

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

STATE OF TEXAS,

Plaintiff,

v.

RETIREMENT VALUE, LLC,  
RICHARD H. "DICK" GRAY, HILL  
COUNTRY FUNDING, LLC,  
HILL COUNTRY FUNDING, and  
WENDY ROGERS,

Defendants,

AND

JAMES SETTLEMENT SERVICES, LLC  
et al.,

Third Party Defendants.

IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

126<sup>th</sup> JUDICIAL DISTRICT

**TWENTY-SECOND APPLICATION FOR FEES  
BY THE RECEIVER AND RECEIVER'S COUNSEL**

Eduardo S. Espinosa, court-appointed receiver for Retirement Value, LLC, files his twenty-second application for fees incurred by the Receiver and his counsel, Cox, Smith, Matthews Incorporated for the months of March 2014 through May 2014 and K&L Gates, LLP; for the months of March 2014 through April 2014.

BACKGROUND

To assist the Receiver in the performance of these duties, the Agreed TI authorizes the Receiver 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, 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. As of July 16, 2012, the Receiver transitioned the majority of this representation to Cox Smith although, certain aspects of the representation remained with K&L Gates.<sup>1</sup>

By its Order Regarding the First Application for Fees by the Receiver and Receiver's Counsel entered on October 26, 2010 (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, 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, Cox Smith and K&L Gates for services rendered from March 2014 through April 2014 by K&L Gates, and March 2014 through May 2014 by Cox Smith.

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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.

The Receiver has incurred fees of \$26,624.00 during the period covered by this Application. He has retained the legal services of Cox Smith and K&L Gates which have incurred fees for the periods covered by this Application of \$19,999.77 and \$13,457.68, respectively. Affidavit of Eduardo S. Espinosa (“Espinosa Affid.”) at ¶11-13 (attached as Exhibit 1). While substantial, these fees were both reasonable and necessary.

The fees charged by the Receiver and his counsel represent a 16.2% discount from the usual and customary fees charged by Cox Smith and K&L Gates. As a general matter, the charge for the services provided by Cox Smith and K&L Gates, are 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 Cox Smith and K&L Gates, respectively. The Receiver is charging \$320/hour, which represents a 29% discount from his usual and customary Cox Smith rate of \$450/hour. In addition, each of Cox Smith and K&L Gates has discounted their rates by 9.5%. In the aggregate the discounts and write-offs associated with this Application amount to \$14,483.97. Espinosa Affid at ¶7. The chart below summarizes the fees charged and the discounts applied.

<b>Invoice Summary</b>				
Services Rendered in	Mar-14	Apr-14	May-14	Total
Fees Requested				
CSM	\$17,329.68	\$16,573.28	\$12,720.81	\$46,623.77
KLG Moss	\$8,978.78	\$8,683.40		\$17,662.18
KLG E-data	\$39.82	\$755.68		\$795.50
<b>Total</b>	<b>\$26,348.28</b>	<b>\$26,012.36</b>	<b>\$12,720.81</b>	<b>\$65,081.45</b>
Receiver Incurred	\$16,236.00	\$13,230.00	\$7,605.00	\$37,071.00
Receiver Billed	\$11,808.00	\$9,408.00	\$5,408.00	\$26,624.00
Receiver adj	(\$4,428.00)	(\$3,822.00)	(\$2,197.00)	(\$10,447.00)
All other Tkpr Incurred	\$16,066.61	\$18,347.36	\$8,080.45	\$42,494.42
All other Tkpr Billed	\$14,540.28	\$16,604.36	\$7,312.81	\$38,457.45
(9.5%) adj.	(\$1,526.33)	(\$1,743.00)	(\$767.64)	(\$4,036.97)
Write-offs				
<b>Total Adj</b>	<b>(\$5,954.33)</b>	<b>(\$5,565.00)</b>	<b>(\$2,964.64)</b>	<b>(\$14,483.97)</b>

## **I. What Have We Accomplished During This Period**

During the period covered by this Application, the Receiver and his counsel devoted substantial attention to prosecuting litigation in this matter and ancillary proceedings, addressing various motions and discovery matters, and pursuing the estate's claims against various parties.

The significant tasks during this time period include, without limitation:

- Responding to numerous inquiries and resolving various issues regarding the investors' claims, the second distribution;
- Maintaining investor communications, including responding to inquiries from investors, defendants and their respective counsel regarding this matter, the Plan of Distribution, value of the claims and alternative recovery efforts;
- Maintaining and periodically updating the estate's website with new information and current events;
- Attending to the preservation of the estates' assets, including coordination of various accounting matters, funds management, and payment of premiums;
- Responding to inquiries from self-regulatory agencies and federal, state, county and municipal regulatory, law enforcement and taxing authorities;
- Responding to various motions, interrogatories and ancillary requests by defendants, intervenors and third parties;
- Continued to prosecute litigation against defendants and third party defendants;
- Coordinating and supervising the prosecution of third party claims with the estate's contingency fee counsel;
- Representing the estate against adverse claims, including without limitation, claims asserted by Tracy Moss.

The Receiver initially 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 complete. The Receiver is currently working to execute the court-approved plan for the portfolio of insurance policies in order to maximize the policies' value and

return to investor victims. The Receiver is also continuing to respond to requests for information from various self-regulatory and governmental organizations.

A key variable to the estate's success and ultimately restitution to the investors is the performance of Retirement Value's portfolio of insurance policies. Maximization of the portfolio's value depends upon the policies' expected cash flows (premiums paid and benefits received) and the portfolio's structure. The Receiver developed a plan of distribution and a plan for maximizing the value of the portfolio. The Court has consolidated the Retirement Value and Hill Country Funding estates and ordered the Receiver to (i) collapse the portfolio so that all claimants share in all of the estate's assets and (ii) hold the insurance policies until all of the policies have matured.<sup>2</sup>

#### **A. Plan of Distribution**

In May 2011, the Receiver prepared a report describing the actuaries' findings and discussing his recommended plan. He also (i) prepared a formal plan of distribution and posted it for comment and (ii) filed a motion with the Court to approve the Initial Plan. This plan provided for: (i) approximately 10% of the investor-victims' investment to be distributed immediately upon completion of a proof of claim process; (ii) distributions of free cash flow in excess of reserve requirement throughout the life of the portfolio; and (iii) an expected return of 100% of the investor-victims money, plus or minus 20% over the life of the portfolio. The involuntary bankruptcy filing on August 12, 2011, preempted the Court's consideration of the plan that was scheduled to be heard on August 15, 2011. Pursuant to the Court's order, the Receiver proposed an alternative plan of distribution on January 3, 2012. Alternative plans were

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<sup>2</sup> The Retirement Value and Hill Country funding claimants are to participate in the distributable assets of the consolidate estate 94.7% and 5.3%, respectively. David & Elizabeth Gray's assignment of their Class II claims against HCF to Retirement Value, *infra.*, effectively adjusts those percentages to 94.89% and 5.11%, respectively.

subsequently submitted by other parties. The Court adopted the Receiver's initial plan on July 20, 2012 (the "Plan of Distribution").

Following approval of the Plan Of Distribution, the Receiver and his counsel (i) published a schedule of claims and mailed it to all known creditors of Retirement Value and Hill Country Funding; and (ii) published advertisements notifying the public of the adoption of the plan and the date by which proofs of claims must be filed in major newspapers in Texas. The Receiver subsequently requested authority to make an initial distribution to the investors. The Court authorized an initial distribution of \$5,500,000 on September 26, 2012. The Receiver sent out checks on October 15, 2012. On December 9, 2013, the receiver sought authority to make a supplemental distribution of \$3,000,000.00. The Court authorized the second distribution and the checks were mailed in January 2014.

#### **B. Collection Efforts**

The Receiver and his counsel are also working to collect on claims owed to the estate. During the period covered by this Application, the Receiver and his counsel have continued to enter into settlements with licensees, prosecute claims against licensees and attempt to collect on judgments entered against licensees and others. The Receiver has secured summary judgments against more than 2 dozen licensees. With the exception of a single licensee, Trial as to the remaining defendant licensees was held on February 18.

Because of the expense and risk inherent in litigation, the Receiver has taken a deliberate approach towards the claims of the estate. Generally, the Receiver attempted to negotiate with those against whom the estate had claims, rather than immediately filing suit. The Receiver concentrated his initial efforts on claims that were either the most likely to succeed or which provide for the largest potential recovery. This tactic resulted in considerable success, including

settlements with Bruce Collins (reached without filing suit), Kiesling Porter (also reached without filing suit) and Dick Gray (reached before trial) worth some \$1.7 million. After consultation with the State and the Intervenors, the Receiver retained contingency fee counsel to prosecute claims against the licensees and other parties.

The Receiver retained GBKH, on a contingency fee basis, to prosecute claims on behalf of the estate.<sup>3</sup> GBKH has sued numerous licensees and others owing money to the estate. As of the date of this application, the Court has approved over \$9.5 million in negotiated settlements with principals, consultants and licensees of Retirement Value. In addition, the Receiver has obtained judgments totaling \$5.9 million against 71 licensees. Attorneys at Cox Smith will continue to assist GBKH and to supervise their work in this matter.

### **C. Adequacy of reserves**

The Receiver engaged Lewis & Ellis to model the consolidated RV/HCF portfolio and advise the estate as to appropriate premium reserve levels and the portfolio's expected net cash at maturity. The analysis was updated in connection with the Second Distribution. Lewis & Ellis determined that premium reserves of \$14,608,360 as of October 31, 2013, should suffice for 97.5% of the potential outcomes. After accounting for the Second Distribution and the premiums paid since October 31, 2012, the estate maintains ample cash reserves from which to pay this Application.

## **II. What Work Remains to Be Done**

While a substantial portion of the Receiver's work has been completed, work remains to be done. At this point, our work can be divided into three categories: (i) litigation of claims by

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<sup>3</sup> The Receiver paid reimbursable expenses of \$50,000 out of pocket. Any additional expenses are being paid out of any recoveries from the licensees.

the estate against third parties; (ii) resolution of claims against the estate, and (iii) fulfillment of the plan of distribution.

The litigation of claims by the estate has been largely completed by the estate's contingency fee counsel. Negotiated settlements entered into pursuant to the estate's collection efforts afforded the estate the opportunity to make an interim distribution. The interim distribution was funded entirely from amounts collected. The remaining claims against licensees have been resolved by judgments in the Receiver's favor totaling \$5.9 million. To the extent any of the licensees against whom a judgment has been secured file an appeal, the estate will seek to preserve and enforce its legal rights.

The Plan of Distribution largely resolved the claims against the estate. Receiver received 44 proofs of claim (38 from investors and 6 from other claimants) disputing scheduled claim amounts or characterization. All disputes pertaining to the Class 2 –Investor claims have been resolved. Disputes regarding Class 3 General Creditor claims have largely been resolved. The Tracy Moss litigation ended with an agreed judgment against Retirement Value for \$150,000 and Wells Fargo recently dropped its \$50,000 claim against the estate. As it is unlikely that there will be funds to pay the Class 3 claims, the Receiver does not contemplate further efforts to resolve the remaining disputes over Class 3 claims at this time.

The Court's adoption of the Initial Plan substantially reduces, if not eliminates, the need for further expense or delay associated with evaluating alternative asset management strategies. The proof of claim process has been concluded, each claimant's proportionate interests in the estate's assets have been established and the initial distribution remitted. The Receiver has since turned his attention to executing interim distributions, addressing investor inquiries and



ministerial issues to ensure that the estate's records are updated and the estate is ready to execute the next distribution.

On December 9, 2013, the Receiver filed his Motion to Authorize Supplemental Distribution with the Court which included his latest report regarding the status of the estate, its collection efforts, recent maturities and uses of cash. Each of the claimants were contemporaneously notified of the filing, provided instructions on how to download a copy or request a physical copy from the Receiver. An interim distribution of \$3,000,000 was authorized and executed in January 2014.

#### 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. 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>4</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

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<sup>4</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.

of the lawyer or lawyers performing the services; and (8) whether the fee is fixed or contingent 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>5</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 (1084 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 of June 2010; the subsequent reports of April 2011, December 2011, May 2013 and May 2014; and the fee applications previously filed with the Court summarize the work of the Receiver and his counsel.

*Preclusion of other employment.* Neither Cox Smith nor K&L Gates has 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 Cox Smith and 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. PROC. & REM. CODE § 38.003. The fees charged by Cox Smith and K&L in this case

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<sup>5</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.

are the usual and customary fees that they charge to and collect from their clients for the services of the attorneys and other professionals working on this matter, except that: (i) the Receiver is charging 29% less than his usual and customary rate; and (ii) each of Cox Smith 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 § 35.004.

Each of Cox Smith and K&L Gates undertake annual analyses of the markets in which they operates in order to determine the appropriate fees to charge for their respective professionals based on the fees charged by their 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 Cox Smith and K&L Gates in this matter are well within the norm for firms of its type in Texas. Espinosa Affid. at ¶8.

1. *Amount involved and results obtained.* The amount involved in this matter, measured either by the \$77 million invested by the investors or the over \$35 million of estate assets administered by the Receiver, is very large. During the Receiver's 40 months on the job, the Receiver has actively managed the estate's affairs and discharged his State-Court imposed duties. All told, the Receiver has brought nearly \$28.5 million into the estate over the course of the Receivership Action.<sup>6</sup> He has filed a plan of distribution and made distributions of approximately \$8.5 million.

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<sup>6</sup> These recoveries include (i) \$1.25 million secreted by Retirement Value's principals into Special Acquisitions, Inc.; (j) \$560,000 and 8 policies of insurance worth about \$1.1 million recovered from James Settlement Services; (iii) \$127,000 in cash and \$195,000 in debt-reduction from a settlement with Bruce Collins; (iv) \$710,000 in a settlement with Kiesling Porter; (v) \$600,000 in assets from a settlement with Dick and Catherine Gray; (vi) \$176,000 in assets and \$7,000 in debt reduction from a settlement with Wendy Rogers; (vii) \$10,117,534 collected from Pacific Life on the PLI140 policy, which was initially disputed by Pacific Life; (viii) \$735,000 from the sale of Retirement Value's headquarters; (ix) \$34,564 in recovered state franchise taxes; (x) \$2,183,000 in approved

*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 policies 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, this application reflects a discount of 25.6% off of the fees Cox Smith and K&L Gates would normally charge for the work performed during this time period.

*Experience, reputation, and ability of the professionals.* Cox Smith is one of Texas' premier law firms. Founded in San Antonio over 80 years ago, it employs 130 attorneys with diverse experience in 21 primary practice areas and 21 industry segments. Cox Smith's experience spans all of the key Texas markets, with growing offices in Austin, Dallas, El Paso and McAllen. K&L Gates is one of the world's premier law firms. It comprises nearly 2,000 lawyers who practice in 46 offices located on five continents. Each of Cox Smith and 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

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settlements with licensees; (xi) \$5,300,000 in summary judgments and default judgments against licensees; and (xii) \$5.5 million in approved settlements with the James Defendants.

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.

The fees requested in this application are 75% less than the average monthly fees in all preceding fee applications. 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 administrative efforts necessary to effectuate the plan of distribution. 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 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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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been forwarded to all counsel of record herein by:

- U.S. Mail, First Class (as to Lanahan and D'Agostino only)
- Certified Mail (return receipt requested)
- Facsimile
- Federal Express Delivery
- Hand Delivery
- Electronic Service

on this the 16<sup>th</sup> day of July, 2014.

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<p>Robert L. Wright  ROBERT L. WRIGHT, P.C.  612 Eighth Avenue  Fort Worth, Texas 76104  (817) 850-0082  (817) 870-9101 fax  <a href="mailto:rwright@rlwpc.com">rwright@rlwpc.com</a>  COUNSEL FOR THIRD PARTY DEFENDANTS POE, RICE, SENIOR RETIREMENT PLANNERS, PACHACEK, CORNETT, PC&amp;S, NICHE INVESTMENTS, SANSING, LIGHTHOUSE, NG, FRANCO, ALTERNATIVE SOLUTIONS INSURANCE, CHICK, WESTON, SKIJUS, AND MARK SMITH</p>	<p>David R. Clouston  Christopher R. Richie  Leslye E. Moseley  SESSIONS FISHMAN NATHAN &amp; ISRAEL LLC  900 Jackson Street, Suite 440  Dallas, Texas 75207  (214) 741-3001  (214) 741-3057 fax  <a href="mailto:dclouston@sessions-law.biz">dclouston@sessions-law.biz</a>  <a href="mailto:crrichie@sessions-law.biz">crrichie@sessions-law.biz</a>  <a href="mailto:lmoseley@sessions-law.biz">lmoseley@sessions-law.biz</a>  COUNSEL FOR THIRD PARTY DEFENDANTS LEVIN AND SCHEFFER</p>
<p>Merritt N. Spencer  STRASBURGER &amp; PRICE, LLP  720 Brazos Street, Suite 700  Austin, Texas 78701-2974  (512) 499-3600  (512) 499-3660 fax  <a href="mailto:merritt.spencer@strasburger.com">merritt.spencer@strasburger.com</a>  ATTORNEYS FOR THIRD PARTY DEFENDANT PEARLE</p>	<p>Todd A. Marquardt  MARQUARDT LAW FIRM  11919 Jones Maltsberger  San Antonio, Texas 78216  (210) 320-8800  (210) 247-9396 fax  <a href="mailto:todd@marquardtlawfirm.com">todd@marquardtlawfirm.com</a>  COUNSEL FOR THIRD PARTY DEFENDANT JAMES STRIZAK</p>
<p>Gary J. Lenahan  P.O. Box 1685  Pineville, West Virginia 24874-1685  PRO SE</p>	<p>Andrew D'Agostino  Harvest Planning, LLC  41 Brook Street  West Sayville, New York 11796  PRO SE</p>
<p>Billy W. Sparkman  12101 Jones Butler Rd.  College Station, Texas 78745  <a href="mailto:bwsparkman@gmail.com">bwsparkman@gmail.com</a>  PRO SE</p>	<p>Jeff Mejia  2609 Gabrianna Court  Columbia, Missouri 65203  (913) 208-4884  <a href="mailto:jeffmejia@yahoo.com">jeffmejia@yahoo.com</a>  PRO SE</p>

<p>Mike Ahlers  9501 Console Drive, Suite 100  San Antonio, Texas 78229  <a href="mailto:mikeahlers.marketing@gmail.com">mikeahlers.marketing@gmail.com</a>  PRO SE</p>	<p>Benjamin Milks  Milks &amp; Milks  3718 45<sup>th</sup> Street East  Bradenton, Florida 34208  <a href="mailto:benjaminmilks@milksandmilks.net">benjaminmilks@milksandmilks.net</a>  PRO SE</p>
<p>Carl Galant  Nicholas P. Laurent  MCGINNIS LOCHRIDGE &amp; KILGORE, LLP  600 Congress Avenue, Suite 2100  Austin, Texas 78701  (512) 495-6000  (512) 495-6093 fax  <a href="mailto:cgalant@mcginnislaw.com">cgalant@mcginnislaw.com</a>  <a href="mailto:nlaurent@mcginnislaw.com">nlaurent@mcginnislaw.com</a>  COUNSEL FOR THIRD PARTY DEFENDANTS RON JAMES,  DON JAMES, AND JAMES SETTLEMENT SERVICES</p>	

  
\_\_\_\_\_  
Michael D. Napoli

5381580.1

Unofficial copy Travis Co. District Clerk Velda L. Price

**EXHIBIT “1”**

Unofficial copy Travis Co. District Clerk Velva L. Price

STATE OF TEXAS,

Plaintiff,

v.

RETIREMENT VALUE, LLC,  
RICHARD H. "DICK" GRAY, HILL  
COUNTRY FUNDING, LLC,  
HILL COUNTRY FUNDING, and  
WENDY ROGERS,

Defendants,

AND

JAMES SETTLEMENT SERVICES, LLC  
et al.,

Third Party Defendants.

IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

126<sup>th</sup> JUDICIAL DISTRICT

AFFIDAVIT OF EDUARDO S. ESPINOSA

BEFORE ME, the undersigned authority, on this day personally appeared Eduardo S. Espinosa, who is personally known to me, and after being duly sworn according to law, upon his/her oath duly deposed and said:

1. My name is Eduardo S. Espinosa. I am over the age of twenty-one (21) years, of sound mind, and fully competent to testify in this cause. I have personal knowledge of the facts stated herein, all of which are true and correct.

2. I am a shareholder in the law firm of Cox, Smith, Matthews Incorporated ("Cox Smith"). I was admitted to practice law in the State of Louisiana in 1996 and in the State of Texas in 1999. Prior to entering private practice, I was an Enforcement Attorney with the United States Securities and Exchange Commission, where I investigated violations of and enforced the antifraud provisions of the 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 Twenty-Second 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 TP"), I have employed professionals necessary "for an efficient and accurate administration of the receivership estate." To this goal, I have retained the law firms of Cox Smith, and K&L Gates, LLP ("K&L Gates") to represent me in connection with my duties and responsibilities as Receiver and have utilized a number of their respective lawyers and paralegals to assist me therewith. I have not acted as my own counsel.

5. Attached to this Affidavit as Exhibits A, B and C are copies of Cox Smith's invoices for April, May and June 2014 respectively (the "CSM Invoices"). The CSM Invoices detail the services performed, during the months of March, April and May 2014, by: (a) me, as Receiver; and (b) Cox Smith as Receiver's counsel. At the end of each CSM Invoice is a Professional 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. Attached to this Affidavit as Exhibits D through G are copies of K&L Gates' invoices for March and April 2014 (the "K&L Invoices" and collectively with the CSM Invoice, the "Invoices"). The K&L Invoices details the services performed by K&L Gates as Receiver's counsel on e-data services and in the Tracy Moss matter during March and April 2014. At the end of the K&L 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.

As a general matter, the charge for the services provided by Cox Smith and by K&L Gates are determined by multiplying the total number of hours worked by each timekeeper by that timekeeper's billing rate respective. The fees charged by the Receiver and his counsel represent a discount of approximately 18.2% from the usual and customary fees charged by Cox Smith and 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 29% discount from his usual and customary Cox Smith rate of \$450/hour. In addition, each of Cox Smith and K&L Gates has discounted their rates by 9.5%. In the aggregate the discounts and write-offs associated with this Application amount to \$14,483.97. The chart below summarizes the fees charged and the discounts applied.

<b>Invoice Summary</b>				
Services Rendered in:	Mar-14	Apr-14	May-14	Total
Fees Requested				
CSM	\$17,329.60	\$16,573.28	\$12,720.81	\$46,623.77
KLG Moss	\$8,978.78	\$8,683.40		\$17,662.18
KLG E-data	39.82	\$755.68		\$795.50
<b>Total</b>	<b>26,448.28</b>	<b>26,012.36</b>	<b>12,720.81</b>	<b>65,081.45</b>
Receiver Incurred	\$16,236.00	\$13,230.00	\$7,605.00	\$37,071.00
Receiver Billed	\$11,808.00	\$9,408.00	\$5,408.00	\$26,624.00
Receiver adj	(\$4,428.00)	(\$3,822.00)	(\$2,197.00)	(\$10,447.00)
All other Tkpr Incurred	\$16,066.61	\$18,347.36	\$8,080.45	\$42,494.42
All other Tkpr Billed	\$14,540.28	\$16,604.36	\$7,312.81	\$38,457.45
(9.5%) adj.	(\$1,526.33)	(\$1,743.00)	(\$767.64)	(\$4,036.97)
Write-offs				
<b>Total Adj</b>	<b>(\$5,954.33)</b>	<b>(\$5,565.00)</b>	<b>(\$2,964.64)</b>	<b>(\$14,483.97)</b>

7. I have personal experience working with every person billing time to this matter, they are each of high quality and they 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 of Cox Smith and K&L Gates undertake annual analyses of the markets in which they operate in order to determine the appropriate fees to charge for its professionals based on the fees charged by their competitors and peer firms. The goal of these analyses is to set rates for each professional at the median rate for professionals at peer firms in similar practice areas and similar experience. Accordingly, the rates charged by Cox Smith and K&L Gates in this matter are well within the norm for firms of their 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 respective 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 period covered by this application is \$26,624.00. The amount billed for my counsel's professional services during the period covered by this application is \$38,457.45. 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 during the periods covered by Fee Application #22 are reasonable.

11. I have reviewed Cox Smith's invoices for services rendered during the periods covered by Fee Application #22. Based on my experience and knowledge of this matter, the work performed by my staff during that period was reasonable and necessary to properly allow me to fulfill my duties and responsibilities in this case.

12. I have reviewed K&L Gates' invoice for services rendered during the periods covered by Fee Application #22. Based on my experience and knowledge of this matter, the work performed by K&L Gates during that period was reasonable and necessary to properly allow me to fulfill my duties and responsibilities in this case.

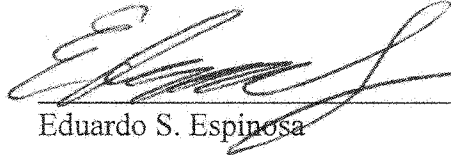
13. The fees requested in this application are 7.5% less than the average monthly fees in all preceding fee applications. I anticipate that the fees in this matter will fluctuate over the coming months, but will continue to trend downward.

14. I engaged Lewis & Ellis to model the consolidated RV/HCF portfolio and advise the estate as to appropriate premium reserve levels and the portfolio's expected net cash at maturity. Their analysis was updated in connection with the most recent interim distributions. Lewis & Ellis determined that premium reserves of \$14,608,360 as of October 31, 2013 should suffice for 97.5% of the potential outcomes. After accounting for the Interim Distribution and the premiums paid since October 31, 2013, the estate maintains ample cash reserves from which to pay this Application.

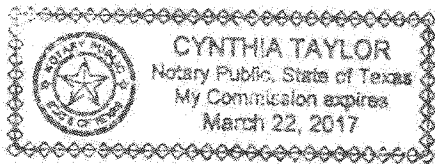
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FURTHER AFFIANT SAYETH NOT.

  
Eduardo S. Espinosa

SUBSCRIBED AND SWORN TO BEFORE ME this 14<sup>th</sup> day of July 2014.



  
Notary Public  
My Commission Expires:

Unofficial copy Travis Co. District Clerk Velva L. Price

**EXHIBIT "A"**

Unofficial copy Travis Co. District Clerk Velva L. Price

RETIREMENT VALUE, LLC  
 Eduardo S. Espinosa, Receiver  
 Cox Smith Matthews Incorporated  
 1201 Elm Street, Suite 3300  
 Dallas, TX 75270

April 14, 2014  
**Invoice No. 417601**

Legal Services Through 03/31/2014 in Connection With

**Counsel for Receiver of Retirement Value, LLC**

**Matter 034617.000001**

03/03/14	E. Espinosa	1.70	544.00	Telephone conference with S. Gordon regarding LE updates and general transaction details (0.6); confer with J. Thomas (0.4); correspond with E. Menendez regarding C.M. Hernandez(0.2); correspond with A. Williams of BKD regarding 2013 federal income tax and Texas franchise tax (0.3); correspond with P. Brannon (0.2).
03/03/14	E. Espinosa	1.00	320.00	Review and revise recovery schedule (1.0).
03/03/14	M. Napoli	0.20	89.60	E-mail correspondence with J. Thomas regarding Wendy Rogers noncompliance with settlement.
03/03/14	D. Andreacchi	0.20	33.49	Telephone call with E. Spears re check and email E. Espinosa and A. Williams re same.
03/04/14	E. Espinosa	3.10	992.00	Telephone conference with D. Pullen (investor) (0.9); research KPKF payments to J.C. Orr and correspond with A. Goldate and M. Napoli regarding same (0.6); telephone conference with financial advisor for B. Nakano (0.7); correspond with P. Maule at ASG regarding LE updates (0.4); confer with J. Thomas regarding lkey (0.3); attend to Terminal Illness rider on RV009 and JSSRV0010 (0.2).
03/04/14	M. Napoli	0.40	179.20	Review briefs on TUFTA by Rentea and Wright (0.3); e-mail correspondence with J. Thomas regarding same (0.1).

REMIT TO: COX SMITH MATTHEWS INCORPORATED  
 112 East Pecan Street | Suite1800  
 San Antonio, Tx 78205  
 210.554.5500 tel | 210.226.8395 fax  
 coxsmith.com

# COX | SMITH

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03/05/14	E. Espinosa	4.60	1,472.00	Telephone conference with R. Sanchez, W. Croker and D. Andreacchi regarding Ringtail (1.2); correspond with P. Brannon regarding LE update (0.4); confer with J. Thomas regarding W. Rogers (0.3); correspond with B. Rentea regarding G. Norris (0.2); research G. Norris files and correspondence (1.4); attend to David Felty's estate (0.3); research B. Stanford distribution (0.4); correspond with P. Marble and J. Lee regarding use of VBT vs. LEs (0.4).
03/05/14	M. Napoli	0.20	89.60	E-mail correspondence with J. Thomas regarding Rogers request for documents (0.2).
03/05/14	D. Andreacchi	0.90	150.09	Research documents in Ringtail for Felty investor file (.50); prepare letter to D. Felty's heirs re instructions for payment of distribution checks (.40).
03/06/14	E. Espinosa	3.00	960.00	Confer with A. Williams of BKD regarding allocation of amortized expenses (0.5); telephone conference with J. Lee of Lewis & Ellis regarding LEs v. VBT tables (0.5); revise letter to D. Felty heirs (0.4); revise letter to M. Zeisberg regarding change of custodian (0.3); review proof of claim schedule (0.6); respond to investor inquiries (0.7).
03/06/14	D. Andreacchi	1.00	167.43	Research D. Felty file and copy to C. Taylor (.30); revise letter to D. Felty heirs and deliver to E. Espinosa for review and comment (.20); update mailing list re Joan Rathmann (.10); telephone calls with investors and update communications log re same (.40).
03/07/14	E. Espinosa	1.60	512.00	Telephone conference with M. Kaye (0.5); telephone conference with David Yelken at Life Settlement Exchange (0.4); correspond with P. Brannon & S. Gordon regarding Le's (0.2); respond to B. Rentea inquiry regarding G. Norris (0.5).
03/07/14	D. Andreacchi	0.60	100.46	Update distribution issues log (.20); revise mailing list and update communication log (.40).

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03/10/14	E. Espinosa	1.00	320.00	Telephone conference with S. Gordon and Reed Collingwood (Placement Agent) (0.7); correspond with F. Cousland regarding Sexton production request (0.3).
03/10/14	M. Napoli	0.80	358.40	Review correspondence from Moss' lawyer regarding document request (0.2); research production in receivership action (0.4); e-mail correspondence with F. Cousland regarding Moss case and response to document request (0.2).
03/11/14	E. Espinosa	3.50	1,120.00	Telephone conference with F. Cousland; G. Barbatsuly; M. Napoli (1.0); telephone conference with C. Henck o/b/o M. Pittman (0.8); correspond with P. Maule at ASG (0.4); correspond with J. Thomas regarding settlements (0.2); review appellate attorney fee issue (0.2); review investor update information (0.2); attend to S. Smith o/b/o Vernon Smith Trust (0.3); revise response to Herr & Lowe regarding estate of J. Kauffman (0.4).
03/11/14	M. Napoli	1.40	627.20	Telephone conference with F. Cousland, G. Barbatsuly and E. Espinosa regarding Moss (0.8); review Moss joint PTO (0.3); review letter from court regarding fees (0.2); e-mail correspondence with J. Thomas regarding Rogers' settlement (0.1).
03/11/14	D. Andreacchi	0.80	133.94	Respond to investor voicemails (.60); update communications log and mailing list re same (.10); email A. Williams re address changes (.10).

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03/12/14	E. Espinosa	2.10	672.00	Telephone conference with V. Merlucci o/b/o T. Bernhardt (0.5); research Rathman and Catatonia replacement checks and place stop payment on Catania check (0.1); correspond with A. Williams of BKD, C. Taylor and D. Andreacchi regarding same (0.1); correspond with S. Campbell of Wells Fargo Advisors regarding D. Karson (0.6); correspond with A. Williams of BKD, C. Taylor and D. Andreacchi regarding Currier's check (0.2); confer with D. Andreacchi regarding investor updates and inquiry about S. Scott and the Vernon Scott trust (0.3).
03/12/14	D. Andreacchi	1.50	251.13	Respond to phone calls with investors and update communications log re same.
03/13/14	E. Espinosa	1.00	320.00	Review 2013 Federal and Texas taxes and telephone conference with A. Williams of BKD regarding same (0.8); confer with D. Andreacchi regarding investor updates and inquiry about S. Scott and the Vernon Scott Trust (0.2).
03/14/14	E. Espinosa	1.60	512.00	Correspond with A. Arnold of ASG regarding April premiums (0.2); correspond with J. Thomas, J. McConnell and M. Napoli regarding judgment collection (0.4); research certain SEC filings (0.4); transfer funds to cover EFT for federal taxes and confer with A. Williams of BKD regarding account balances (0.6).
03/14/14	M. Napoli	0.80	358.40	Confer with E. Espinosa regarding garnishment actions (0.3); research potential garnishment targets (0.5).
03/17/14	E. Espinosa	0.70	224.00	Confer with J. Thomas regarding settlements and collections (0.3); review activity on Chase account (0.2); confer with D. Andreacchi regarding investor updates (0.2).
03/18/14	E. Espinosa	0.50	160.00	Correspond with J. Thomas regarding Rogers modification (0.2); confer with J. Thomas (0.1); review activity on Chase account (0.2).

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03/19/14	E. Espinosa	1.40	448.00	Telephone conference with and correspond with J. Thomas at GBKH (0.2); confer with M. McConnell regarding Gottusso (0.1); confer with A. Williams of BKD regarding accounting entries and Texas Franchise Tax (0.3); review Moss filings and confer with M. Napoli regarding proposed offering (0.3); confer with J. Thomas and M. Napoli regarding collection efforts (0.5).
03/19/14	M. Napoli	2.60	1,164.80	E-mail correspondence with F. Cousland regarding Moss case (1.5); confer with E. Espinosa regarding Moss settlement options (0.4); correspond with J. Thomas regarding collection strategy (0.2); legal research regarding garnishments (0.5).
03/20/14	E. Espinosa	0.70	224.00	Correspond with T. Evans at SEC regarding Disclosure, Inc. (0.2); correspond with J. McConnell, review and revise Frisk filing (0.4); confer with J. Thomas regarding motion to compel (0.1).
03/21/14	E. Espinosa	3.70	1,088.00	Update estate recovery table and incorporate summary judgments (0.5); analyze cash-on-hand (0.4); correspond with E. Garnett regarding summary judgments (0.3); draft 21st fee application (1.4); draft affidavit in support of 21st fee application (0.6); correspond with A. Williams of BKD regarding accounts payable (0.2).
03/21/14	M. Napoli	0.70	313.60	E-mail correspondence with J. Thomas regarding post judgment discovery (0.3); review and revise 21st fee application (0.4).
03/24/14	E. Espinosa	0.30	96.00	Attend to updating of Service List (0.2); attend to Rogers' modification (0.1).
03/24/14	M. Napoli	0.50	224.00	Review addendum to Rogers' settlement (0.4); confer with E. Espinosa regarding signature requirements (0.1).
03/24/14	D. Andreacchi	0.40	66.97	Email to distribution list re service list (.10); work on updating list and email distribution list per email responses (.30).

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03/25/14	E. Espinosa	0.90	288.00	E-mails and telecons with S. Gordon at CFP (0.5); correspond with E. Garnett regarding Rogers' modification (0.2); attend to modification of Service List (0.2).
03/25/14	D. Andreacchi	1.90	318.12	Emails re service list, update lists re same.
03/26/14	E. Espinosa	1.40	448.00	Telephone conference with D. Guasp (investor) (0.3); conference with J. Thomas regarding Cervenka modifications (0.3); telephone conference with S. Gordon regarding portfolio sale (0.4); conference with F. Cousland and M. Napoli regarding Moss motion in limine (0.3); correspond with J. Thomas regarding Rogers' modification (0.1).
03/26/14	M. Napoli	0.60	206.80	E-mail correspondence with F. Cousland regarding settlement conference in Moss (0.1); review proposed motions in limine in Moss (0.3); review Gray correspondence regarding settlement in Moss (0.1); e-mail correspondence with J. Thomas regarding Cervenka payment (0.1).
03/28/14	E. Espinosa	0.70	224.00	Telephone conference with M. Martin (0.1); attend to Service List modifications (0.2); review CFP form of PSA (0.4).
03/28/14	D. Andreacchi	0.70	117.20	Email re proposed deletions to service list and revise same per responses.
03/31/14	E. Espinosa	2.70	864.00	Telephone conference with S. Gordon (0.3); correspond with WSH regarding same (0.1); telephone conference with S. Mullett (investor) (0.4); draft 15th motion for professional fees (0.5); review April premiums and transfer same and log funding and correspond with BKD and ASG regarding same (0.6); confer with J. Thomas regarding licensee request for extensions and Razor; M. Castellanos (0.4); attend to revised C.O.S. (0.1); correspond with F. Cousland regarding Moss (0.1); confer with C. Taylor regarding J. Chambers (0.1); attend to Rogers' modification (0.1).

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03/31/14	M. Napoli	0.50	224.00	E-mail correspondence with W. Cousland regarding Moss settlement conference (0.1); e-mail correspondence with J. Thomas regarding Castellano payments (0.1); e-mail correspondence with J. Thomas and F. Espinosa regarding extension of payment terms (0.3).
03/31/14	D. Andreacchi	0.40	66.97	Update service list and email distribution list and deliver to all remaining members.
03/31/14	K. Gradick	0.70	117.20	Review series of e-mails from C. Taylor regarding filing 21st Fee Application By Receiver and Receiver's Counsel and supporting Affidavit to be filed in the 126th District Court in Travis, County, and review, analyze and make revisions to fee application and supporting affidavit and finalize same for electronic filing, including entry of all service parties contact and e-mail information in compliance with new e-filing requirements.
03/31/14	K. Gradick	0.40	66.97	Review e-mail from C. Taylor regarding filing R Receiver's Fifteenth Motion for Approval of Payment of Professionals and supporting invoices to be filed in the 126th District Court in Travis, County, and review, analyze and make revisions to documents and finalize same for electronic filing.
03/31/14	K. Gradick	0.20	33.49	Review confirmation of filing Receiver's 21st Fee Application and 15th Motion for Approval of Payment of Professionals from 126th District Court and forward file stamped copies to team for review.

Total Hours 55.30

Total Fees \$ 17,329.68

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## Professional Summary

Professional	Title	Hours Worked	Hourly Rate	Total Fees
E. Espinosa	Shareholder	36.90	320.00	11,808.00
M. Napoli	Shareholder	8.70	448.00	3,897.60
D. Andreacchi	Paralegal	8.40	167.43	1,406.42
K. Gradick	Paralegal	1.30	167.43	217.66
Total All Professionals		55.30	\$ 313.38	\$ 17,329.68

**Total This Invoice**

**\$ 17,329.68**

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**EXHIBIT “B”**

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RETIREMENT VALUE, LLC  
 Eduardo S. Espinosa, Receiver  
 Cox Smith Matthews Incorporated  
 1201 Elm Street, Suite 3300  
 Dallas, TX 75270

May 19, 2014  
**Invoice No. 419259**

Legal Services Through 04/30/2014 in Connection With

**Counsel for Receiver of Retirement Value, LLC**

**Matter 034617.000001**

04/01/14	E. Espinosa	0.60	192.00	Telephone conference with S. Gordon (0.1); conference with F. Cousland and M. Napoli regarding Moss (0.4).
04/01/14	M. Napoli	1.70	761.60	E mail correspondence with F. Cousland regarding Moss settlement conference (0.4); confer with E. Espinosa regarding re-opening plan (0.2); telephone conference with F. Cousland (0.8); e-mail correspondence with F. Cousland regarding settlement demand (0.3).
04/01/14	D. Andreacchi	0.40	66.97	Finalize service and email distribution list and deliver to all parties.
04/02/14	E. Espinosa	0.90	288.00	Correspond with E. Garnett regarding Razor interim payment (0.2); correspond with E. Menendez regarding J. Jimenez's distributions (0.4); review bankruptcy notices (0.1); confer with M. Napoli regarding Moss matter (0.2).
04/02/14	M. Napoli	2.10	940.80	Analyze Moss settlement options (0.8); e-mail correspondence with F. Cousland (0.3); review demand by Moss (0.2); conference with E. Espinosa regarding settlement of Moss (0.3); legal research regarding authority to make offer of judgment (0.5).
04/03/14	E. Espinosa	2.70	864.00	Review draft website update (0.4); update estate recovery log (1.4); telephone conference with R. Blair and correspond with same regarding investor information (0.7); correspond with J. Thomas, et al. regarding collection efforts (0.2).

REMIT TO: COX SMITH MATTHEWS INCORPORATED  
 112 East Pecan Street | Suite1800  
 San Antonio, Tx 78205  
 210.554.5500 tel | 210.226.8395 fax  
 coxsmith.com

# COX | SMITH

May 19, 2014  
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04/03/14	M. Napoli	0.70	313.60	Review draft judgment and severance orders (0.4); review Gray correspondence regarding settlement of Moss case (0.2); e-mail correspondence with F. Cousland regarding offer of judgment (0.1).
04/03/14	D. Andreacchi	1.00	167.43	Respond to email; update mailing list
04/04/14	E. Espinosa	1.30	416.00	Correspond with A. Conoligue at Idaho Office of Attorney General (1.1); confer with J. Thomas regarding Kleppe (0.2).
04/07/14	E. Espinosa	2.00	640.00	Telephone conference with J. Thomas (0.2); confer with A. Conologue Idaho Attorney General regarding Petticolas (0.4); correspond with G. Weisbart (0.1); review D. Gray's correspondence and confer with M. Napoli regarding appropriate response (0.3); attend to Razor's performance (0.2); research Bill Walker's claim and confer with D. Andreacchi and A. Williams regarding same (0.60); review B. Martin's woes and assess viability of further collection efforts (0.2).
04/07/14	M. Napoli	0.50	224.00	Telephone conference with F. Cousland (0.2); e-mail correspondence with R. Gray regarding subrogated Wells Fargo claim (0.3).
04/08/14	E. Espinosa	1.60	512.00	Confer with J. Thomas regarding Petticolas, Fernandez and Laskowski (0.8); confer with G. Weisbart regarding Capital Formation Partners, cash management and forecast.
04/08/14	M. Napoli	0.20	89.60	E-mail correspondence with R. Gray regarding subrogated claim (0.2).
04/09/14	E. Espinosa	1.90	608.00	Correspond with S. Gordon at CFP (0.4); attend to inquiry from B. Rentea and A. Garcia regarding Harrison arbitration (0.8); research Donna Moody's check and confer with D. Andreacchi regarding same (0.4); confer with F. Cousland regarding Moss (0.2); attend to US P.O. Box (0.1).

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04/09/14	M. Napoli	2.70	1,209.60	E-mail correspondence with W. Cousland regarding Moss settlement conference (0.2); legal research regarding ability of Moss to challenge plan of distribution (2.5).
04/09/14	D. Andreacchi	0.50	83.72	Respond to investor calls
04/10/14	E. Espinosa	1.40	448.00	Confer with J. Thomas (0.1); correspond with S. Gordon (0.2); attend to stop payments and reissue check (0.3); update estate recoveries to date and convey same to E. Garnett (0.4); correspond with Monologue Idaho Attorney General's office (0.4).
04/10/14	M. Napoli	4.00	1,792.00	Confer with E. Espinosa regarding Moss settlement conference (0.2); research regarding ability to challenge plan of distribution (1.0); research notice to Moss of receivership and plan (2.8).
04/10/14	D. Andreacchi	0.20	33.49	Call with D. Moody re re-issuance of check (.10); update mailing list and email A. Williams re same (.10).
04/11/14	E. Espinosa	1.80	576.00	Telephone conference with M. Kaye (1.1); attend to Fernandez (0.2); confer with M. Napoli regarding Moss and correspond with G. Barbatsuly regarding same (0.5).
04/11/14	M. Napoli	0.60	268.80	E-mail correspondence with G. Barbatsuly regarding Moss settlement (0.3); confer with E. Espinosa regarding Moss (0.3).
04/12/14	E. Espinosa	0.20	64.00	Attend to B. Walker's change of ownership (0.1); attend to US P.O. Box (0.1).
04/14/14	E. Espinosa	1.00	320.00	Attend to U.S. Post Office box (0.1); correspond with C. Sooter at City Bank (0.2); review no objection filing (0.1); correspond with J. Thomas regarding licensee (0.2); correspond with A. Williams regarding accounts payable (0.2); confer with J. McConnell regarding Sparkman (0.2).
04/14/14	M. Napoli	0.20	89.60	E-mail correspondence with G. Barbatsuly regarding Moss (0.2).

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04/14/14	D. Andreacchi	0.60	100.46	Prepare certificates of no objection to 15th application for professional fees and 21st application for receiver's fees (.30); email K. Gradick re filing with Court (.10); serve same (.10); email G. Quinones re changes to webpage (.10).
04/14/14	K. Gradick	0.30	50.23	Review e-mail communication from D. Andreacchi regarding filing Certificates of No Objection in connection with Receiver's Fifteenth Motion for Approval of Payment of Professionals and Fees and Receiver's Twenty-First Application for Fees by Receiver and Receiver's Counsel in the Travis County District Court, review, analyze and finalize documents for electronic filing.
04/15/14	E. Espinosa	1.60	512.00	Correspond with F. Cousland regarding Moss settlement (0.2); confer with J. Thomas regarding R. Anderson (0.4); confer with J. McConnell regarding Sparkman (0.2); attend to Mueller transfer correspondence with B. DeLeon regarding same (0.8).
04/15/14	M. Napoli	0.20	89.60	E-mail correspondence with F. Cousland regarding Moss settlement (0.1); e-mail correspondence with B. DeLeon regarding claim assignment (0.1).
04/16/14	E. Espinosa	1.50	480.00	Correspond with A. Arnold of ASG (0.2); correspond with A. Williams of BKD regarding accounts payable (0.4); review Fendz's settlement (0.3); correspond with GBKH regarding Sparkman, Kleppe & Fendz (0.6).
04/21/14	E. Espinosa	0.70	224.00	Correspond with M. Ward (investor) (0.4); telephone conference with J. Thomas (0.2); attend to website (0.1).
04/21/14	M. Napoli	0.40	179.20	E-mail correspondence with J. Thomas (0.1); review post-judgment interrogatories (0.3).

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04/22/14	E. Espinosa	1.50	480.00	Attend to Business Records Affidavit for L. Harrison (0.3); correspond with M. Ward (investor) (0.4); correspond with K. Stigler and attend to accounts payable (0.3); confer and correspond with R. Blair regarding May 31, 2013 report and 7th motion for approval of settlements (0.5).
04/22/14	M. Napoli	0.60	268.80	Revise business records affidavit for Harrison re. American General suit (0.5); e-mail correspondence with A. Godwin (0.1).
04/22/14	D. Andreacchi	1.20	200.92	Respond to phone calls from investors (.50); work on L. Harrison emails for arbitration request (.70).
04/23/14	E. Espinosa	1.20	384.00	Correspond with A. Williams of BKD regarding Chase Bank balance and research same (0.4); correspond with J. Thomas regarding licensee (collection discovery) (0.3); correspond with P. Brannon (0.2); attend to funds management (0.2); attend to Pipenhagen judgment (0.1).
04/23/14	M. Napoli	0.20	89.60	E-mail correspondence with J. Thomas regarding discovery in aid of judgment (0.2).
04/24/14	E. Espinosa	2.80	896.00	Telephone conference with P. Brannon at Capital Formation Partners (0.3); update estate recovery schedule to reflect April 17 remittances (2.1); attend to M. Campbell settlement (0.2); attend to I. Otto (investor) (0.1); attend to S. Titmus(investor) (0.1).
04/25/14	E. Espinosa	1.40	448.00	Assist R. Bailey (investor) regarding IRA custodian (Provident v. American Funds) and confer and correspond with S. Archer of Provident regarding same (1.4).
04/25/14	M. Napoli	0.10	44.80	E-mail correspondence with court (0.1).
04/25/14	D. Andreacchi	0.60	100.46	Respond to investor calls (.50); email E. Espinosa re check to re-issue (.10).
04/28/14	E. Espinosa	0.20	64.00	Telephone conference with M. Storm of WSH (0.2).

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04/29/14	E. Espinosa	1.70	544.00	Telephone conference with Joyce Hipp (investor) (0.5); review K. Arnold's analysis of RV033 CPC-86 and correspond regarding same (0.8); review Laskowski settlement (0.2); attend to accounts payable (0.2).
04/30/14	E. Espinosa	1.40	448.00	Attend to Ike (0.1); correspond with P. Brannon (0.2); correspond with P. Maule regarding RV033 (0.2); review Fendz settlement, analyze confidentiality provision and correspond with J. Thomas regarding same (0.7); attend to foreign judgment affidavits (0.2).

Total Hours 48.40

Total Fees \$ 16,573.28

Professional Summary

Professional	Title	Hours Worked	Hourly Rate	Total Fees
E. Espinosa	Shareholder	29.40	320.00	9,408.00
M. Napoli	Shareholder	14.20	448.00	6,361.60
D. Andreacchi	Paralegal	4.50	167.43	753.45
K. Gradick	Paralegal	.30	167.43	50.23
<b>Total All Professionals</b>		<b>48.40</b>	<b>\$ 342.42</b>	<b>\$ 16,573.28</b>

**Total This Invoice \$ 16,573.28**

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**EXHIBIT “C”**

*Unofficial copy Travis Co. District Clerk Velva L. Price*

RETIREMENT VALUE, LLC  
 Eduardo S. Espinosa, Receiver  
 Cox Smith Matthews Incorporated  
 1201 Elm Street, Suite 3300  
 Dallas, TX 75270

June 13, 2014  
**Invoice No. 420432**

Legal Services Through 05/31/2014 in Connection With

**Counsel for Receiver of Retirement Value, LLC**

**Matter 034617.000001**

05/01/14	E. Espinosa	0.80	256.00	Telephone conference with J. Thomas (0.1); attend to Fendz settlement (0.2); correspond with A. Williams (BKD) regarding accounts payable and accounts receivable (0.2); download updated Quickbooks (0.2).
05/02/14	E. Espinosa	1.60	512.00	Attend to Dolph settlement (0.1); attend to H. Vance (0.1); confer with M. Napoli and D. Andreacchi regarding arbitration production (0.2); reconcile accounts receivable entries (0.8); correspond with A. Williams of BKD regarding accounts receivable entries (0.4).
05/02/14	M. Napoli	1.40	627.20	E-mail correspondence with B. Rentea regarding Allen Trust (0.2); e-mail correspondence with D. Andreacchi regarding Allen Trust production (0.1); review documents for production (1.0); prepare correspondence to B. Rentea (0.1).
05/05/14	E. Espinosa	1.80	576.00	Confer with J. Thomas regarding Kleppes and correspond regarding same (0.3); confer with J. Thomas and A. Conilogue (id-OAG) regarding Petticolos (0.4); telephone conference with P. Michael at Fidelity regarding R. Johnson's IRA (0.6); correspond with A. Williams of BKD and Roemer (investor) regarding check no. 2919 (0.5).
05/05/14	M. Napoli	0.20	89.60	E-mail correspondence with J. Thomas (0.2).

REMIT TO: COX SMITH MATTHEWS INCORPORATED  
 112 East Pecan Street | Suite1800  
 San Antonio, Tx 78205  
 210.554.5500 tel | 210.226.8395 fax  
 coxsmith.com

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June 13, 2014  
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05/05/14	D. Andreacchi	0.50	83.72	Respond to investor calls.
05/06/14	E. Espinosa	1.00	320.00	Correspond with J. Thomas regarding Kleppe (0.2); correspond with J. Hiopp regarding assignment of claims (0.3); attend to Fendz settlement (0.3); correspond with W. Williams of BKD regarding investor checks (Otto and Bailey) (0.2).
05/06/14	M. Napoli	0.20	89.60	E-mail correspondence with J. Thomas (0.2).
05/07/14	E. Espinosa	0.30	96.00	Attend to Pettiolas assignment (0.2); correspond with A. Roemer (investor) (0.1).
05/08/14	E. Espinosa	2.70	861.00	Correspond with M. Napoli and D. Young (Vida) regarding portfolio concentration and redundant policies (0.4); research policy concentrations, FMV and portfolio performance (2.1); attend to Kleppe settlement (0.1); attend to Petticolas assignment (0.1).
05/08/14	M. Napoli	0.40	179.20	E-mail correspondence with D. Young regarding policies (0.2); confer with E. Espinosa regarding Vida interest in purchasing policies (0.2).
05/09/14	E. Espinosa	0.10	32.00	Attend to Harrison arbitration document production (0.2); correspond with A. Arnold of ASG and J. Galloway of Vida regarding policy data (0.5); correspond with A. Conilogue (Idaho) regarding Petticolas assignment (0.2).
05/09/14	M. Napoli	0.60	268.80	E-mail correspondence with B. Rentea regarding production in Ladell Harrison arbitration (0.5); e-mail correspondence with E. Espinosa regarding Rentea (0.1).
05/12/14	E. Espinosa	1.80	576.00	Correspond with J. Galloway (Vida) and A. Arnold (ASG) regarding LE's and review document upload (0.7); correspond with A. Arnold regarding May premiums, transfer funds, advise BKD regarding same (1.1).

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05/13/14	E. Espinosa	0.50	160.00	Confer with J. Thomas regarding Idaho's assignment of Petticola's settlement (0.4); attend to correspondence in Moss matter (0.1).
05/13/14	M. Napoli	0.30	134.40	Review judgment in favor of Tracy Moss (0.2); e-mail correspondence with F. Cousland regarding judgment (0.1).
05/14/14	E. Espinosa	1.00	320.00	Attend to Moss matter (0.2); review proposed assignment documents and confer with J. Thomas regarding same (0.6); attend to Kleppe settlement (0.2).
05/14/14	D. Andreacchi	0.90	150.69	Respond to investor calls and update communications log.
05/15/14	E. Espinosa	0.20	61.00	Correspond with A. Arnold regarding June premiums (0.2).
05/18/14	E. Espinosa	0.20	64.00	Address correspondence from R. Minton regarding Haskins Martin (0.2).
05/21/14	M. Napoli	0.30	134.40	E-mail correspondence with J. Thomas regarding settlements (0.2); e-mail correspondence with counsel regarding hearings (0.1).
05/22/14	E. Espinosa	1.30	416.00	Telephone conference with M. Kaye regarding Le's assets (0.6); confer with J. McConnell regarding Pippenhagen (0.3); confer with GBKH regarding May 28 hearing (0.2); attend to Razor/Ikey forbearance (0.2).
05/23/14	E. Espinosa	1.30	416.00	Review Kaye's production and correspond with J. Thomas and J. McConnell regarding same (0.8); correspond with and telephone conference with D. Callender (investors) regarding third-party recoveries (0.3); review correspondence from S. Bage regarding L.M. Grospron (investor) (0.2).
05/27/14	E. Espinosa	0.30	96.00	Correspond with I. Antongiorgi (0.2); attend to Campbell settlement (0.1).
05/28/14	E. Espinosa	0.70	224.00	Attend to estate of J. Kaufman (0.2); confer with J. McConnell regarding Levine's assets (0.5).

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05/28/14	M. Napoli	0.30	134.40	Review orders from court (0.3).
05/29/14	E. Espinosa	0.40	128.00	Attend to lkey correspondence (0.1); attend to Fendz settlement (0.1); confer with M. Napoli regarding website updates (0.2).
05/29/14	M. Napoli	5.10	2,284.80	Prepare response to reply by D. Horowitz (0.3); review orders entered by court (0.3); revise website (3.0); outline annual report (0.5).
05/30/14	E. Espinosa	0.90	288.00	Review correspondence from H. Greven (investor) and contact D. Lennox regarding same (0.3); review accounts payable run and update check issues log (0.6).
05/30/14	M. Napoli	7.00	3,136.00	Revise website (3.0); prepare year-end report (4.0).
			Total Hours	34.10
			Total Fees	\$ 12,720.81

### Professional Summary

Professional	Title	Hours Worked	Hourly Rate	Total Fees
E. Espinosa	Shareholder	16.90	320.00	5,408.00
M. Napoli	Shareholder	15.80	448.00	7,078.40
D. Andreacchi	Paralegal	1.40	167.44	234.41
Total All Professionals		34.10	\$ 373.04	\$ 12,720.81

**Total This Invoice \$ 12,720.81**

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**EXHIBIT “D”**

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# K&L GATES

**K&L GATES LLP**  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WA 98104-1158  
T 206.623.7580 F 206.623.7022 klgates.com  
Tax ID No. 25 0921018

c/o Eduardo S. Espinosa, Receiver  
1717 Main Street,  
Suite 2800  
Dallas, TX 75201

Invoice Date : April 15, 2014  
Invoice Number : 2924558  
Services Through : March 31, 2014  
Our File Number : 1203981

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## INVOICE SUMMARY BY MATTER

### State of Texas vs Retirement Value LLC, et al. - e-DAT Fees (70001)

Fees	\$ <u>39.82</u>	
<b>Total Amount Due This Matter</b>		<b>\$ 39.82</b>

<b>CURRENT INVOICE DUE - All Matters</b>		<b>\$ <u>39.82</u></b>
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This invoice reflects fees and costs not previously billed. Past due balances, if any, will be shown on a separate statement of account at the beginning of the next month. Payment is due in U.S. dollars upon receipt. Funds may be wired to our account number 153557906580 US Bank, Private Financial Services, 1420 5th Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number 125000105. Check payments should be sent to K&L Gates LLP, RCAC, 925 Fourth Ave., Suite 2900, Seattle, WA 98104-1158.



**State of Texas vs Retirement Value LLC, et. al. - e-DAT Fees  
(70001)**

**\$39.82**

**FEES**

<b>DATE</b>	<b>NAME</b>	<b>HOURS</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
03/05/14	J. R. Sanchez	0.20	Export requested documents to PDF and e-mail to E. Espinosa (Cox Smith).	39.82
<b>TOTAL FEES</b>			0.20 hrs	<b>\$ <u>39.82</u></b>

**TIMEKEEPER SUMMARY**

J. R. Sanchez	0.20 hrs at	\$ 199.10 / hr	<u>39.82</u>
<b>TOTAL FEES</b>			<b>\$ <u>39.82</u></b>

**MATTER SUMMARY**

Fees	\$ 39.82
<b>MATTER TOTAL</b>	<b>\$ <u>39.82</u></b>

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**EXHIBIT “E”**

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# K&L GATES

**K&L GATES LLP**  
ONE NEWARK CENTER  
TENTH FLOOR  
NEWARK, NJ 07102  
T 973.848.4000 F 973.848.4001 klgates.com  
Tax ID No. 25 0921018

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
Cox Smith  
Suite 3300  
1201 Elm Street  
Dallas, TX 75270

Invoice Date : April 10, 2014  
Invoice Number : 2925185  
Services Through : March 31, 2014

**1203981.00004 Tracy Moss Lawsuit**

### INVOICE SUMMARY

Fees	\$ 8,813.39
Disbursements and Other Charges	\$ <u>165.39</u>
<b>CURRENT INVOICE DUE</b>	<b>\$ <u>8,978.78</u></b>

Due and Payable upon Receipt

Mail: K&L Gates LLP, K&L Gates Center – RCAC, 210 Sixth Ave, Pittsburgh, PA 15222

Wire Transfer Instructions: Receiving Bank: Bank of America, NA  
Acct Name: K and L Gates LLP  
Acct: 9418168952  
ABA (Wire): 026009593  
ABA (ACH): 021200339  
SWIFT: BOFAUS3N

When initiating a wire transfer/ACH, please reference client/matter number on wire information and please send notification to RCAC\_East@klgates.com with details including dollar amount, date and client/matter/invoice number(s).

FEES

DATE	NAME	HOURS	DESCRIPTION	AMOUNT
03/04/14	F. E. Cousland	1.30	Review Plaintiff's revisions to final pre-trial order and respond	329.42
03/05/14	G. P. Barbatsuly	0.70	Review, revise, and edit draft revised final pretrial order; office conference with F. Cousland regarding same	294.58
03/10/14	G. P. Barbatsuly	0.10	Exchange e-mails with F. Cousland regarding further strategy in response to plaintiffs' discovery demand	42.08
03/10/14	F. E. Cousland	0.30	Discuss outstanding discovery issues	76.02
03/11/14	G. P. Barbatsuly	0.70	Appear for and attend telephone conference call with F. Cousland, M. Napoli, and E. Espinosa regarding plaintiff's discovery demands and litigation strategy	294.58
03/11/14	F. E. Cousland	0.80	Discuss outstanding discovery issues and settlement possibilities with M. Napoli, E. Espinosa, and G. Barbatsuly	202.72
03/19/14	G. P. Barbatsuly	0.30	Receive and review trial notice; office conference with F. Cousland regarding same and status of discovery meet and confer; receive and review e-mails between F. Cousland and M. Napoli regarding discovery status	126.25
03/19/14	F. E. Cousland	0.50	Discuss discovery issues with Plaintiff's counsel	126.70
03/21/14	G. P. Barbatsuly	0.20	Receive and review court order addressing trial scheduling and logistics conference; e-mail exchange with F. Cousland regarding same	84.17
03/21/14	G. P. Barbatsuly	0.20	Receive and review draft in limine briefs prepared by F. Cousland; draft follow-up e-mail to F. Cousland regarding needed revisions to same	84.17
03/24/14	F. E. Cousland	4.60	Draft motions in limine	1,165.64
03/25/14	G. P. Barbatsuly	0.90	Review, revise, and edit draft in limine motions prepared by F. Cousland; exchange e-mails with F. Cousland regarding	378.75

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Invoice # 2925185

1203981.00004

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DATE	NAME	HOURS	DESCRIPTION	AMOUNT
			same	
03/25/14	F. E. Cousland	2.20	Research limitations to introduction of evidence based on summary judgment motions	557.48
03/26/14	F. E. Cousland	2.40	Draft supporting papers to motions in limine and prepare for filing	608.16
03/27/14	G. P. Barbatsuly	0.40	Receive and review correspondence from plaintiffs' counsel regarding status of discovery motion; office conference with F. Cousland regarding reply to same; final review of in limine motions	168.33
03/27/14	F. E. Cousland	2.50	Review letter to court from R. Sexton (.4); draft response letter to court and file (1.7); file motions in limine (.4)	633.50
03/28/14	G. P. Barbatsuly	0.30	Further plan and prepare for case management conference scheduled for 3/31/2014; office conference with F. Cousland regarding same	126.25
03/28/14	F. E. Cousland	1.40	Review Plaintiff's Motion to Compel	354.76
03/30/14	G. P. Barbatsuly	1.00	Review joint pretrial order and receivership order in planning and preparation for trial logistics conference scheduled for 3/31/2014	420.83
03/31/14	G. P. Barbatsuly	4.10	Appear for and attend trial logistics conference; follow-up meet and confer with plaintiff's counsel regarding discovery issues; travel time relating to same	1,725.40
03/31/14	F. E. Cousland	4.00	Travel to and attend settlement/trial logistics conference	1,013.60
TOTAL FEES			28.90 hrs	\$ <u>8,813.39</u>

### TIMEKEEPER SUMMARY

G. P. Barbatsuly	8.90 hrs at	\$ 420.83 / hr	3,745.39
F. E. Cousland	20.00 hrs at	\$ 253.40 / hr	5,068.00
TOTAL FEES			\$ <u>8,813.39</u>

**DISBURSEMENTS & OTHER CHARGES**

<b>DESCRIPTION</b>	<b>AMOUNT</b>
Copying Expense	30.80
Postage	0.96
Westlaw Research	133.63
DISBURSEMENTS & OTHER CHARGES	\$ <u>165.39</u>

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**EXHIBIT "F"**

Unofficial copy Travis Co. District Clerk Velva L. Price

# K&L GATES

## K&L GATES LLP

925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WA 98104-1158  
T 206.623.7580 F 206.623.7022 klgates.com  
Tax ID No. 25 0921018

c/o Eduardo S. Espinosa, Receiver  
1717 Main Street,  
Suite 2800  
Dallas, TX 75201

Invoice Date : May 7, 2014  
Invoice Number : 2936497  
Services Through : April 30, 2014  
Our File Number : 1203981

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### INVOICE SUMMARY BY MATTER

#### State of Texas vs Retirement Value LLC, et. al. - e-DAI Fees (70001)

Fees	\$	<u>755.68</u>	
<b>Total Amount Due This Matter</b>			<b>\$ 755.68</b>

<b>CURRENT INVOICE DUE - All Matters</b>			<b>\$ <u><u>755.68</u></u></b>
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**State of Texas vs Retirement Value LLC, et. al. - e-DAT Fees  
(70001)**

**755.68**

**FEES**

<b>DATE</b>	<b>NAME</b>	<b>HOURS</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
04/07/14	J. R. Sanchez	0.80	Call with F. Cousland re: QuickBooks files in Ringtail, search database for QuickBooks files and export from Ringtail; stage files to shared Newark network drive for review	159.28
04/16/14	E. Silver	0.90	Develop ESI review strategies, analyze case ESI, and conceptualize and implement custom search queries; analyze search queries; recommend modifications to focus search queries; adapt search queries for running in Ringtail; and assess search queries' effectiveness; execute complex SQL and search queries against ESI in Ringtail; analyze and compile data returned by search queries to produce documents for review by D. Andreacchi	138.47
04/18/14	J. R. Sanchez	2.30	Perform batch procedures in Ringtail to electronically extract native files and extract documents to pdf format per the request of Cox Smith.	457.93
<b>TOTAL FEES</b>			<b>4.00 hrs</b>	<b>\$ <u>755.68</u></b>

**TIMEKEEPER SUMMARY**

J. R. Sanchez	3.10 hrs at \$ 199.10 / hr	617.21
E. Silver	0.90 hrs at \$ 153.85 / hr	138.47
<b>TOTAL FEES</b>	<b>4.00 hrs</b>	<b>\$ <u>755.68</u></b>

**MATTER SUMMARY**

Fees	\$ <u>755.68</u>
<b>MATTER TOTAL</b>	<b>\$ <u>755.68</u></b>

**EXHIBIT “G”**

Unofficial copy Travis Co. District Clerk Velva L. Price

# K&L GATES

**K&L GATES LLP**  
ONE NEWARK CENTER  
TENTH FLOOR  
NEWARK, NJ 07102  
T 973.848.4000 F 973.848.4001 klgates.com  
Tax ID No. 25 0921018

The Estate of Retirement Value, LLC  
c/o Eddy Espinosa  
Cox Smith  
Suite 3300  
1201 Elm Street  
Dallas, TX 75270

Invoice Date : May 14, 2014  
Invoice Number : 2011579  
Services Through : April 30, 2014

**1203981.00004 Tracy Moss Lawsuit**

## INVOICE SUMMARY

Fees	\$ 8,629.25
Disbursements and Other Charges	\$ <u>54.15</u>
<b>CURRENT INVOICE DUE</b>	<b>\$ <u>8,683.40</u></b>

Due and Payable upon Receipt

Mail: K&L Gates LLP, K&L Gates Center – RCAC, 210 Sixth Ave, Pittsburgh, PA 15222

Wire Transfer Instructions: Receiving Bank: Bank of America, NA  
Acct Name: K and L Gates LLP  
Acct: 9418168952  
ABA (Wire): 026009593  
ABA (ACH): 021200339  
SWIFT: BOFAUS3N

When initiating a wire transfer/ACH, please reference client/matter number on wire information and please send notification to RCAC\_East@klgates.com with details including dollar amount, date and client/matter/invoice number(s).

FEES

DATE	NAME	HOURS	DESCRIPTION	AMOUNT
04/01/14	F. E. Cousland	0.70	Discuss discovery and settlement issues with M. Napoli	177.38
04/02/14	G. P. Barbatsuly	0.40	Receive and review e-mails from plaintiff's counsel regarding settlement; exchange e-mails with M. Napoli regarding same; office conference with F. Cousland regarding same and follow-up response to plaintiff's counsel relating settlement	168.33
04/02/14	F. E. Cousland	0.80	Review and respond to Plaintiff's settlement demand	202.72
04/03/14	F. E. Cousland	0.60	Review settlement proposal and financial statements from R. Gray	152.04
04/04/14	G. P. Barbatsuly	0.20	Office conferences with F. Cousland regarding finalizing of offer of judgment and correspondence regarding same	84.17
04/04/14	F. E. Cousland	1.00	Review settlement proposal from R. Gray (.4); finalize and serve offer of judgment (.6)	253.40
04/07/14	G. P. Barbatsuly	0.20	Office conference with F. Cousland regarding status of response to plaintiff's discovery motion; review, revise, and edit draft e-mail to plaintiff's counsel regarding same	84.17
04/07/14	F. E. Cousland	1.20	Discuss discovery issues with M. Napoli (.2); discuss discovery issues with e-dat (.6); email Plaintiff's counsel regarding discovery dispute (.4)	304.08
04/08/14	G. P. Barbatsuly	0.40	Receive and review correspondence from counsel for plaintiff regarding settlement status and status of discovery dispute; office conference with F. Cousland as a follow-up to same; further plan and prepare for status conference with court scheduled for 4/9/14	168.33
04/08/14	F. E. Cousland	1.10	Review letter from Plaintiff's counsel to court (.4); prepare to produce QuickBooks data (.7)	278.74
04/09/14	G. P. Barbatsuly	1.40	Final planning and preparation for conference call with Court; appear for and attend same;	589.16

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Invoice # 2941579  
 1203981.00004  
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DATE	NAME	HOURS	DESCRIPTION	AMOUNT
			review, revise, and edit draft e-mail to M. Napoli regarding same	
04/09/14	F. E. Cousland	2.10	Attend settlement conference, discuss settlement possibilities with Plaintiff's counsel, and research offers of judgment.	532.14
04/10/14	F. E. Cousland	0.20	Review R. Gray's additional settlement proposal	50.68
04/11/14	G. P. Barbatsuly	3.70	Telephone conversation with counsel for Moss regarding settlement position; e-mail exchange with M. Napoli and E. Espinosa regarding same; office conference with F. Cousland regarding same; begin drafting preliminary requests to charge	1,557.07
04/11/14	F. E. Cousland	3.70	Draft trial brief	937.58
04/12/14	G. P. Barbatsuly	1.70	Further draft preliminary requests to charge	715.41
04/13/14	G. P. Barbatsuly	2.90	Further draft preliminary requests to charge; draft proposed verdict sheet; draft proposed voir dire questions	1,220.41
04/14/14	G. P. Barbatsuly	2.30	Further revise and edit draft proposed special interrogatories; office conference with F. Cousland regarding planning and preparation for trial brief; telephone conversation with plaintiff's counsel regarding possible settlement; appear for and participate in telephone conference call with court and other parties regarding possible settlement; follow-up office conference with R. Alito and F. Cousland regarding same	967.91
04/14/14	F. E. Cousland	0.10	Telephone conference with court and parties to discuss settlement	25.34
04/15/14	G. P. Barbatsuly	0.20	Receive and review correspondence from plaintiff's counsel regarding settlement of litigation and 60-day order; office conference with F. Cousland regarding same	84.17
04/15/14	F. E. Cousland	0.30	Review letters from Plaintiff's counsel regarding settlement	76.02

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TOTAL FEES 25.20 hrs \$ 8,629.25

**TIMEKEEPER SUMMARY**

G. P. Barbatsuly	13.40 hrs at	\$ 420.83 / hr	5,639.13
F. E. Cousland	11.80 hrs at	\$ 253.40 / hr	2,990.12
TOTAL FEES	25.20 hrs		\$ <u>8,629.25</u>

**DISBURSEMENTS & OTHER CHARGES**

<b>DESCRIPTION</b>	<b>AMOUNT</b>
Long Distance Courier	10.07
Postage	0.48
Westlaw Research	43.60
DISBURSEMENTS & OTHER CHARGES	\$ <u>54.15</u>

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