

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

STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
	§	
Plaintiff,	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
RETIREMENT VALUE, LLC, et al,	§	
	§	
Defendants.	§	126 th JUDICIAL DISTRICT

**THIRTY-FIRST APPLICATION FOR FEES
BY THE RECEIVER AND RECEIVER’S COUNSEL**

Eduardo S. Espinosa, court-appointed receiver for Retirement Value, LLC, files his Thirty-First application for fees incurred by the Receiver and his counsel, Dykema Cox Smith (Dykema) for the months of July 2017 through October 2017.

BACKGROUND

To assist the Receiver in the performance of his duties, the Agreed TI¹ 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 Dykema 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.

¹ The “Agreed TI” is the Agreed Temporary Injunction Order against Defendants Retirement Value, LLC and Richard H. “Dick” Gray and the Relief Defendant and Order Appointing Receiver, entered by the Court on May 28, 2010.

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, Dykema, for services rendered from July 2017 through October 2017.

The Receiver has incurred fees of \$10,545 during the period covered by this Application. He has retained the legal services of Dykema which incurred fees for the periods covered by this Application of \$4,109.49. Affidavit of Eduardo S.

Espinosa (Espinosa Affid.) at ¶10 (attached as Exhibit 1). While substantial, these fees were both reasonable and necessary.

The fees charged by the Receiver and his counsel represent a 25.67% discount from the usual and customary fees charged by Dykema. As a general matter, the charge for the services provided by Dykema 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 Dykema. The Receiver is charging \$320/hour, which represents a 35% discount from his usual and customary rate of \$495/hour. In addition, Dykema has discounted its rates by 9.5%. In the aggregate the discounts and write-offs associated with this Application amount to \$3,872.38. *Id.* The chart below summarizes the fees charged and the discounts applied.

Invoice Summary	
Services Rendered in:	Total
Fees Requested	
DCS	\$10,947.42
DCS- Ahlers Bankruptcy	\$266.07
Total	\$11,213.49
Receiver Incurred	\$10,545.00
Receiver Billed	\$7,104.00
Receiver adj	(\$3,441.00)
All other Tkpr Incurred	\$4,540.87
All other Tkpr Billed	\$4,109.49
(9.5%) adj.	(\$431.38)
Write-offs	
Total Adj	(\$3,872.38)

The Receiver certifies that the estate has sufficient cash reserves from which to pay this Application after taking into account the estate’s receipts and expenditures since the last actuarial analysis of the portfolio in January 2016. *Id.* at ¶ 12.

I. What have we accomplished during this period

During the period covered by this Application, the Receiver and his counsel devoted substantial attention to collecting amounts due the estate pursuant to judgments and settlements; defending the estate against claims brought by Michael McDermott and Wendy Rogers; managing the portfolio and responding to investor comments and inquiries. The significant tasks during this time period include, without limitation:

- Responding to numerous inquiries and resolving various issues regarding the investors' claims, their IRA's and their distributions;
- 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, fielding acquisition inquiries, payment of premiums, & collecting death benefits;
- Enforcing the Estate's settlement agreements and judgments in order to maximize the Estate's recoveries;
- Preparing quarterly and annual reports; and
- Analyzing the effect of recent increases in the cost of insurance on certain of the Estate's policies and determining the appropriate response.

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 has completed the litigation against the licensees and other defendants. He is now engaged in collecting on the judgments against the licensees, including asserting the estate's claims in their bankruptcy proceedings. He also continues to respond to inquiries and suggestions from investors.

The primary work in this period related to (i) preparing the quarterly and annual reports to the Court and the investors; (ii) evaluating the effect of and responding to increases in the cost of insurance of certain of the Estate's policies and (iii) pursuing collection efforts on existing judgments and settlements. The Receiver has also objected to certain licensees' attempts to discharge the judgments against them in bankruptcy.

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) collection of judgments; (ii) resolution of new claims and/or litigation 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 first interim distribution was funded entirely from amounts collected. The remaining claims against licensees have been resolved by judgments in the Receiver's favor totaling \$6.1 million. Many of the judgment debtors have already entered into settlement agreements with the Receiver pursuant to which they have agreed to pay the estate over \$1.63 million. To the extent any of the

licensees against whom a judgment has been secured file an appeal or otherwise seek to adversely affect the estate's judgments, the Receiver will seek to preserve and enforce the estate's 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 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 managing the liquid assets on hand without exposing them to undue risk, 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.

The Receiver published a report for the year end 2016 and a reports for the first and second quarters of 2017.

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.

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 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). 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 (1,084 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 reports of July 28, 2010, April 30, 2011, December 31, 2011, May 31, 2013, May 31, 2014, May 31, 2015, December 31, 2015, June 17, 2016, September 30, 2016, April 19, 2017, and June, 2017; and the fee applications previously filed with the Court summarize the work of the Receiver and his counsel.

Preclusion of other employment. Dykema has not had to decline any representation solely because of its services in this case.

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 Dykema in this case 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 25% to 33% less than his usual and customary rate; and (ii) Dykema 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.

Dykema undertakes annual analyses of the markets in which it 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 Dykema 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 over \$35 million of estate assets administered by the Receiver, is very large. During the Receiver's six-plus years on the job, the Receiver has actively managed the estate's affairs and discharged his court-imposed duties. All told, the Receiver has brought nearly \$29.9² million into the estate over the course of the Receivership Action. He has filed a plan of distribution and distributed approximately \$11.0 million.

Time limitations. Time is of the essence in a receivership. This was 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.

² These recoveries include (i) \$1.25 million secreted by Retirement Value's principals into Special Acquisitions, Inc.; (ii) \$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) \$623,000 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) \$34,564 in recovered state franchise taxes; (ix) \$2,133,000 in approved settlements with licensees; (x) \$6,086,240 in judgments against licensees; (xi) \$5.5 million in approved settlements with the James Defendants; and (xii) \$1,257,000 in setoffs.

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 substantial discount off of the fees that Dykema would normally charge for the work performed during this time period.

Experience, reputation, and ability of the professionals. Dykema is one of Texas' premier law firms. Founded as Cox Smith Matthews Incorporated in San Antonio over 80 years ago and recently merged with Dykema Gossett, it employs over 400 attorneys with diverse experience, across 15 offices, in a myriad of practice areas. Dykema's experience spans all of the key Texas markets, with growing offices in San Antonio, Austin, Dallas, and McAllen, as well as offices across the nation in Michigan, Illinois, Minnesota, California and Washington, D.C. Dykema 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.

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,

By: /s/ Michael D. Napoli
Michael D. Napoli
State Bar No. 14803400

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MNapoli@dykema.com

**Counsel for Eduardo S. Espinosa,
Receiver**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been forwarded to all counsel of record listed below, through the electronic filing manager if that counsel's e-mail address is on file or via e-mail, if not, on this 1st day of December, 2017.

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COUNSEL FOR HCF INVESTOR INTERVENORS

EXHIBIT “A”

RETIREMENT VALUE, LLC
 EDUARDO S. ESPINOSA, RECEIVER
 COX SMITH MATTHEWS INCORPORATED
 1201 ELM STREET, SUITE 3300
 DALLAS, TX 75270

August 15, 2017
Invoice No.3148923

Legal Services Through 07/31/2017 in Connection With

COUNSEL FOR RECEIVER OF RETIREMENT VALUE, LLC

Matter 734617-000001

07/06/17	E. ESPINOSA	2.40	768.00	GO TO BBVA BANK AND DEAL WITH JULY PREMIUMS AND ACH ACCESS TO BBVA ACCOUNT, DEAL WITH AUTO CD RENEWAL (2.10); GO TO CHASE TO DEPOSIT ESTATE RECOVERIES (0.3)
07/07/17	E. ESPINOSA	0.20	64.00	CORRESPONDENCE WITH J.GARDNER (INVESTOR)
07/11/17	D. ANDREACCHI	0.40	76.02	RESPOND TO PHONE CALLS FROM INVESTORS; EMAIL A. WILLIAMS RE M. KETTLE CHECK CLEARANCE.
07/12/17	E. ESPINOSA	0.60	192.00	ATTEND TO A/P
07/12/17	M. NAPOLI	0.20	95.93	NO CHARGE - REVIEW/REVISE FEE APPLICATION
07/12/17	M. NAPOLI	0.10	47.97	REVIEW/REVISE PROFESSIONAL FEE APPLICATION
07/12/17	D. ANDREACCHI	2.10	399.11	PREPARE 30TH FEE APPLICATION, AFFIDAVIT AND EXHIBITS FOR RECEIVER AND RECEIVER'S COUNSEL AND DELIVER TO E. ESPINOSA AND M. NAPOLI FOR REVIEW AND COMMENT; FINALIZE APPLICATION AND FILE WITH THE COURT; PREPARE 23RD FEE APPLICATION AND EXHIBITS FOR PROFESSIONALS AND DELIVER TO E. ESPINOSA AND M. NAPOLI FOR REVIEW AND COMMENT; FINALIZE AND FILE WITH THE COURT.
07/14/17	E. ESPINOSA	0.60	192.00	TELEPHONE CONFERENCE WITH M. HAMMER

REMIT TO: DYKEMA COX SMITH
 112 East Pecan Street | Suite1800
 San Antonio, Tx 78205
 210.554.5500 tel | 210.226.8395 fax

DyKEMA COX SMITH

AUGUST 15, 2017
 INVOICE NO. 3148923
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07/19/17	E. ESPINOSA	0.10	32.00	ATTEND TO INQUIRY FROM B. CONNELL
07/21/17	D. ANDREACCHI	0.40	76.02	TELEPHONE CALLS WITH INVESTORS.
07/26/17	E. ESPINOSA	0.10	32.00	ATTEND TO M.LAROSE
07/26/17	D. ANDREACCHI	4.10	779.21	SCAN INVESTOR COMMUNICATIONS RE CHANGES OF ADDRESS, BENEFICIARY FORMS AND CHANGES OF OWNERSHIP AND UPLOAD; UPDATE MAILING LIST RE SAME; EMAIL A. WILLIAMS RE SAME.
07/27/17	E. ESPINOSA	0.20	64.00	CORRESPONDENCE WITH A. WILLIAMS AND D.ANDREACCHI REGARDING ZEISBERG'S REMITTANCE
07/27/17	D. ANDREACCHI	2.50	475.13	CONTINUE TO SCAN ADDRESS CHANGE FORMS, BENEFICIARY FORMS AND CHANGES OF OWNERSHIP FORMS RECEIVED FROM INVESTORS; CREATE FOLDERS AND ORGANIZE NETDOCS FOR INVESTOR COMMUNICATIONS.
07/28/17	D. ANDREACCHI	0.40	76.02	RESPOND TO INVESTOR PHONE CALLS.
07/31/17	E. ESPINOSA	1.40	448.00	TELEPHONE CONFERENCE WITH BBVA REGARDING ACH RIGHTS, ATTEND TO AUGUST PREMIUM TRANSFERS (1.2); CORRESPONDENCE WITH A. ARNOLD REGARDING BANK INSTRUCTIONS (0.2)
07/31/17	D. ANDREACCHI	1.00	190.05	RESPOND TO INVESTOR CALLS AND UPDATE MAILING LIST.

Total Hours 16.80

Total Fees \$ 4,007.46

AUGUST 15, 2017
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Professional Summary

Professional	Title	Hours Worked	Rate	Total Fees
E. ESPINOSA	Particip Member	5.60	320.00	1,792.00
M. NAPOLI	Particip Member	.30	479.67	143.90
D. ANDREACCHI	Paralegal	10.90	190.05	2,071.56
Total All Professionals		16.80	\$ 238.54	\$ 4,007.46

TOTAL THIS INVOICE

\$ 4,007.46

EXHIBIT “B”

RETIREMENT VALUE, LLC
EDUARDO S. ESPINOSA, RECEIVER
DYKEMA COX SMITH MATTHEWS INCORPORATED
1717 MAIN STREET, SUITE 4200
DALLAS, TX 75201

September 29, 2017
Invoice No.3156926

Legal Services Through 08/31/2017 in Connection With

COUNSEL FOR RECEIVER OF RETIREMENT VALUE, LLC

Matter 734617-000001

08/01/17	E. ESPINOSA	1.20	384.00	TELEPHONE CONFERENCE WITH R.MORELAND (0.5); TELEPHONE CONFERENCE WITH M. DAVIS (0.5); CORRESPONDENCE WITH A. ARNOLD REGARDING BANK DATA (0.2)
08/04/17	E. ESPINOSA	0.50	160.00	ATTEND TO HARNAS INQUIRY (0.3); ATTEND TO POE RELEASE (0.2)
08/04/17	M. NAPOLI	0.40	191.86	RESPOND TO INQUIRES FROM S. ACCARDO REGARDING INVESTOR HARNAS
08/07/17	E. ESPINOSA	0.60	192.00	CORRESPONDENCE WITH D. LEVIN AND J. THOMAS REGARDING PAYMENTS (0.2); CORRESPONDENCE WITH A.WILLIAMS REGARDING 2Q20174 CASHFLOW REPORTING AND TAXES (0.4)
08/08/17	E. ESPINOSA	0.40	128.00	ATTEND TO FINANCIAL REPORTING/ BANK STATEMENTS
08/08/17	D. ANDREACCHI	1.30	247.07	REVIEW AND RESPOND TO INVESTOR EMAILS AND PHONE CALLS; UPDATE INVESTOR RECORDS IN NETDOCS RE ADDRESS CHANGES, BENEFICIARY DESIGNATIONS, AND CHANGES IN OWNERSHIP.
08/09/17	E. ESPINOSA	0.20	64.00	T/C W/ M.KAYE (INVESTOR)
08/11/17	E. ESPINOSA	0.60	192.00	CORRESPONDENCE WITH C. COOKE REGARDING QVEST ASSIGNMENT

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DYKEMA COX SMITH

SEPTEMBER 29, 2017
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PAGE 2

08/11/17	D. ANDREACCHI	0.50	95.03	PREPARE DRAFT CERTIFICATES OF NO OBJECTION TO RECEIVER'S 30TH FEE APP AND 23RD FEE APP FOR PROFESSIONALS AND EMAIL TO E. ESPINOSA AND M. NAPOLI FOR REVIEW AND COMMENT.
08/14/17	D. ANDREACCHI	0.50	95.03	RESPOND TO INVESTOR CALLS.
08/15/17	E. ESPINOSA	0.70	224.00	TELEPHONE CONFERENCE WITH L. IVY (INVESTOR)
08/15/17	D. ANDREACCHI	0.50	95.03	RESPOND TO INVESTOR CALLS.
08/17/17	E. ESPINOSA	0.20	64.00	CORRESPONDENCE WITH C. COOKE REGARDING QVEST ASSIGNMENT
08/22/17	E. ESPINOSA	1.60	512.00	CORRESPONDENCE WITH B. STOCKER AND J. HENRY REGARDING COLLECTION EFFORTS (0.4); ATTEND TO INQUIRY FROM W. SCOTT NEIGHBORS (0.2); ATTEND TO A/P; CORRESPONDENCE WITH A. WILLIAMS REGARDING SAME (1.0)
08/28/17	E. ESPINOSA	0.70	224.00	ATTEND TO A/P AND CORRESPONDENCE WITH A.WILLIAMS REGARDING SAME (04); DEPOSIT A/R FROM POE AND CORRESPONDENCE WITH A.WILLIAMS REGARDING SAME (0.3)
08/28/17	D. ANDREACCHI	0.50	95.03	FINALIZE CERTIFICATES OF NO OBJECTION RE FEE APPLICATIONS, PREPARE FOR ELECTRONIC FILING AND FILE WITH THE COURT.
08/29/17	E. ESPINOSA	0.80	256.00	CORRESPONDENCE WITH A.WILLIAMS REGARDING Q2 CASH REPORTING (0.3); CORRESPONDENCE WITH J. THOMAS REGARDING A/R RECONCILIATION (0.2); CORRESPONDENCE WITH A. WILLIAMS REGARDING APRIL DEPOSIT (0.3)
08/30/17	E. ESPINOSA	0.60	192.00	ATTEND TO A/R RECONCILIATION DEPOSITS

EXHIBIT “C”

RETIREMENT VALUE, LLC
 EDUARDO S. ESPINOSA, RECEIVER
 DYKEMA COX SMITH MATTHEWS INCORPORATED
 1717 MAIN STREET, SUITE 4200
 DALLAS, TX 75201

October 17, 2017
Invoice No.3159895

Legal Services Through 09/30/2017 in Connection With

COUNSEL FOR RECEIVER OF RETIREMENT VALUE, LLC

Matter 734617-000001

09/06/17	E. ESPINOSA	0.30	96.00	TELEPHONE CONFERENCE WITH M. NASHERT REGARDING A/P (0.2); CORRESPONDENCE WITH R. CLARK (0.1)
09/06/17	D. ANDREACCHI	0.70	133.04	RECEIPT AND RESPOND TO INVESTOR PHONE CALLS.
09/10/17	E. ESPINOSA	1.40	448.00	REVIEW ASG'S CORRESPONDENCE REGARDING JSSRV0004 AND CORRESPONDENCE WITH A. ARNOLD REGARDING SAME (0.5); ATTEND TO SEPT PREMIUMS; CORRESPONDENCE WITH A. WILLIAMS (BKD) AND A. ARNOLD (ASG) REGARDING SAME (0.6); CORRESPONDENCE WITH M. NASHERT (ASG) REGARDING INV #2319 (0.3)
09/11/17	E. ESPINOSA	1.50	480.00	POST ACCOUNT CHANGES TO MASTER CLAIM SCHEDULE
09/18/17	E. ESPINOSA	0.30	96.00	TELEPHONE CONFERENCE WITH L.TAUCHERT
09/21/17	D. ANDREACCHI	0.40	76.02	TELEPHONE CALL WITH INVESTOR AND EMAIL CHANGE OF ADDRESS FORM RE SAME.
09/27/17	E. ESPINOSA	0.60	192.00	TELEPHONE CONFERENCE WITH J. ABREU REGARDING J. LAMBERT AND CORRESPONDENCE REGARDING SAME; TELEPHONE CONFERENCE WITH J. KISLING; CORRESPONDENCE TO A. WILLIAMS REGARDING SAME

Total Hours 5.20

REMIT TO: DYKEMA COX SMITH
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DyKEMA COX SMITH

OCTOBER 17, 2017
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Total Fees \$ 1,521.06

Professional Summary

Professional	Title	Hours Worked	Rate	Total Fees
E. ESPINOSA	Particip Member	4.10	320.00	1,312.00
D. ANDREACCHI	Paralegal	1.10	190.05	209.06
Total All Professionals		5.20	\$ 292.51	\$ 1,521.06

TOTAL THIS INVOICE \$ 1,521.06

EXHIBIT “D”

RETIREMENT VALUE, LLC
 EDUARDO S. ESPINOSA, RECEIVER
 DYKEMA COX SMITH MATTHEWS INCORPORATED
 1717 MAIN STREET, SUITE 4200
 DALLAS, TX 75201

November 09, 2017
Invoice No.3164086

Legal Services Through 10/31/2017 in Connection With

COUNSEL FOR RECEIVER OF RETIREMENT VALUE, LLC

Matter 734617-000001

10/02/17	E. ESPINOSA	0.50	160.00	CORRESPONDENCE WITH M. MARTIN (.2); A. WILLIAMS RE J. KISLING (.3).
10/10/17	E. ESPINOSA	0.80	256.00	ATTEND TO OCTOBER PREMIUMS (0.7); ATTEND TO A. WALKER (0.1)
10/11/17	A. KAUFMAN	0.20	75.12	REVIEW SETTLEMENT MOTION FILED IN SCHROEDER'S BANKRUPTCY CASE AND SEND TO E. ESPINOSA AND M. NAPOLI FOR UPDATE
10/11/17	D. ANDREACCHI	0.40	76.02	TELEPHONE CALLS WITH INVESTORS, UPDATE ADDRESS LIST AND EMAIL A. WILLIAMS RE ADDRESS CHANGE AND RE-ISSUE OF APRIL 2016 DISTRIBUTION CHECK FOR R. WALDROP.
10/12/17	E. ESPINOSA	0.40	128.00	TELEPHONE CONFERENCE WITH J. CHAMPION; CORRESPONDENCE WITH A. WILLIAMS REGARDING SAME
10/25/17	GREGORY K. JONES	0.30	135.75	NUMEROUS EMAILS REGARDING PAYMENT OF AMOUNTS UNDER JUDGMENT AND COLLECTION
10/26/17	E. ESPINOSA	0.70	224.00	TELEPHONE CONFERENCE WITH F.MAHONEY (0.1); TELEPHONE CONFERENCE WITH K.WHITE (OBO R.HANSON) (0.2); TELEPHONE CONFERENCE WITH D. MARCUM (INVESTOR) (0.4)
10/26/17	GREGORY K. JONES	0.20	90.50	CORRESPONDENCE TO AND FROM MR. THOMAS ON APPLICATION OF SETTLEMENT PAYMENTS

REMIT TO: DYKEMA COX SMITH
 112 East Pecan Street | Suite1800
 San Antonio, Tx 78205
 210.554.5500 tel | 210.226.8395 fax

DYKEMA COX SMITH

NOVEMBER 09, 2017
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10/27/17	E. ESPINOSA	0.50	160.00	CALL WITH F. MAHONEY (0.1); ATTEND TO RV PREMIUM WIRE AND BBVA (0.4)
10/27/17	GREGORY K. JONES	0.20	90.50	CORRESPONDENCE RELATING TO PAYMENTS DUE FROM MR. CHICK AND REVIEW RESPONSES
10/31/17	E. ESPINOSA	1.00	320.00	MEETING WITH T. MORAN REGARDING LIFE TRACKING (0.1); REVIEW Q2 CASHFLOWS AND CORRESPONDENCE WITH A. WILLIAMS REGARDING SAME (0.9)
10/31/17	D. ANDREACCHI	0.70	133.04	RECEIPT AND RESPOND TO INVESTOR PHONE CALL; EMAIL A. WILLIAMS RE CLEARANCE OF CHECKS AND UPDATE MAILING LIST.

Total Hours	5.90
Total Fees	\$ 1,848.93

Professional Summary

Professional	Title	Hours Worked	Rate	Total Fees
A. KAUFMAN	Particip Member	.20	375.60	75.12
E. ESPINOSA	Particip Member	3.90	320.00	1,248.00
D. ANDREACCHI	Paralegal	1.10	190.05	209.06
GREGORY K. JONES	Sr Counsel	.70	452.50	316.75
Total All Professionals		5.90	\$ 313.38	\$ 1,848.93

TOTAL THIS INVOICE \$ 1,848.93

EXHIBIT “E”

DYKEMA COX SMITH

RETIREMENT VALUE, LLC
EDUARDO S. ESPINOSA, RECEIVER
COX SMITH MATTHEWS INCORPORATED
1201 ELM STREET, SUITE 3300
DALLAS, TX 75270

July 17, 2017
Invoice No.3143333

Legal Services Through 06/30/2017 in Connection With

MICHAEL B. AHLERS BANKRUPTCY

Matter 734617-000004

06/12/17	D. ANDREACCHI	0.40	76.02	RECEIPT AND REVIEW OF ECF NOTICES AND UPDATE CASE CALENDAR AND DOCKET RE SAME
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Total Hours 0.40

Total Fees \$ 76.02

Professional Summary

Professional	Title	Hours Worked	Rate	Total Fees
D. ANDREACCHI	Paralegal	.40	190.05	76.02
Total All Professionals		.40	\$ 190.05	\$ 76.02

TOTAL THIS INVOICE \$ 76.02

REMIT TO: DYKEMA COX SMITH
112 East Pecan Street | Suite1800
San Antonio, Tx 78205
210.554.5500 tel | 210.226.8395 fax

California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.

dykema.com

PAYMENT DUE UPON RECEIPT | FEDERAL TAX ID # 38-1446628

EXHIBIT “F”

DYKEMA COX SMITH

RETIREMENT VALUE, LLC
EDUARDO S. ESPINOSA, RECEIVER
DYKEMA COX SMITH MATTHEWS INCORPORATED
1717 MAIN STREET, SUITE 4200
DALLAS, TX 75201

September 25, 2017
Invoice No.3155990

Legal Services Through 08/31/2017 in Connection With

MICHAEL B. AHLERS BANKRUPTCY

Matter 734617-000004

08/08/17	D. ANDREACCHI	0.20	38.01	UPDATE CASE CALENDAR RE RECENT COURT FILINGS AND MOTION TO DISMISS.
08/23/17	D. ANDREACCHI	0.40	76.02	RECEIPT AND REVIEW OF ECF NOTICES AND UPDATE CASE CALENDAR AND DOCKET RE SAME.
08/28/17	D. ANDREACCHI	0.20	38.01	RECEIPT AND REVIEW OF ECF NOTICE AND UPDATE CASE DOCKET RE SAME.
08/30/17	D. ANDREACCHI	0.20	38.01	RECEIPT AND REVIEW OF ECF NOTICE RE ORDER DISMISSING CASE AND UPDATE CASE DOCKET RE SAME.

Total Hours 1.00

Total Fees \$ 190.05

Professional Summary

Professional	Title	Hours Worked	Rate	Total Fees
D. ANDREACCHI	Paralegal	1.00	190.05	190.05
Total All Professionals		1.00	\$ 190.05	\$ 190.05

TOTAL THIS INVOICE \$ 190.05

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PAYMENT DUE UPON RECEIPT | FEDERAL TAX ID # 38-1446628

STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
	§	
Plaintiff,	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
RETIREMENT VALUE, LLC, et al,	§	
	§	
Defendants.	§	126 th 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 member of the law firm of Dykema Cox Smith (Dykema). 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 Thirty-First 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 Dykema to represent me in connection with my duties and responsibilities as Receiver and have utilized a number of its respective lawyers and paralegals to assist me therewith. I have not acted as my own counsel.

5. Attached to this Affidavit (i) as Exhibits A through D are copies of Dykema's invoices for July 2017 through October 2017; and (ii) as Exhibits E and F are copies of Dykema's invoices pertaining to the Michael Ahlers bankruptcy for July 2017, and August 2017, respectively (collectively, the "*DCS Invoices*"). The DCS Invoices detail the services performed, during the corresponding months, by: (a) me, as Receiver; and (b) Dykema as Receiver's counsel. At the end of each 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. As a general matter, the charge for the services provided by Dykema 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 25.67% from the usual and customary fees charged by Dykema. In this case, the billing rate of each timekeeper was discounted from the usual and customary rates charged by the firm.

The Receiver is charging \$320/hour, which represents a 33% discount from his usual and customary rate of \$495/hour. In addition, Dykema has discounted its rates for other timekeepers by 9.5%. In the aggregate the discounts and write-offs associated with this Application amount to \$3,872.38. The chart below summarizes the fees charged and the discounts applied.

Invoice Summary	
Services Rendered in:	Total
Fees Requested	
DCS	\$10,947.42
DCS- Ahlers Bankruptcy	\$266.07
Total	\$11,213.49
Receiver Incurred	\$10,545.00
Receiver Billed	\$7,104.00
Receiver adj	(\$3,441.00)
All other Tkpr Incurred	\$4,540.87
All other Tkpr Billed	\$4,109.49
(9.5%) adj.	(\$431.38)
Write-offs	
Total Adj	(\$3,872.38)

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. Dykema undertakes annual analyses 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 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 practices areas and similar experience. Accordingly, the rates charged by Dykema 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 \$7,104.00. The amount billed for my counsel's professional services during the period covered by this application is \$4,109.49. 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 this Fee Application are reasonable.

11. I have reviewed the DCS Invoices for services rendered during the periods covered by this Fee Application. 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.

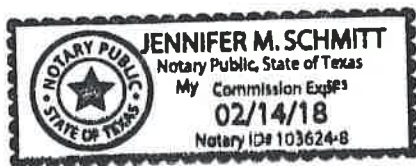
12. I engaged Lewis & Ellis to model the consolidated RV/HCF portfolio and advise the estate as to appropriate premium reserve levels and the portfolio's expected net cash at maturity. Their analysis was updated in connection with the most recent interim distributions. Lewis & Ellis determined that premium reserves of \$12,815,246 as of December 31, 2015 should suffice for 97.5% of the potential outcomes. After accounting for the interim distributions, the premiums paid since December 31, 2015, and the estate's collection of settlements and judgments; the estate maintains ample cash reserves from which to pay this Application.

FURTHER AFFIANT SAYETH NOT.



Eduardo S. Espinosa

SUBSCRIBED AND SWORN TO BEFORE ME this 1st day of December 2017.





Notary Public
My Commission Expires: