. Espinosa regarding Receiver's Answers and Objections to Intervenor Harrison's Interrogatories to Retirement Value and verification to same (.1); prepare case law research and documents for M. Napoli for mediation (2.5); draft e-mail correspondence to retained experts regarding expert designation (.2)
2/23/11	Espinosa, E. S.	4.50	1,440.00	Telephone conference with R. Hughes regarding D3G's proposal (.3); telephone conference with Matt at AXA re AXA777(.2); telephone conference with C. Bobick at JSS regarding AXA777 (.2); telephone conference with ██████████ regarding case status (.4); telephone conference with ██████████ regarding status report (.7); preparation for 2/24 mediation (1.2); travel arrangements (N/C .2); consult with M. Napoli regarding mediation (.5); correspond with A. Brown regarding Licensee's 1099, research same (.3); review appraisal of ██████████ (.2); correspond with M. Feller and S. Linkard regarding insurance on 707 (.3); review HCF receivership pleading (.2)
2/23/11	Napoli, M. D.	7.00	3,420.90	Review and revise responses to Harrison discovery (.5); finalize mediation memo (.5); prepare for mediation (5.5); prepare expert designation (.5)
2/24/11	Brown, A. G.	0.90	166.98	Review Receiver's expert witness designations, collect and organize exhibits for same (.5); conduct and respond to telephone inquiry from ██████████ (.2); review incoming court filings and forward to attorneys for review (.2)
2/24/11	Dietel, K.	1.50	543.00	Review e-mail correspondence from expert witnesses regarding expert designation (.2); exchange e-mail correspondence with expert T. Moran regarding expert designation (.2); follow-up with M. Napoli regarding same (.1); review expert designation and coordinate with A. Brown regarding preparation of expert designation for filing with court (1.0)
2/24/11	Espinosa, E. S.	5.00	<b>No Charge</b>	Travel to/from Austin (5.0)
2/24/11	Espinosa, E. S.	9.00	2,880.00	Attend mediation of claims with R.H. Gray and W. Rogers (9.0).
2/24/11	Napoli, M. D.	4.50	<b>No Charge</b>	Travel to Austin (2.0); travel to Dallas (2.5)
2/24/11	Napoli, M. D.	9.00	4,398.30	Attend mediation (9.0)
2/25/11	Brown, A. G.	1.00	185.53	Revise exhibits for Receiver's expert witness designations, prepare for filing and service (.4); conduct and respond to telephone inquiry from ██████████ (.4); review incoming documentation and update client index (.2)

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/25/11	Dietel, K.	1.30	470.60	Confer with M. Napoli regarding expert designation and expert bios and follow-up regarding same (.3); telephone conference with expert witness T. Moran regarding expert designation (.2); revise and finalize expert witness designation (.5); coordinate with A. Brown regarding service of expert witness designation (.3)
2/25/11	Espinosa, E. S.	4.90	1,568.00	Correspond with J. Lee and M. Napoli regarding ASG/RV code conversion (.4); meeting with ██████████ of D3G and S. Gibson or L&E (2.6); consult with M. Napoli regarding PL1140 status (.1); review Answer to Harrison's interrogatories; execute and deliver verification (.5); address Hartford Policy with M. Fellers (.4); correspond with P. Dennis regarding January premiums (.2); review correspondence from investors and consult with A. Brown (.4); consult and correspond with K. Hinkle and M. Napoli regarding QVest's request for illustrations (.3)
2/25/11	Napoli, M. D.	7.50	3,665.25	Prepare Settlement Agreement (6.0); e-mail correspondence with ██████████ and J. Pavolovic regarding PL1140 (.3); confer with E. Espinosa regarding PL1140 claim (.1); confer with E. Espinosa and P. Riley regarding redemption of interests and tax issues (.3); e-mail correspondence regarding Qvest request for illustrations (.3); telephone conference with A. Goldate (.3); finalize expert designation (.2)
2/25/11	Riley, P.	0.40	No Charge	Telephone conference with E. Espinosa to discuss tax issues related to the Company and its S corporation status.
2/27/11	Espinosa, E. S.	1.90	608.00	Reconcile March premium activity (.6); review A/P for Real Estate appraisals and professional invoices (.5); transfer March premium funds to ASG (.4); correspond with P. Dennis regarding remittance (.4)
2/28/11	Brown, A. G.	0.50	92.76	Conduct and respond to telephone inquiry from E. Richards and research documentation regarding same (.5)
2/28/11	Dietel, K.	0.20	72.40	Finalize Receiver's Responses to Intervenor Harrison's discovery requests and prepare same for service (.2)
2/28/11	Espinosa, E. S.	3.20	1,024.00	Telephone conference with R. Kipp and M. Napoli regarding RV's tax situation; and Settlement with D. Gray and redemption of his shares (.6); correspond with M. Fellers and D. Susing regarding Hartford Insurance (.4); review and execute W-3, 1099s and NJ tax filings (.5); consult with M. Napoli regarding coverage issues and Gray settlement (1.2); review

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/28/11	Napoli, M. D.	6.60	3,225.42	correspondence from [REDACTED]; correspond with BKD regarding billing and 3/9/10 deposit discrepancy (.5) Telephone conference with R. Kipp regarding tax issues (.5); prepare settlement agreement (4.0); prepare motion to approve settlement agreement (1.5); e-mail correspondence regarding depositions (.1); confer with E. Espinosa regarding taxes and property insurance (.5)
TOTAL HOURS				287.50
TOTAL FOR SERVICES				\$96,576.13

**TIMEKEEPER SUMMARY**

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Dietz, M.S.	1.90	533.95	1,014.51
Napoli, M. D.	119.30	488.70	58,301.91
Dietel, K.	23.30	362.00	8,434.60
Espinosa, E. S.	60.90	320.00	19,488.00
Cunningham, E.	0.70	271.50	190.05
Riggs, M. L.	10.70	221.73	2,372.51
Brown, A. G.	23.50	185.53	4,359.95
Nelson, J. D.	3.80	162.90	619.02
Sanchez, J. R.	12.80	140.28	1,795.58
Total for All Timekeepers	287.50	\$335.92	\$96,576.13

**INVOICE TOTAL**

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Current Charges	96,576.13	0.00	96,576.13
<b>TOTAL BALANCE DUE</b>			<b>\$96,576.13</b>

PAYMENT DUE IN FULL ON OR BEFORE APRIL 30, 2011

# Exhibit F

Invoice 2353868

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
K&L Gates, LLP  
1717 Main Street, Suite 2800  
Dallas, TX 75201

March 31, 2011  
Invoice: 2353868  
Matter Desc.: David & Elizabeth Gray  
Client/Matter #: 1203981.00003

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This statement covers fees for legal services rendered for your account during the period ending 02/28/2011. Detailed information regarding these fees is attached.

**Current Charges:**

Fees	3,468.75
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<b>Total Current Charges</b>	<b>\$3,468.75</b>
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PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE APRIL 30, 2011

*Please Return a Copy of This Page With Your Payment to K&L Gates, RCAC, 925 Fourth Avenue, Suite 2900, Seattle, Washington 98104-1158, Reference Invoice: 2353868*

*Payment Can Also be Made by wire to: US Bank, Private Financial Services, 1420 5<sup>th</sup> Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number: 125000105, Account # 153557906580, Reference Invoice 2353868*

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
K&L Gates, LLP  
1717 Main Street, Suite 2800  
Dallas, TX 75201

March 31, 2011  
Invoice: 2353868

**FOR PROFESSIONAL SERVICES RECORDED AS OF 02/28/11:**

Matter: 1203981.00003

Matter Description: David & Elizabeth Gray

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/1/11	Espinosa, E. S.	0.30	96.00	Attention to request for production
2/1/11	Sanchez, J. R.	0.40	<b>No Charge</b>	Prepare Ringtail documents and ESI for production.
2/7/11	Dietel, K.	1.50	543.00	Review and respond to e-mail correspondence from N. Laurent, counsel for Defendants, regarding status of document production (.1); confer with R. Sanchez regarding same (.2); draft Receiver's Answers and Objections to Defendant's Second Set of Interrogatories (.9); draft correspondence to counsel for Defendants regarding supplemental production in response to Defendants' Request for Production and prepare same for service (.3)
2/7/11	Napoli, M. D.	1.90	928.53	Revise response to second interrogatories (1.0); research [REDACTED] (.4); e-mail correspondence with [REDACTED] regarding same (.2); confer with E. Espinosa regarding 2nd amended petition (.3)
2/7/11	Sanchez, J. R.	1.70	<b>No Charge</b>	Prepare Retirement Value document production.
2/8/11	Dietel, K.	0.20	<b>No Charge</b>	Review and respond to e-mail correspondence from N. Laurent, counsel for Defendants, regarding supplemental document production (.1); conference with A. Brown regarding status of responses to Defendants' second set of discovery (.1)
2/9/11	Dietel, K.	3.70	1,339.40	Revise Second Amended Original Petition and finalize same for filing with Court (1.7); finalize Receiver's Responses to Defendants' second set of discovery requests (1.7); prepare same for service on Defendants' counsel and draft correspondence regarding same (.3)
2/9/11	Espinosa, E. S.	0.50	160.00	Review response to Defendant's Interrogatories; finalize verification

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
2/9/11	Napoli, M. D.	0.30	No Charge	Conference with E. Espinosa regarding interrogatory responses (.3)
2/10/11	Brown, A. G.	0.40	No Charge	Review and organize Second Amended Petition in preparation for filing with court. file same with court
2/10/11	Dietel, K.	0.30	108.60	Draft correspondence to Defendants' counsel regarding service of Second Amended Original and prepare pleading regarding service of same (.2); review and respond to e-mail correspondence from N. Laurent, counsel for Defendants, regarding request for copy of responses to second set of discovery requests (.1)
2/11/11	Napoli, M. D.	0.10	No Charge	Telephone conference with L. York
2/16/11	Napoli, M. D.	0.60	293.22	Conference with E. Espinosa regarding transfer of venue to Austin (.2); telephone conference with L. York regarding transfer of venue, discovery and settlement (.4)

TOTAL HOURS 11.90

TOTAL FOR SERVICES \$3,468.75

**TIMEKEEPER SUMMARY**

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Napoli, M. D.	2.50	488.70	1,221.75
Dietel, K.	5.50	362.00	1,991.00
Espinosa, E. S.	0.80	320.00	256.00
Total for All Timekeepers	11.90	\$291.49	\$3,468.75

**INVOICE TOTAL**

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Current Charges	3,468.75	0.00	3,468.75
<b>TOTAL BALANCE DUE</b>			<b>\$3,468.75</b>

PAYMENT DUE IN FULL ON OR BEFORE APRIL 30, 2011