



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 during the month of October 2012. The Receiver has incurred fees of \$28,416.00 during the period covered by this Application. He has retained the legal services of

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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.

Cox, Smith and K&L Gates which have incurred fees for the months covered by this Application of \$47,520.46 and \$23,054.31, 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 17% 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 27% discount from his usual and customary Cox Smith rate of \$440/hour. In addition, each of Cox Smith and K&L Gates have discounted their rates by 9.5% and further discounted their bills by approximately \$1,678.56. In the aggregate the discounts and write-offs associated with this Application amount to \$19,742.96. Espinosa Affid at ¶7. The chart below summarizes the fees charged and the discounts applied.

<b>Invoice Summary</b>	
Services Rendered in:	November
Fees Requested	
CSM	\$ 75,936.46
KL.G Moss	\$ 3,488.32
KL.G E-data	<u>\$19,565.99</u>
<b>Total</b>	<b>\$98,990.77</b>
Receiver Incurred	\$39,072.00
Receiver Billed	\$28,416.00
Receiver adj	(\$10,656.00)
All other Tkpr Incurred	\$79,661.73
All other Tkpr Billed	\$70,574.77
(9.5%) adj.	(\$7,408.40)
Write-offs	<u>(\$1,678.56)</u>
<b>Total Adj</b>	<b>(\$19,742.96)</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 fulfilling the Plan of Distribution (including the initial distribution of \$5.5 million), 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:

- 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;
- Resolving the majority of disputes regarding investor claims;
- Respond to numerous inquiries and resolve various investor issues regarding the distribution and proof of claim processes;
- Responding to inquiries from self-regulatory agencies and federal, state, county and municipal taxing and law enforcement 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 including attending to settlements with Michael McDermott and Wendy Rogers;
- Coordinating and supervising the prosecution of third party claims with the estate's contingency fee counsel; and
- Defending the estate against claims asserted against it by Tracy Moss, Mike Beste, Ron James and various licensees;
- Working with the State towards resolution of its claims against Retirement Value and entry of an order directing restitution.

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 on two major initiatives. The first initiative is 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 second initiative is to resolve and collect upon the substantial claims that the estate has against various parties.

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 collapse the portfolio so that all claimants share in all of the assets of the estate and to 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

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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

plan, which 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 subsequently submitted by other parties. The Court adopted the Receiver's initial plan on July 20, 2012.

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 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.

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

The Receiver and his counsel are also working to collect on claims owed to the estate. The Receiver has filed suit against David and Elizabeth Gray (former owners of Retirement Value) to recover the substantial sums of money paid to them by Retirement Value. In addition, the Receiver engaged in negotiations with various other parties, including some licensees, towards the settlement of the estate's claims against them and made demand upon the various licensees who sold investments in the RSLIP. George Brothers Kincaid & Horton, L.L.P. ("GBKH"), on behalf of the Receivership, has filed suit against licensees and others to collect amounts owed to the estate.

Because of the expense and risk inherent in litigation, the Receiver is taking a deliberate approach towards the claims of the estate. Generally, the Receiver attempted to engage in negotiations with those against whom the estate had claims, rather than immediately filing suit.

Moreover, the Receiver concentrated his initial efforts on claims that were either the most likely to succeed or which provide for the largest potential recovery, including engaging in mediation with certain parties. 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 decided to retain contingency fee counsel to prosecute claims against the licensees and other parties.

The Receiver retained, on a contingency fee basis, GBKH to prosecute claims against the licensees.<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 \$1,188,116 in negotiated settlements with third party licensees who participated in the sale of the RSLIP as well as a \$200,000 settlement with Wendy Rogers. 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. Lewis & Ellis determined premium reserves of \$17,414,248 should suffice for 97.5% of the potential outcomes. After accounting for the Initial Distribution and the premiums paid since August 31, 2012; the estate maintains ample cash reserves from which to pay this Application.

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<sup>3</sup> The Receiver will pay reimbursable expenses up to \$50,000 out of pocket and any additional expenses will be paid out of any recovery from the licensees.

## **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 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 outsourced to contingency fee counsel. Cox Smith will continue to have a role in these matters. The Receiver is the plaintiff in these claims and the firm will assist him in supervising the contingency fee lawyers. In addition, Cox Smith lawyers continue to assist the contingency fee lawyers in developing the case.

The resolution of claims against the estate was largely resolved by the adoption of the plan of distribution, though determination of the claims held by various persons against the estate are still pending. Receiver received 44 proofs of claim (38 from investors and 6 from other claimants) disputing scheduled claim amounts or characterization. Of those, fewer than nine disputes with investors remain unresolved. Resolution of these issues will require further litigation before the court.

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 Receiver has started the proof of claim process, established the claimants' proportionate interests in the estate's assets and made the initial distribution. The Receiver has now turned his attention to addressing investor inquiries and addressing ministerial issues to ensure that the estate is ready to execute the next distribution.

### **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 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

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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.

<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.

properly administer the estate requires a high degree of skill and diligenc. 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 Reports of June 2010; the subsequent reports of April 2011 and December 2011; and the fee applications previously filed with the Court summarizes 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. PRAC. & REM. CODE § 38.003. The fees charged by Cox Smith and K&L 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 27% 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 § 38.004.

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 30 months on the job, the Receiver has actively managed the affairs of the Alleged Debtor and discharged his State-Court imposed duties. All told, the Receiver has brought nearly \$17 million into the estate over the course of the Receivership Action.<sup>6</sup> He has filed a plan of distributions with an expected return to the investors of 100% of their investment, and made an initial distribution of approximately \$5.5 million.

*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 17% off of the fees

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<sup>6</sup> These recoveries include (i) \$1.25 million secreted by the principals of the Alleged Debtor 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) \$600,000 in assets from a settlement with Dick and Catherine Gray; (vi) \$200,000 in assets from a settlement with Wendy Rogers; (vii) \$10,117,534 collected from Pacific Life on the PL1140 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) \$1,188,000 in approved settlements with licenses.

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 41 offices located on four 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 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.

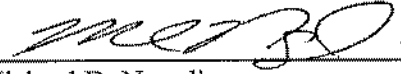
The fees requested in this application are 12% less than the average monthly fees in all preceding fee applications. The Receiver anticipates that his fees and the fees of his counsel will fluctuate over the coming months but continue to trend downward. The amount of fees incurred will depend primarily 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,

By:   
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above pleading has been served on the following counsel on this the 13<sup>th</sup> day of December 2012 as indicated below:

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<p><i>Via electronic service</i>  Todd A. Marquardt  MARQUARDT LAW FIRM  11919 Jones Maltsberger  San Antonio, Texas 78216  (210) 320-8800  (210) 247-9396 fax  todd@marquardtlawfirm.com  COUNSEL FOR THIRD PARTY DEFENDANT JAMES STRIZAK</p>	<p><i>Via electronic service</i>  James Craig Orr, Jr.  HEYGOOD, ORR &amp; PEARSON  2331 W. Northwest Highway, 2<sup>nd</sup> Floor  Dallas, Texas 75220  (214) 237-9001  (214) 237-9002 fax  jim@hop-law.com  COUNSEL FOR THIRD PARTY DEFENDANTS JAMES CRAIG  ORR, JERRY NEAL ORR AND JOHN REAGAN</p>
<p><i>Via electronic service</i>  Noreen Cabrera  BAUGH DALTON CARLSTON &amp; RYAN, LLC  717 North Harwood Street, Suite 2400  Dallas, Texas 75201  (214) 382-2562  (214) 382-2561 fax  ncabrera@baughdaltonlaw.com  COUNSEL FOR THIRD PARTY DEFENDANT TONY ADKISON</p>	<p><i>Via electronic service</i>  Jason W. Snell  Kimberly D. Culver  Cori R. Conner  THE SNELL LAW FIRM, PLLC  818 W. 10<sup>th</sup> Street  Austin, Texas 78701  (512) 477-5291  (512) 477-5294 fax  jsnell@snellfirm.com  COUNSEL FOR THIRD PARTY DEFENDANT SUSAN R. BLACK</p>

<p><i>Via electronic service</i>  Barry A. Chasnoff  Clayton Matheson  AKIN GUMP STRAUSS HAUER &amp; FELD LLP  300 Convent Street, Suite 1500  San Antonio, Texas 78205  (210) 281-7000  (210) 224-2035 fax  bchasnofi@akingump.com  cmatheson@akingump.com  <b>ATTORNEYS FOR SOCIETY AND CORPORATION OF LLOYD'S</b></p>	<p><i>Via electronic service</i>  Scott F. DeShazo  Thomas A. Nesbitt  Rachel L. Noffke  DeSHAZO &amp; NESBITT, L.L.P.  809 West Avenue  Austin, Texas 78701  (512) 617-5560  (512) 617-5563 fax  sdeshazo@deshazonesbitt.com  tnesbitt@deshazonesbitt.com  rnoffke@deshazonesbitt.com  <b>ATTORNEYS FOR GIST INTERVENORS</b></p>
<p><i>Via electronic service</i>  Daniel R. Richards  Tonia L. Lucio  Clark Richards  RICHARDS RODRIGUEZ &amp; SKEITH, LLP  816 Congress Avenue, Suite 1200  Austin, Texas 78701  (512) 476-0005  (512) 476-1513 fax  drichards@rrsfirm.com  tlucio@rrsfirm.com  crichards@rrsfirm.com  <b>ATTORNEYS FOR BAKER INTERVENORS</b></p>	<p><i>Via E-Mail (Electronic Service)</i>  Jeff Mejia  2609 Gabrianna Court  Columbia, Missouri 65203  (913) 208-4884  jeffjmejia@yahoo.com  <b>PRO SE THIRD PARTY DEFENDANT</b></p>
<p><i>Via E-Mail (Electronic Service)</i>  Merritt N. Spencer  STRASBURGER &amp; PRICE, LLP  720 Brazos Street, Suite 700  Austin, Texas 78701-2974  (512) 499-3600  (512) 499-3660 fax  merritt.spencer@strasburger.com  <b>ATTORNEYS FOR THIRD PARTY DEFENDANT SEARLE</b></p>	
<p><i>Via U.S. Mail CMRRR</i>  David and Elizabeth Gray  4559 E. 107<sup>th</sup> Street  Tulsa, Oklahoma 74137  (301) 512-4131  esogray72@gmail.com  <b>PRO SE THIRD PARTY DEFENDANT</b></p>	<p><i>Via U.S. Mail CMRRR</i>  Richard H. Gray  Catherine Gray  301 Main Plaza, #349  New Braunfels, Texas 78130  (210) 392-3550  legalfoodfight@yahoo.com  <b>PRO SE DEFENDANTS</b></p>
<p><i>Via U.S. Mail CMRRR</i>  Joseph Dounantuoni  15215 Berry Trail, #912  Dallas, Texas 75248  Joeytd11@yahoo.com  <b>PRO SE THIRD PARTY DEFENDANT</b></p>	<p><i>Via U.S. Mail CMRRR</i>  Gary J. Lenahan  228 Crawford Street  Beckley, West Virginia 25801  <b>PRO SE THIRD PARTY DEFENDANT</b></p>

<p><i>Via U.S. Mail CMRRR</i>          Andrea S. Loveless          LOVELESS LAW FIRM, LLP          23121 Verdugo Drive, Suite 102          Laguna Hills, California 92653          (949) 679-4690          (949) 679-4696 fax  <a href="mailto:andrea@lovelesslawfirm.com">andrea@lovelesslawfirm.com</a>  <b>COUNSEL FOR THIRD PARTY DEFENDANT THOMAS MEAGLIA</b></p>	<p><i>Via U.S. Mail CMRRR</i>          Henry J. Ackels          ACKELS &amp; ACKELS, LLP          3030 LBJ Freeway, Suite 1550          Dallas, Texas 75234          (214) 267-8600          (214) 267-8605 fax  <a href="mailto:henry@ackelslaw.com">henry@ackelslaw.com</a>  <b>COUNSEL FOR THIRD PARTY DEFENDANTS          MILKIE/FERGUSON INVESTMENTS, MILKIE AND AIZEN</b></p>
<p><i>Via U.S. Mail CMRRR</i>          Gary H. Oliver          1899 CR 3265          Mount Pleasant, Texas 75455  <a href="mailto:goliver@goproxy.com">goliver@goproxy.com</a>          (903) 717-1546  <b>PRO SE THIRD PARTY DEFENDANT</b></p>	<p><i>Via U.S. Mail CMRRR</i>          Merit Bennett          THE BENNETT FIRM          460 St. Michael's Drive, Suite 703          Santa Fe, New Mexico 87505          (505) 983-9834  <a href="mailto:mb@thebennettfirm.us">mb@thebennettfirm.us</a>  <b>COUNSEL FOR THIRD PARTY DEFENDANT MIKE          BESTE</b></p>
<p><i>Via E-Mail (Electronic service)</i>          Sam L. Hensley          P.O. Box 155          2415 Hwy 16 N.          Bandera, Texas 78003          (830) 796-8247  <a href="mailto:sam.hensley@sbglobal.net">sam.hensley@sbglobal.net</a>  <b>PRO SE THIRD PARTY DEFENDANT</b></p>	<p><i>Via U.S. Mail CMRRR and U.S. Mail</i>          Andrew D'Agostino          Harvest Planning, LLC          41 Brook Street          West Sayville, New York 11796  <b>PRO SE THIRD PARTY DEFENDANT</b></p>
<p><i>Via U.S. Mail CMRRR</i>          Billie A. Wells          2489 Jane Addams          Schertz, Texas 78154          (210) 659-7288  <a href="mailto:Ambawl2@hotmail.com">Ambawl2@hotmail.com</a>  <b>INTERVENOR</b></p>	<p><i>Via U.S. Mail CMRRR</i>          Byron Tyghe Williams          P.O. Box 88          Mentor, Ohio 44061-0088          (440) 209-9977  <b>PRO SE</b></p>
<p><i>Via U.S. Mail CMRRR</i>          Scott Barnard          Valerie Barnard          18866 Stone Oak Parkway, Suite 103-63          San Antonio, Texas 78258  <a href="mailto:Scottbarnard37@yahoo.com">Scottbarnard37@yahoo.com</a>  <b>PRO SE</b></p>	<p><i>Via U.S. Mail CMRRR</i>          Katie Hensley          160 Stephen Court          Kyle, Texas 78640          (512) 268-0182  <a href="mailto:Kjhensley2010@gmail.com">Kjhensley2010@gmail.com</a>  <b>PRO SE</b></p>



Michael D. Napoli

**EXHIBIT "1"**



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 Fifteenth Application for Fees by the Receiver and Receiver's Counsel (the "Application").

4. Pursuant to the Court's Order of May 5, 2010 and the Agreed Temporary Injunction Order of May 28, 2010 (the "Agreed TI"), I have employed professionals necessary "for an efficient and accurate administration of the receivership estate." To this goal, I have retained the law 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 Exhibit A is a copy of Cox Smith's invoice 393411 (the "CSM Invoice"). The CSM Invoice details the services performed, during the month of November 2012, 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 B and C are copies of K&L Gates' invoices 2677048 and 2689738 respectively (the "K&L Invoices" and collectively with the CSM Invoice, the "Invoices"). The K&L Invoices detail the services performed by K&L Gates as Receiver's counsel on: (i) the Moss matter during August through October 2012; and (ii) e-data services during November 2012. At the end of each 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.

7. 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 17% 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 27% discount from his usual and customary Cox Smith rate of \$440/hour. In addition, each of Cox Smith and K&L Gates have discounted their rates by 9.5%. An incidental benefit of the transition Gates to Cox Smith is that Mr. Napoli's discounted hourly rate was reduced from \$498 to 448. In addition to the reduced rates and 9.5% discounts, each firm further discounted their bills by approximately \$1,678.56. In the aggregate the discounts and write-offs associated with this Application amount to \$19,742.96. The chart below summarizes the fees charged and the discounts applied.

<b>Invoice Summary</b>	
Services Rendered in:	November
Fees Requested	
CSM	\$ 75,936.46
KLG Moss	\$ 3,488.32
KLG E-data	<u>\$19,565.99</u>
<b>Total</b>	<b>\$98,990.77</b>
Receiver Incurred	\$39,072.00
Receiver Billed	\$28,416.00
Receiver adj	(\$10,656.00)
All other Tkpr Incurred	\$79,661.73
All other Tkpr Billed	\$70,574.77
(9.5%) adj.	(\$7,408.40)
Write-offs	<u>(\$1,678.56)</u>
<b>Total Adj</b>	<b>(\$19,742.96)</b>

8. 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.

9. 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 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 Cox Smith and K&L Gates in this matter are well within the norm for firms of their type in Texas.

10. 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.

11. The amount billed for my services during the period covered by this application is \$28,416.00. The amount billed for my counsel's professional services during the period covered



by this application is \$70,574.77. 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 #15 are reasonable.

12. I have reviewed Cox Smith's invoices for services rendered during November 2012. 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.

13. I have reviewed K&L Gates' invoices for services rendered during the periods covered by Fee Application #15. 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.

14. The fees requested in this application are 12% 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.

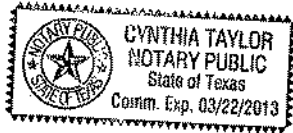
15. I engaged Lewis & Ellis to model the consolidated RV/HCF portfolio and advise the estate as to appropriate premium reserve levels and the portfolio's expected net cash at maturity. Lewis & Ellis determined that premium reserves of \$17,414,248 should suffice for 97.5% of the potential outcomes. After accounting for the Initial Distribution and the premiums paid since August 2012, the estate maintains ample cash reserves from which to pay this Application.

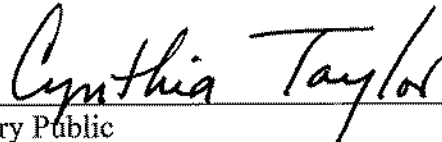
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FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
Eduardo S. Espinosa

SUBSCRIBED AND SWORN TO BEFORE ME this 13<sup>th</sup> day of December 2012.



  
\_\_\_\_\_  
Notary Public  
My Commission Expires:

**EXHIBIT "A"**

# COX | SMITH

ATTORNEYS

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

December 13, 2012  
Invoice No. 393411

Legal Services Through 11/30/2012 in Connection With

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

**Matter 034617.000001**

11/01/12	E. Espinosa	4.30	1,376.00	Telephone conference with various investors (0.4); telephone conference with J. McConnell (0.1); attend to returned mail issues (0.2); address Mr. Thomas' IRA with M. Villegas (0.6); address J. Schneider's checks with BKD to G. Holman (0.5); telephone conference with A. Jacob (IRS) and M. Napoli (0.4); conference with G. Holman regarding address update status (0.4); attend to deposition request for Moss (0.2); attend to production matters (0.3); update call logs (0.2); conference with M. Napoli regarding IRS request (0.2); attend to motion to deny certain proof of claims (0.3); respond to D. Coogan (0.5).
11/01/12	M. Napoli	5.60	2,508.80	Attend to investor inquiries (1.0); prepare motion to deny certain claims (3.0); teleconference with J. Thomas and E. Espinosa (0.4); e-mail correspondence with J. McConnell and R. Sanchez regarding production (0.2); e-mail correspondence with J. Thomas and J. McConnell regarding orders from October 24 hearing (0.2); teleconference with J. Avery (IRS) (0.3); e-mail correspondence with F. Causland regarding Moss litigation (0.5).

REMIT TO: COX SMITH MATTHEWS INCORPORATED  
112 East Pecan Street | Suite 1800  
San Antonio, TX 78205  
210.554.5500 tel | 210.226.6395 fax  
coxsmith.com

AUSTIN      DALLAS      EL PASO      MCALLEN      SAN ANTONIO

PAYMENT DUE UPON RECEIPT | FEDERAL TAX ID # 74-1676899

# COX | SMITH

December 13, 2012  
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11/01/12	G. Holman	4.50	712.71	Update contact spreadsheet with new contact information for claimant B. Stile (.1); email exchange and communication with BKD account regarding same (.1); research and insert information into Espinosa Affidavit in support of Motion to Deny Certain Claims (1.3); review multiple e-mail exchange regarding tasks for upcoming document production (.2); assist with forwarding resolution e-mail to claimant D. Thomas' representative regarding re-issuance of distribution check (NO CHARGE .1); telephone conference with J.R. Schneider regarding corrections to check and tax questions (.2); update communication log to reflect same (.1); prepare status e-mail to receiver and BKD accountant regarding same (.1); telephone conference with Larry Anderson regarding contact information for mother, claimant Betty Anderson (.3); update log to reflect communication (.1); prepare status e-mail to team regarding same (.1); assemble exhibits for the Motion to Deny Investor Proofs of Claims (1.1); review amended Deposition Notice of Richard Gray and docket same (NO CHARGE .1); review e-mail correspondence from Receiver regarding investor communications and update communications log to reflect same (.1); email exchange with David Gray referring him to contact Receiver regarding non-existence of living trust due to death of trustee (.1); assist with responding to M Villegas' inquiry regarding status of Danny Thomas' claim (.1); telephone conference with G. Neubauer regarding questions in connection with Mortenson's letter and general cast status inquiries (.3); update communication log to reflect same(.1); confirm address change for the Meijerinks (.1)
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11/02/12	E. Espinosa	6.40	2,048.00	<p>Telephone conference with investors (C. Warner o/b/o C. Noble, C. Koonz, O. Medlin) (1.3); telephone conference with C. Underwood of BKD regarding J. Schneider and transitioning (0.8); conference with J. Thomas regarding James research AXA804 and WPL982 (0.3); attend to address change (0.2); confer with M. Napoli and G. Holman regarding D. Coogan (0.1); meeting with C. Tapai regarding Chase (1.0); attend to motion to deny certain claims (0.3); address D. Jones in-kind IRA distribution and conference with BKD (0.7); update QuickBooks and discuss same with C. Underwood (0.4); release additional checks for re-issue and accounts payable to BKD and update log as to same (0.8); conference with G. Holman regarding administrative matters (0.2); correspond with O. Medlin (0.1); correspond with R. Kipp of BKD (0.2).</p>
11/02/12	M. Napoli	4.80	2,150.40	<p>E-mail correspondence with J. Thomas (0.1); prepare motion to deny certain claims (1.5); work on supplemental production per court order (0.5); analysis of documents regarding policy origination and suits against JSS to rescind policies sold by JSS (2.5); e-mail correspondence with M. Nielsen regarding investor inquiries (0.1); review changes to orders from October 24 hearing (0.1).</p>

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11/02/12	G. Holman	6.60	1,045.31	Finalize assembling and redacting confidential information in exhibits for the Motion to Deny Investor Proofs of Claims (4.2); insert cites into Motion to Deny Investor Proofs of Claims and E. Espinosa's Affidavit (1.3); e-mail exchange with BKD accountant regarding updates to contact spreadsheet (.1); e-mail exchange with investor D. Coogan regarding distribution inquiries (.1); review instructions to BKD accountant regarding revisions to investor D. Edwin, S. Berke, and D. Jones' accounts (.1); assist with responding to Doc Coogan's e-mail inquiry regarding life expectancy (.1); telephone conference with M. Seegerman regarding questions in connection with Mortenson's letter and general case status inquiries (.2); update communication log to reflect same (.1).
11/05/12	E. Espinosa	5.50	1,760.00	Telephone conference with C. Rose; N. Lewis and correspond with B. Rose regarding HCF consolidation (0.2); correspond with R. Kipp; telephone conference with BKD regarding staffing issues (1.3); conclude analysis of AXA804 and WPL982 and draft e-mail to J. Thomas regarding same (0.8); conference with G. Holman regarding administrative issue (0.3); conference with J. Thomas and M. Napoli (0.5); attend to various regulatory production (0.2); attend to HCF consolidation (0.2); address check issues with BKD (0.4); conference with J. McConnell regarding settlements (0.3); update issue log and release check run to BKD (0.6); release accounts payable run to BKD (0.4); draft response to T. Borok (0.3).
11/05/12	M. Napoli	5.10	2,284.80	E-mail correspondence with J. Avery (IRS) (0.1); respond to information requests by FINRA (5.0).

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11/05/12	G. Holman	2.60	411.79	<p>Attention to multiple discovery Responses to Wells Fargo from Fellowship Financial, M. Eastman, Gallagher Financial Group, Neil Gallagher, B. Cervenka, D. Shields, Global One Direct, M. Lopez, M. Castellano, R. Coleman, and S. Feeken for purposes of calculating and docketing response deadlines (NO CHARGE .4); review contact spreadsheet to confirm updates at request of Receiver and save as new version (.7); review correspondence from J.R. Schneider regarding correction of check (.1); confirm changes with Receiver and BKD accountant (.1); review correspondence from O. Medlin returning check to prompt reissuance of new check (.1); forward re-issued check to investor B. Beach (.1); review Receiver's e-mail correspondence with BKD accountant regarding updates to investor E. Conrad's distribution check and instructions for cutting new checks for certain investors: ASG, Lewis &amp; Ellis, and BKD (NO CHARGE .1); e-mail exchange with Doug Berke regarding status of receiving reissued check (.1); telephone conference with L. Robbins, M. Alcedo, K. Kozuh, B. Long, J. Carr, P. Koehler, and C. Buchanan regarding questions in connection with Mortenson's letter and general case status inquiries (1.5); update communication log to reflect same (.1).</p>
11/06/12	E. Espinosa	4.40	1,408.00	<p>Telephone conference with J. Pfuchaupt o/b/o C. Williams; A. Riess (0.5); correspond with BKD regarding check run and address questions regarding same (0.7); confer with G. Holman regarding open items (0.3); address T. Brown's inquiry (0.2); revise accounts payable run, reconcile with instructions {QA/QC and transmit accordingly and update issue log (1.8); conference with M. Napoli regarding settlement of licensee claims (0.4); correspond with GBKH regarding same (0.4); correspond with D. Berke (investor) (0.4).</p>



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11/06/12	M. Napoli	4.10	1,836.80	Prepare correspondence to C. Stanland of FINRA regarding investigation of RV (3.0); conference with E. Espinosa regarding settlement of licensee claims (0.4); e-mail correspondence with J. Thomas and J. McConnell regarding settlement strategy (0.3); respond to T. Brown proposal to settle proof of claim (0.4).
11/06/12	G. Holman	1.20	190.06	Assist with responding to T. Borok's fax correspondence regarding initial distribution (.1); review T. Brown's e-mail inquiry regarding Motion Denying Claim and forward to Receiver for response (NO CHARGE .1); e-mail exchange with Evangelina Ayala regarding removal of Humberto Zarate's name from distribution check (.1); e-mail exchange with C. Chitsey regarding address change (.1); update records to reflect same (.1); e-mail exchange with A. Ernest on behalf of D. Coogan regarding changing payee's name on future distribution checks (.2); re-mail distribution check to Marc Burcham at correct address (.2); update mail merge to reflect correct address for C. Koonce (.1); re-mail distribution check to correct address (.2); follow-up with BKD accountant regarding status of re-issuing check of Berke (.1).
11/07/12	E. Espinosa	0.90	288.00	Telephone conference with J. Herald (0.3); telephone conference with T. Dunn (1st Financial) (0.1); correspond with P. Maule of ASG (0.1); confer with G. Holman regarding O. Medlin (0.1); correspond with M. Hadaway regarding K&L billing (0.1); update log entries (0.2).

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11/07/12	M. Napoli	1.70	761.60	E-mail correspondence with J. Avery (IRS) (0.1); e-mail correspondence with M. Goodfriend and R. Sanchez regarding data searches (0.2); respond to J. McConnell inquiry regarding documents responsive to discovery requests (0.8); review notice from Beebe bankruptcy (0.1); e-mail correspondence with J. Hohengarten (0.1); review privilege log (0.4).
11/07/12	G. Holman	6.60	1,045.31	Update communications log to reflect Receiver's communication with C. Warner, C. Koonce, O. Medlin, J.P. Schneider, C. Rose, J. Pflughart, A. Riess, T. Borok, and J. Herald (.2); update investor file of O. Medlin correcting investment allotments (.1); telephone conference with T. Thompson and T. Lebelts regarding explanation of J. Mortenson correspondence (.5); return phone call to unidentified investor regarding status of case (.1); review fax correspondence from deceased investor's R. Buchanan's executor requesting that future distributions be made payable to beneficiaries (.1); meeting with Receiver to discuss same (.2); update Buchanan file with requested information (.1); identify documents for production in response to FINRA requests (5.3)
11/08/12	E. Espinosa	3.80	1,216.00	Telephone conference with M. George regarding Bashour Trust (0.2); telephone conference with P. MacSwain regarding M. McNulty (0.2); telephone conference with T. Perucca (0.1); address investor calls with G. Holman and K. Johnston (0.3); review Beebe bankruptcy scheduling order and confer with GBKH regarding same (0.2); address request for production (1.4); correspond with BKD regarding A. Perucca (0.2); review correspondence regarding E. Osborn Revocable Trust (0.3); confer with J. McConnell regarding recoveries to-date (0.6); correspond with BKD regarding cash flow statement (0.3).

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11/08/12	M. Napoli	2.30	1,030.40	Telephone conference with J. Thomas (0.4); telephone conference with J. Thomas (0.4); telephone conference with J. Chambers (0.1); revise letter to C. Stanland (FINRA) (0.5); respond to J. McConnell inquiries regarding discovery responses (0.4); e-mail correspondence with J. McConnell regarding e-mail searches (0.2); e-mail correspondence with M. Goodfriend (0.1); e-mail correspondence with J. Avery (IRS) and C. Smith (DOJ) (0.2).
11/08/12	G. Holman	4.20	665.20	E-mail exchange with litigation support regarding finalizing CDs for upcoming production (.3); documents for production in response to FINRA requests (2.1); assist E. Gamett with updating address information for R. Villarreal and V. Keeling (.1); telephone conference with V. Keeling to confirm same (.1); telephone conference with L. Olson regarding health of mother B. Anderson and request to mail distribution checks to different address due to stay in nursing home (.2); update records to reflect new address (.1); telephone conference with BKD accountant regarding same (.1); attention to discovery requests served on multiple parties for purposes of calculating and docketing response deadlines (.2); telephone conference with R. Buchanan and D. Lemon regarding general case status inquiries (.3); update communication log to reflect same (.1); review e-mail correspondence correcting customer profile information of Perucca and confirm same in records (.2); review Order regarding Licensees' Motion to Compel and Order regarding Third Party's Motion to Compel for purposes of determining potential necessary actions and/or docketing (.2); forward distribution check to J. Chambers (.2).

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11/09/12	E. Espinosa	0.40	128.00	Correspond with GBKH regarding requests for production (0.1); correspond with BKD regarding set-off accounting and cash flow report (0.2); confer with F. Cousland regarding deposition (0.1).
11/09/12	M. Napoli	0.80	358.40	Telephone conference with J. Thomas (0.8).
11/09/12	G. Holman	1.60	253.41	Review and analyze fax correspondence from investor T. Borok (.1); forward response to T. Borok at request of Receiver (NO CHARGE .1); respond to investor inquiries sent through receivership webmail (.2); follow-up with BKD accountant regarding re-issuance of investor D. Berke's distribution check and updating contact information for investor C. Koonce (.1); coordinate delivery of same (.2); prepare e-mail response to T. Brown regarding denial of claim (.1); coordinate mailing of returned check belonging to investor, M. Burham (.2); e-mail exchange with financial advisor, A Ernst, regarding procedure for obtaining new custodian for investor, D. Coogan (.2); telephone conference with W. Kroeck and R. Douglas regarding general case status inquiries (.4); update communication log to reflect same (.1); attention to discovery requests served on multiple parties for purposes of calculating and docketing response deadlines (NO CHARGE .3); review e-mail correspondence from litigation support team regarding bates number for next production (NO CHARGE .1); multiple e-mail exchange with production team and assist with creating synched document production logs (NO CHARGE .9).

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11/12/12	E. Espinosa	6.70	2,144.00	<p>Telephone conference with H. Scoggins regarding Roth distribution (0.2); telephone conference with Lee Craig regarding Beck Revocable Trust (0.2); telephone conference with S. Stewart regarding T. Rose and C. Rose IRA (0.3); confer with BKD and GBKH regarding response to requests for production (0.5); correspond with GBKH regarding requests for production (0.3); confer with A. Williams regarding HCF set-offs and cap on set-offs (0.4); draft and transmit confirming e-mails (0.3); review data regarding R. Jones and D. Jones (0.1); confer with G. Holman regarding J. Buchanan (0.2); draft e-mails to BKD regarding Buchanan, Severson and Osborn (1.5); correspond with J. Lee of Lewis &amp; Ellis (0.1); correspond with J. W. Weaver, Jr. (1.3); provided J. Ramsey with updated pending check log (0.2); attend to discovery responses (1.1).</p>
11/12/12	M. Napoli	3.20	1,433.60	<p>Respond to inquiry from J. McConnell regarding policy participation agreements and investors (1.5); e-mail correspondence with J. McConnell and J. Thomas (0.3); prepare notice of hearing (0.1); prepare supplemental certificate of service (0.1); respond to J. McConnell request for Gray e-mails (0.5); e-mail correspondence with J. Hohengarten regarding state's case v. RV (0.4); e-mail correspondence and confer with G. Holman regarding coordination of document production (NO CHARGE 0.2); respond to investor inquiry (0.3).</p>

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11/12/12	G. Holman	4.70	744.39	<p>Telephone conference with C. Buchanan regarding transferring claim into names of him and his siblings (.3); meeting with Receiver to discuss same (.2); telephone calls to K. Dealey and A. Buchanan confirming mailing address for future distribution checks (.3); telephone conference with L. Craig, C. Bello, J. Martin, and M. Krueger regarding questions in connection with Mortenson's letter and case status inquiries (.6); update communication log to reflect same (.1); review production spreadsheet provided by GBKH and compare to records to confirm accuracy of same (1.2); review multiple e-mail exchanges with A. Brown and production team regarding findings (.3); follow-up e-mail to M. Napoli regarding status of mailing Motion to Deny to investors with proofs of claim pursuant to conversation with C. Bello (.1); review Receiver's e-mail correspondence regarding steps necessary to cancel Beck Revocable Trust (NO CHARGE .1); update records and communications log to reflect same.</p>
11/13/12	E. Espinosa	4.20	1,344.00	<p>Correspond with J. Ramsey at BKD regarding J. Buchanan, operating account and L. Severson (0.5); telephopone conference with J. Thomas (0.6); update call log (0.2); telephone conference with investors (D. Pitt C. Espinosa, A. Knowles and R. Johnson) (1.1); correspond with K&amp;L regarding invoicing (0.2); research D. Pitt's file to correspond regarding same with D. Pitt and I. Antongiorgi (0.5); attend to October bank statement (0.1); correspond with BKD regarding M. McNulty (0.2); correspond with I. Antongiorgi (0.1); confer with G. Holman regarding J. Martin and research James A. Martin vs. James S. Martin (0.7).</p>

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11/13/12	M. Napoli	4.40	1,971.20	Review documents regarding origination and first sale of portfolio policies (1.5); research and correspondence regarding necessity of findings of fraud against RV (2.5); e-mail correspondence with G. Holman and M. Davis regarding gathering e-mails for production (0.2); e-mail correspondence regarding finalizing McDermott settlement (0.2).
11/13/12	G. Holman	2.70	427.63	Telephone conference with L. Davis regarding questions in connection with Mortenson's letter (.2); e-mail exchange with C. Bello to confirm receipt of Motion Denying Claim by husband's signature on green card (.1); e-mail exchange with L. Otto regarding fear that check has been lost in the mail (.2); follow-up with Receiver to confirm status of same (.1); review e-mail correspondence regarding transfer of Michael McNulty claim to Charles McNulty due to death (.1); update records to reflect same (.1); e-mail exchange with BKD accountant re: investor check (.1); telephone conference with J. Martin (.4); e-mail to Receiver regarding investor J. Martin (.1); update communications log to reflect Receiver's communications with G. Basheur Trust, P. MacSwain, A. Perucca, H. Scoggins, L. Craig, and S. Stewart (.1); forward Gray e-mails to R. Sanchez for processing and producing (.3); review e-mail correspondence from D. Pitt regarding changing custodians and investor class (.1); update communications log to reflect same; update communications log to reflect Receiver's communications with R. Johnson, A. Knowles, Ashley Knowles (.1); update records to reflect same (.1); review e-mail correspondence from HCF investor, C. Riley regarding status of pending claim (.1); update communications log (.1); review formal Notice of Hearing on RV Receiver's Motion to Deny and confirm docketing of same (.1).

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11/14/12	E. Espinosa	3.70	1,184.00	Research PLI940-DM claim (0.4); telephone conference with P. Nall regarding same (0.2); confer with BKD/GBKH regarding requests for production (0.6); attend to 2012 TX Margin Tax Return (0.2); review and revise letter to P. Parkinson (1.5); correspond with BKD regarding reissuing check (0.4); confer with GBKH regarding Hartmann (0.2); confer with BGKH regarding Kleppe (0.2).
11/14/12	M. Napoli	6.00	2,688.00	E-mail correspondence with R. Sanchez on ESI searches (0.1); respond to inquiries from J. McConnell (0.8); follow-up on IRS inquiries (0.2); e-mail correspondence regarding delinquent settlement payments (0.2); review financial statements for year end report (0.3); provide additional documents for production (4.0); review proposed orders (0.2); review Rentea comments to settlement form (0.2).
11/14/12	G. Holman	0.70	110.87	Telephone conference with K. Dealey regarding updated address and case status inquiries (.2); update communication log to reflect same (.1); review AVS LE 2011 Reports and coordinate upload of same into Ringtail review database (NO CHARGE .6); forward returned checks of D. Dffenderfer and R. Skinner to them at their correct mailing addresses (.4); review e-mail correspondence to team regarding filing response to Motion to Deny Claims for purposes of determining agreed deadline by parties (NO CHARGE .1).



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11/15/12	E. Espinosa	2.20	704.00	Correspond with B. Rose regarding PLI140-DM (0.2); confer with M. Napoli regarding 1099s to investor (0.1); confer with A. Williams regarding check run (0.2); confer with J. McConnell regarding Wells Fargo's requests for production (0.2); correspond with C. Tapia at Chase regarding security (0.2); attend to check issues (0.2); confer with A. O. Williams regarding accounting report (0.6); review initial draft of cash flow report (0.2); confer with J. McConnell regarding Kleppes (0.1); review "Hartmann" proposed settlement (0.2).
11/15/12	M. Napoli	4.90	2,195.20	Review and revise discovery responses including locating relevant information (2.0); research tax treatment of distribution (0.8); e-mail correspondence with G. Weisbart regarding tax treatment (0.1); e-mail correspondence with J. McConnell and J. Thomas (0.3); e-mail correspondence with J. Lee regarding policy valuations (0.1); attend to IRS document request (0.4); attend to production of e-mail correspondence (0.3); e-mail correspondence with B. Rentea and J. Hohengarten (0.1); e-mail correspondence with J. McConnell and E. Espinosa regarding form of settlement documents (0.2); e-mail correspondence regarding state's motion for summary judgment (0.1); research for year end report (0.5).

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11/15/12	G. Holman	1.60	253.41	<p>Telephone conference with L. Tiscione regarding case status related inquiries (.2); update communication log to reflect same (.1); forward Espinosa Affidavit to J. McConnell for review by uploading same to FTP site due to size (NO CHARGE .2); review e-mail correspondence regarding how to handle K-1 and 1099 statements for purposes of communicating same with investors (.1); review e-mail correspondence to team regarding filing response to Motion to Deny Claims for purposes of determining agreed deadline by parties (.1); review change of address correspondence received from J. Black and update records to reflect same (.1); forward new information to BKD accountant and E. Garnett for updating their records (.1); review multiple e-mail correspondence regarding scheduling of upcoming depositions for purposes of docketing same once determining (.3); e-mail exchange with R. Sanchez regarding location and completion of Ringtail upload consisting of Gray e-mails (.3); forward status to M. Napoli for J. McConnell review (.1); telephone conference with R. Sanchez regarding corrupt files and resolution to same. (.2)</p>
11/16/12	E. Espinosa	4.70	1,504.00	<p>Review client proforma (0.2); confer with G. Holman regarding billing entries (0.2); meeting with C. Tapia (Chase) regarding additional Account security (1.2); confer with BKD regarding cash flow statement (0.5); confer with BKD regarding billing (0.2); correspond with BKD regarding investor profile updates (0.3); confer with M. Napoli regarding web updates and G. Quinones data (0.2); telephone conference with investors (D. Guasp and S. Werner) (0.3); review ASG remittance advice, update premium log and correspond with B. Rose regarding same (0.7); review tax files regarding portfolio tax strategy (0.4).</p>

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11/16/12	M. Napoli	3.90	1,747.20	Prepare updates for website (0.8); answer inquiries from J. McConnell regarding discovery responses (0.5); working session with E. Espinosa regarding year end report and financials (0.3); e-mail correspondence with J. McConnell regarding PL1140 claim paperwork (0.1); e-mail correspondence with F. Causland regarding Moss depositions (0.2); prepare for depositions in Moss case (2.0).
11/16/12	G. Holman	0.10	15.84	Telephone conference with W. Abernathy regarding case status inquiries (.2); update communication log to reflect same (.1); update address information for John & Florence Pasquale.
11/19/12	E. Espinosa	3.70	1,184.00	Telephone conference with R. Skinner re check issues (0.3); correspond with R. Alito regarding staffing of Moss' deposition (0.1); confer with A. Williams and C. Tapia regarding IRS notice withholding and EIN (0.2); correspond with BKD regarding investor updates (0.1); correspond with B. Rose regarding HCF policies (0.2); confer with M. Ferrill (NO CHARGE 0.1); correspond with I. Antongiorgi regarding B. Goolsby (0.3); prepare for Moss deposition (0.3); attend to supplemental check run (0.6); review correspondence from J. Thomas (0.7); correspond with C. Kumar at Chase (0.3); confer with J. McConnell regarding estate's recoveries (0.6).
11/19/12	M. Napoli	5.50	2,464.00	E-mail correspondence with F. Cousland regarding Moss depositions (0.1); prepare for Moss depositions (4.5); e-mail correspondence with F. Cousland (0.1); telephone conference with J. Thomas (0.3); e-mail correspondence with J. McConnell regarding discovery responses (0.2); review and analyze status report from J. Thomas (0.3).

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11/19/12	G. Holman	2.10	332.60	Telephone conference with R. Skinner, L. Davis, and M. Randall regarding questions in connection with Mortensen letter and case status inquiries (.6); update communication log to reflect same (.1); review correspondence from A. Petersen and Shirley Morris regarding receipt of distribution checks and appreciation (.1); review correspondence to T. Perruca correcting name and update records to reflect same (.1); telephone conference with H. Timmerman regarding case status inquiries (.1); review change of address correspondence from D. Bryan and update contact spreadsheet to reflect same (.1); forward new information to BKD accountant and E. Garnett for updating their records (.1); review e-mail correspondence to BKD accountant regarding inability to determine if B. Goolsby investment was through an IRA (.1); update communication log with Receiver's communication with B. Goolsby (.1); forward returned check of A. Singh to her permanent address instead of temporary address due to mailing issues caused by Hurricane Sandy (.2); review e-mail exchange with production team regarding bates label to be used for next production (.1); confirm same (.1); review email communication with BKD accountant regarding instructions for checks to be voided and re-issued (.1); review status of loading recent production to Ringtail (.2).
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11/20/12	E. Espinosa	4.40	1,408.00	Correspond with J. Dunbar regarding IRA custodian (0.4); correspond with J. Thomas and M. Napoli regarding settlements (0.2); review RV payroll records and confer with M. Napoli regarding same (1.2); correspond with A. Williams regarding cash flow report (0.2); correspond with J. McConnell regarding settlements (0.2); preparation regarding Moss deposition (0.4); correspond with J. Ramsey regarding November 21 check run (0.2); review draft cash flow statement (1.4); correspond with J. McConnell (0.2).
11/20/12	M. Napoli	7.60	3,404.80	E-mail correspondence with F. Cousland regarding Moss depositions (0.2); e-mail correspondence with J. Thomas and E. Espinosa regarding settlement (0.2); confer with E. Espinosa regarding Moss payroll (0.2); prepare for Moss depositions (7.0).
11/20/12	G. Holman	0.70	110.87	Telephone conference with L. Otto regarding receipt of second distribution check (.1); telephone conference with S. Mullet regarding case status inquiries (.2); update communication log to reflect same (.1); e-mail exchange with T. Brown regarding status of claim dispute (.1); review e-mail correspondence regarding status of Donnantuni settlement for purposes of case status knowledge (NO CHARGE .1); review e-mail correspondence regarding status of Wendy Rogers' settlement for purposes of case status knowledge (NO CHARGE .1); review e-mail correspondence to P. Dunbar regarding desire to change custodians (.1); update communication log to reflect communication with P. Dunbar regarding same (.1).

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11/21/12	E. Espinosa	6.60	2,112.00	Review cash flow statement, audit same and confer with A. Williams at BKD (3.4); prep session with M. Napoli for Moss deposition (2.0); correspond with J. Ramsey regarding Beck Trust (0.2); confer with J. McConnell (0.2); attend to check run (0.3); telephone conference with Werner Sylla (0.2); confer with G. Holman regarding L. Otto (0.3).
11/21/12	M. Napoli	3.60	1,612.80	Preparation session with E. Espinosa (2.0); review and revise 7th Amended Cross-claim (1.5); e-mail correspondence with M. Goodfriend regarding IRS search (0.1).
11/21/12	G. Holman	1.00	158.38	Telephone conference and e-mail exchange with L. Otto regarding inadvertent destruction of check (.2); e-mail exchange with Receiver requesting replacement check (.1); telephone conference with A. Gossett, A. Singh, and W. Sylla regarding case status inquiries (.6); update communication log to reflect same (.1); review deposition notices of Whitney Martin, Vincent Pena, Matt Mullins, Frank Dunlap, and Brentley Free for purposes of docketing same (NO CHARGE .3); attention to Kiesling Defendants' discovery requests served on parties for purposes of calculating and docketing response deadlines (NO CHARGE .3).
11/26/12	E. Espinosa	6.00	1,920.00	Telephone conference with S. Haberer (Investor) (0.3); review correspondence from B. Gray (0.1); telephone conference with F. Cousland, G. Barbatsuly and M. Napoli regarding Moss deposition (1.4); review and revise cash flow statement (1.3); correspond with I. Antongiorgi regarding B. Goolsby (0.2); correspond with J. Ramsey (BKD) regarding L. Otto (0.2); Moss deposition preparation (2.0); confer with M. Napoli regarding same (.5).

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11/26/12	M. Napoli	7.10	3,180.80	Review and revise Receiver's 7th Amended Complaint (2.0); prepare E. Espinosa for deposition in Moss case (0.5); review and analyze report from J. Thomas (1.5); telephone conference with G. Barbatsuly, F. Cousland and E. Espinosa regarding Moss depositions (1.4); work on year-end report and financials (0.5); e-mail correspondence with M. Goodfriend regarding IRS request (0.2); attention to various requests for assistance in responding to discovery for J. Thomas (1.0).
11/26/12	G. Holman	0.60	95.03	Review e-mail correspondence from Betsy Gray regarding status of HCF Receiver's Motion to Deny Claims (.1); telephone conference with W. Parkinson and H. Timmerman regarding case status inquiries (.4); review e-mail correspondence from HCF Receiver regarding status of B. Goolsby claim and distribution check (NO CHARGE .1); follow-up with L. Otto confirming that replacement check should be received shortly (.1); review e-mail correspondence regarding updates to website for purposes of case status knowledge (NO CHARGE .1); review deposition notices of M. Lopez, W. Rogers, and for purposes of docketing same (NO CHARGE.2)
11/27/12	E. Espinosa	7.60	2,432.00	Draft letter to B. Goolsby (0.4); confer with I. Antongiorgi (0.3); meet with J. Ramsey & A. Williams (BKD) regarding trial balance (4.0); finalize statement of cash flows (5/10 - 10/12) (2.3); confer with M. Napoli and J. Thomas regarding McDermott and James' matters (0.3); correspond with J. Ramsey and G. Holman regarding L. Otto (0.2).

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11/27/12	M. Napoli	5.20	2,329.60	Attention to issues regarding search for documents responsive to various discovery requests (3.0); attention to Brown proof of claim (0.1); respond to inquiries regarding documents from C. Longoria (0.8); e-mail correspondence with J. Thomas regarding discovery and settlement discussions (0.3); work on year-end report and financials (1.0).
11/27/12	G. Holman	0.60	95.03	Telephone conference with D. Fresch and C. McNulty regarding case status inquiries; review Goolsby Agreements for purposes of case status knowledge (.4); review e-mail correspondence to HCF Receiver regarding status of B. Goolsby's claim and identity of custodian (.1); update records to reflect same (.1); attention to discovery requests served on multiple parties for purposes of calculating and docketing response deadlines (NO CHARGE .2).
11/28/12	E. Espinosa	5.90	1,888.00	Telephone conference with G. Barbatsuly, F. Cousland and M. Napoli (0.6); correspond with J. Mortensen regarding accounts payable (0.2); telephone conference with M. Gaudio regarding IRA custodian (0.3); telephone conference with J. Alfonso (0.3); review documents for Moss testimony and general deposition preparation (4.5).
11/28/12	M. Napoli	1.60	716.80	Telephone conference with G. Barbatsuly, E. Espinosa and F. Cousland regarding Moss deposition (0.6); prepare letter to C. Longoria (0.1); review order from New Jersey court (0.1); attention to Brown proof of claim (0.3); e-mail correspondence with R. Sanchez regarding discovery (0.1); e-mail correspondence with J. Thomas (0.2); e-mail correspondence with R. Kipp regarding S election (0.2).
11/28/12	G. Holman	0.10	15.84	Emailcorrespondence with T. Brown settlement of claim.



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11/29/12	E. Espinosa	5.00	1,600.00	Testify at deposition in Moss case (2.0); update call log (0.1); correspond with C. Tapia at Chase (0.1); correspond with J. Ramsey regarding check run (0.3); draft letter to L. Tiscione (0.8); revise letter to Peterson and Morris (0.2); correspond with A. Smith (0.1); reconcile policies/balance sheet and correspond with J. Ramsey (BKD) regarding same (1.4).
11/29/12	M. Napoli	8.00	3,584.00	Depositions of Espinosa and Gray in Moss case (8.0).
11/29/12	G. Holman	1.00	158.38	Review e-mail correspondence regarding Receiver's communication with Ms. Alfonso and M. Gaudio (.1); update communication log to reflect same (.1); review T. Brown's webmail formally withdrawing dispute (.1); review e-mail correspondence from A. Smith regarding contentment with distribution check (.1); update communication log to reflect same (.1); review e-mail correspondence from L. Tiscione regarding case status (.1); update communications log to reflect same (.1); telephone conference with M. Bishop regarding changing custodians (.2); update communication log to reflect same (.1).
11/30/12	E. Espinosa	2.40	768.00	Telephone conference with C. Tapia at Chase (0.4); prepare 14th fee application and affidavit in support (1.5); correspond with J. Alfonso (0.1); correspond with BKD regarding check run (0.2); attend to same (0.2).

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11/30/12	M. Napoli	5.40	2,419.20	Prepare memo regarding Gray and Espinosa depositions (2.0); telephone conference with F. Cousland (0.8); review state's motion for summary judgment (0.5); provide information to J. McConnell regarding discovery (0.3); review and revise 14th fee application and supporting documents (1.3); research, read and sign issue regarding New Jersey practice (0.1); e-mail correspondence with court reporter (0.1); e-mail correspondence with J. McConnell and J. Thomas regarding pleadings (0.3).
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Total Hours 222.80

Total Fees \$ 75,936.46

### Professional Summary

Professional	Title	Hours Worked	Hourly Rate	Total Fees
E. Espinosa	Shareholder	88.80	320.00	28,416.00
M. Napoli	Shareholder	90.80	448.00	40,678.40
G. Holman	Paralegal	43.20	158.38	6,842.06
<b>Total All Professionals</b>		<b>222.80</b>	<b>\$ 340.83</b>	<b>\$ 75,936.46</b>

**Total This Invoice \$ 75,936.46**

**EXHIBIT "B"**

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

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

November 9, 2012  
Invoice: 2677048  
Matter Desc.: Tracy Moss Lawsuit  
Client/Matter #: 1203981.00004

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This statement covers fees for legal services rendered for your account during the period ending 10/31/2012.  
Detailed information regarding the fees is attached.

**Current Charges:**  
Fees

3,488.32

**Total Current Charges**

**\$3,488.32**

PAYMENT FOR "CURRENT AMOUNT" IS DUE IN FULL ON OR BEFORE DECEMBER 9, 2012

*Please Return a Copy of This Page With Your Payment to K&L Gates, RCAC, 925 Fourth Avenue, Suite 2900, Seattle, Washington 98104-1158, Reference Invoice: 2677048*

*Payment Can Also be Made by wire to: US Bank, Private Financial Services, 1420 5th Ave. Suite 2100, Seattle, WA 98101, ABA Routing Number: 125000105, Account # 153557906580, Reference Invoice 2677048*

**PRIVILEGED AND CONFIDENTIAL  
DO NOT DISCLOSE**

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

November 9, 2012  
Invoice: 2677048

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

Matter: 1203981.00004

Matter Description: Tracy Moss Lawsuit

<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
8/2/12	Cousland, F. E.	0.20	47.06	Telephone call from R. Sexton to discuss discovery dates
8/8/12	Barbatsuly, G. P.	0.40	161.09	Further review, revise and edit draft interrogatory responses and draft responses to initial request for production of documents
8/9/12	Barbatsuly, G. P.	0.70	281.91	Further review, revise and edit responses to discovery requests directed to plaintiff
8/9/12	Cousland, F. E.	0.80	188.24	Update draft responses to document demands to reflect additional documents
8/10/12	Cousland, F. E.	1.80	423.54	Revise responses to Plaintiff's discovery demands; update proposed document production
8/13/12	Cousland, F. E.	0.60	141.18	Update responses to plaintiff's interrogatories
8/14/12	Cousland, F. E.	0.60	141.18	Review additional proposed documents to produce, review email from R. Gray
8/16/12	Barbatsuly, G. P.	0.10	40.27	Conference with F. Cousland regarding receivership of Retirement Value and plaintiff's claim on creditor list, and strategy regarding same and discovery issues
8/16/12	Cousland, F. E.	0.40	94.12	Revise discovery responses, email M. Napoli
8/17/12	Cousland, F. E.	0.30	70.59	Meet with G. Barbatsuly and R. Alito to discuss communications with P. Cresci regarding receivership action
8/21/12	Barbatsuly, G. P.	0.10	40.27	Conference with F. Cousland regarding further strategy for communicating with plaintiff's counsel regarding receivership issues and potential settlement
8/21/12	Cousland, F. E.	0.30	70.59	Email R. Sexton regarding receivership actions; telephone call from R. Gray

Matter: Tracy Moss Lawsuit  
 Client/Matter #: 1203981.00004

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<u>Date</u>	<u>Attorney</u>	<u>Hours</u>	<u>Amount</u>	<u>Description</u>
8/24/12	Cousland, F. E.	0.30	70.59	Review DVDs received from client
8/27/12	Cousland, F. E.	1.30	305.89	Review DVDs of licensee training seminars
8/28/12	Cousland, F. E.	0.20	47.06	Finalize responses to discovery demands
8/29/12	Cousland, F. E.	1.20	282.36	Serve discovery responses on Plaintiff's counsel
9/6/12	Cousland, F. E.	1.70	400.01	Review documents produced by Plaintiff in response to discovery demands
10/11/12	Cousland, F. E.	0.70	164.71	Telephone calls with R. Sexton and R. Gray regarding status conference
10/12/12	Cousland, F. E.	0.60	141.18	Research requirements for deposition of corporate designee in connection with status conference
10/15/12	Cousland, F. E.	1.40	329.42	Prepare for and attend status call with R. Sexton and R. Gray
10/26/12	Cousland, F. E.	0.20	47.06	Discuss scheduling of depositions with R. Alito
TOTAL HOURS				13.90
TOTAL FOR SERVICES				\$3,488.32

**TIMEKEEPER SUMMARY**

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Cousland, F. E.	12.60	235.30	2,964.78
Barbatsuly, G. P.	1.30	402.73	523.54
Total for All Timekeepers	13.90	\$250.96	\$3,488.32

**INVOICE TOTAL**

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Current Charges	3,488.32	0.00	3,488.32
<b>TOTAL BALANCE DUE THIS MATTER</b>			<b>\$3,488.32</b>

PAYMENT DUE IN FULL ON OR BEFORE DECEMBER 9, 2012

**EXHIBIT "C"**

# K&L | GATES

K&L Gates LLP  
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c/o Eduardo S. Espinosa, Receiver  
1717 Main Street,  
Suite 2800  
Dallas, TX 75201

December 6, 2012  
Invoice Number: 2689738

Julie Anne Halter

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For Professional Services Rendered Through November 30, 2012:

1203981.70001 State of Texas vs Retirement Value LLC, et. al. - e-DAT Fees

Fee Amount	17,658.53
Disbursement Amount	1,907.46

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**Total Amount Due This Matter** **19,565.99**



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1203981 The Estate of Retirement Value, LLC  
 1203981.70001 State of Texas vs Retirement Value LLC, et. al. - e-DAT Fees

For Professional Services Rendered Through November 30, 2012

Date	Atty	Hours	Amount	Description of Services
09/18/12	MG	2.30	374.67	Analyze and organize JWT documents for September 20 deposition folder in Ringtail for review by M. Goodfried; cull documents per user specific needs
10/12/12	MG	1.00	162.90	Assist and train G. Holman of Cox Smith with regard to binder preparation ahead of pending document production
11/01/12	YMBG	1.20	369.24	Coordinate and oversee processing of documents per request of M. Napoli
11/01/12	JRS	3.30	627.17	Finalize RVR production and upload to FTP site for co-counsel access; work session with G. Holman searching Ringtail database for requested materials; e-mails to attorneys regarding status of various projects/productions; prepare, organize, stage and load ESI into Ringtail in preparation for review/production per the request of M. Napoli
11/02/12	YMBG	0.50	153.85	Coordinate and oversee processing of documents; address processing status to R. Sanchez
11/02/12	JRS	0.80	152.04	Prepare, organize, stage and load ESI into Ringtail in preparation for review per the request of M. Napoli
11/05/12	JRS	0.80	152.04	Call with J. McConnell re: document search for upcoming production; analyze data marked for FINRA production per M. Napoli's request
11/06/12	JRS	2.50	475.13	Organize, stage and load documents into Ringtail in preparation for review per the request of J. McConnell; prepare documents in Ringtail for FINRA production per the request of M. Napoli

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Date	Atty	Hours	Amount	Description of Services
11/06/12	YMBG	0.50	153.85	IRS search: coordinate and oversee searching of documents per request of M. Napoli
11/06/12	E2S	4.50	671.99	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 create custom hit-by-search-term reports for review by M. Goodfried
11/07/12	JRS	3.80	722.19	Q/C OCR processing of Ringtail documents; prepare Ringtail data for search; e-mails with J. McConnell regarding document search and upcoming productions; review search term list; electronically produce documents out of Ringtail per the request of M. Napoli
11/07/12	E2S	1.30	194.13	Execute complex SQL and search queries against ESI in Ringtail; analyze and compile data returned by search queries to create custom hit-by-search-term reports for review by M. Goodfried
11/07/12	YMBG	0.60	184.62	IRS search: coordinate and oversee processing and searching of documents; address search results to M. Napoli
11/08/12	JRS	3.00	570.15	Call with J. McConnell re: document search in Ringtail for upcoming production; finalize FINRA for M. Napoli and prepare production CDs; electronically produce GB REV documents out of Ringtail per the request of J. McConnell; prepare various productions for production per J. McConnell's request; prepare documents in Ringtail for upcoming document search
11/08/12	YMBG	0.80	246.16	IRS search: coordinate and oversee searching of documents; address production issues to M. Napoli
11/08/12	E2S	0.30	44.80	Research past case work to determine most current list of Privilege terms used

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Date	Atty	Hours	Amount	Description of Services
11/09/12	JRS	2.40	456.12	Electronically produce documents out of Ringtail per the request of J. McConnell
11/09/12	JRS	3.70	703.19	Prepare Ringtail data for document search; Search, identify and designate documents in Ringtail for production per the request of J. McConnell
11/12/12	JRS	1.60	304.08	Search, identify and designate documents in Ringtail for upcoming document review per the request of J. McConnell; e-mails with G. Holman re: production log; provide copy of production log
11/13/12	JRS	0.80	152.04	Search, identify and designate documents in Ringtail for upcoming document review per the request of J. McConnell; call with J. McConnell re: search terms
11/14/12	JRS	4.80	912.24	Prepare, organize, stage and load ESI into Ringtail in preparation for attorney review per the request of M. Napoli; Prepare ESI in Ringtail for searching; Search, identify and designate ESI in Ringtail for production the request of J. McConnell
11/15/12	JRS	3.10	589.16	Prepare, organize, stage and load ESI into Ringtail in preparation for review per the request of M. Napoli; Search, identify and designate ESI in Ringtail for production per the request of J. McConnell
11/15/12	MG	7.00	1,140.30	Organize and stage review sets of 46 criteria pieces and build binders of collections from pick lists and search term families as instructed by R. Sanchez
11/16/12	JRS	2.30	437.12	Electronically produce documents out of Ringtail per the request of J. McConnell
11/17/12	JRS	1.00	190.05	Electronically produce documents out of Ringtail per the request of J. McConnell
11/19/12	JRS	6.90	1,311.35	Prepare, organize, stage and load Wells Fargo documents into Ringtail per request of J. Wright; electronically produce documents out of Ringtail per the request of J. McConnell

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Julie Anne Halter

Date	Atty	Hours	Amount	Description of Services
11/19/12	YMBG	0.40	123.08	Conduct analysis of search results; address search terms status to M. Napoli
11/20/12	JRS	4.50	855.23	Electronically produce documents out of Ringtail per the request of J. McConnell; prepare production DVDs
11/21/12	MSF	3.80	464.28	Legal review and analysis of documents for privilege determination
11/21/12	YMBG	1.00	307.70	Conduct privilege review orientation; coordinate and oversee review of documents for privilege; address privilege issues to M. Napoli
11/26/12	MSF	3.00	366.54	Legal review and analysis of documents for privilege determination
11/26/12	YMBG	1.50	461.55	Coordinate and oversee review of documents for production; conduct review of documents for production; address privilege issues to M. Napoli
11/26/12	PIR	0.60	46.16	Validate the following processes and analyses: Analyze search queries; recommend modifications to focus search queries; adapt search queries for running in Patterns; and assess search queries' effectiveness
11/26/12	E2S	2.20	328.53	Develop ESI review strategies, analyze case ESI, and conceptualize and implement search custom 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 create custom hit-by-search-term reports for review by M. Goodfrid
11/27/12	PIR	1.80	138.47	Validate the following processes and analyses: Identify ESI designated for production by Search Terms, construct queries to stage ESI for loading to LAW, and execute SQL queries to verify production results

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Date	Atty	Hours	Amount	Description of Services
11/27/12	E2S	3.10	462.92	Identify ESI designated for production by Search Terms, construct queries to stage ESI for loading to LAW, and execute SQL queries to verify production results
11/27/12	YMBG	0.80	246.16	Coordinate and oversee searching and exporting of documents per request of M. Napoli
11/28/12	JRS	2.30	437.12	Prepare copy of RVR production CD per Napoli's request; Prepare PDF files for production and e-mail to J. Wright; Prepare, organize, stage and load ESI into Ringtail in preparation for production per the request of J. McConnell.
11/28/12	E2S	0.50	74.67	Identify ESI designated for production by Search Terms, construct queries to stage ESI for loading to LAW, and execute SQL queries to verify production results
11/28/12	YMBG	0.70	215.39	Coordinate and oversee searching of documents per request of M. Napoli
11/29/12	AS	0.20	15.39	Prepare media tracking and receipt log for incoming client data
11/29/12	JRS	2.00	380.10	Prepare, organize, stage and load ESI into Ringtail in preparation for production per the request of J. McConnell.
11/29/12	JRS	3.00	570.15	Electronically produce documents out of Ringtail per the request of J. McConnell.
11/29/12	JRS	0.30	57.02	Organize, stage and load ESI into Ringtail in preparation for review per the request of M. Goodfried (Retirement Value / IRS).
11/29/12	E2S	0.40	59.73	Execute complex SQL and search queries against ESI in Patterns; analyze and compile data returned by search queries to create custom hit-by-search-term reports for review by M. Goodfried
11/30/12	JRS	1.00	190.05	Electronically produce documents out of Ringtail per the request of J. McConnell; upload finalized productions to FTP site for counsel access

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Date	Atty	Hours	Amount	Description of Services
11/30/12	YMBG	0.50	153.85	Coordinate and oversee processing of documents for production
11/30/12	E2S	1.70	253.86	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 create custom hit-by-search-term reports for review by M. Goodfried; identify ESI designated for production by Search Terms, construct queries to stage ESI for loading to LAW, and execute SQL queries to verify production results

**Total Fees: 17,658.53**

Disbursements	Amount
Long Distance Courier	23.25
ESI Conversion: Convert 2.230888672 GB to TIFF images @ \$550/GB: \$1,226.99. OCR 15,469 pages @ \$0.02/page: \$309.38.	1,536.37
OCR 17,392 pages @ \$0.02/page: \$347.84.	347.84
<b>Total Disbursements:</b>	<b>1,907.46</b>

Total Amount Due This Bill 19,565.99

**Total Now Due 19,565.99**

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.