

FILED

MAY 20 2004

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

IN RE:)
QUALICARE, INC.,)
)
Debtor.)

Case No. 97-16891-BBY
Chapter 7

GRANT PRICE
CLERK, U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
DEPUTY

APPLICATION FOR ALLOWANCE OF FINAL ATTORNEY FOR TRUSTEE FEES

COMES NOW, Lyle R. Nelson, P.C., ("Applicant") and hereby submits his Application for Final Attorney for Trustee fees in the sum of \$31,100 representing 248.80 hours of work. In support of this request, it is represented as follows:

1. Pursuant to Section 327 of Title 11 U.S.C. the Trustee previously employed Applicant to represent the Trustee in August of 1997, and an Order was entered authorizing that representation.

2. Application has obtained one interim award of compensation. That Application was submitted July 30, of 1999, almost 5 years ago. The interim compensation was through September of 1998, approximately five and one-half years ago. Counsel has received no additional compensation or reimbursement of any expenses during this time.

3. The services rendered by the Applicant were extensive. This was an extremely complex and fact intensive case which involved some new and developing areas of law. The Trustee was involved in extensive and time consuming litigation primary with the a pre-petition purchaser of the companies assets, who had purportedly converted hundreds of thousands of dollars in receivables, and who had filed chapter 11 subsequently themselves; the federal government; litigating with the FBI and US Attorney's office (who generally had 3 attorneys plus support staff at each hearing), with Palmetto, a government agent, and grand jury, debtors counsel in a malpractice claim, and took a no asset case and subsequently identified and tried to recover assets with a value in excess of \$2 million. However, due to several factors throughout the case and litigation, including the reversal of a key legal opinion to the estate's case, the estate could not cost effectively pursue the collection of the entire amount. Even though the government demanded the return of 100% of the money recovered, the estate retained approximately \$600,000.00 . Further, \$120,000.00 in a malpractice

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claim was recovered from an attorney who had provided legal advise to the debtor as well. In summary, over \$750,000.00 in cash has been recovered for the estate.

4. Copies of the fee bills reflecting the time by Applicant are attached hereto. A total of 39 pages of time entries, which include 248.80 additional hours were expended. The files in this case included hundreds of boxes of records initially used for the litigation, until lost to the FBI and US Attorney's office in a breach of an agreement to resolve a protective order. This is for time generally from the fall of 1998 to date. The original and still hourly rate is \$125.00, which is below the prevailing market rate for counsel in this district. At that rate, the balance due is \$31,100.00. The hourly rate is less than similar hourly rates for the services rendered in this District.

5. The Applicant knows that additional legal work will be required to close this estate. There are extensive tax issues which need to be resolved, and for the last year, have been delaying the trustee in closing this case. The Trustee has had difficulty in finding and retaining an accountant willing to do this work. Research and representation of the estate with the IRS is anticipated. Applicant also anticipates some additional claim litigation as to a retirement plan. It is estimated that additional attorney time from 10-25 hours may be required, depending on the IRS, and retirement claimants. Applicant is willing to continue that representation without further compensation. Because in order to move this case towards resolution, it is necessary to fix final compensation for counsel for the Trustee. This will be the final request, and all future attorney fees incurred will be borne by Applicant. This representation does not apply if any lawsuits are filed by the government or otherwise.

6. Consistent with Bankruptcy Rule 2016, the Applicant would state as follows:

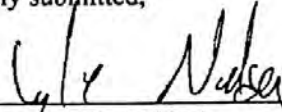
a. One interim fee request was granted by this Court in August of 1999.

b. An interim fee compensation award was made in the fall of 1999 for work performed through the fall of 1998, and there is no agreement for the sharing of compensation to be received.

WHEREFORE, premises considered, Lyle R. Nelson, P.C. requests that this Court issue its Order allowing the sum of \$31,100 as final Attorney for Trustee compensation to be paid by the

Trustee, upon entry of an Order allowing such compensation, as an administrative claim of this estate, to the extent available.

Respectfully submitted,

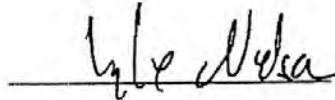


Lyle R. Nelson, OBA#10914
204 N. Robinson, Suite 2100
Oklahoma City, OK 73102
(405) 232-4021

APPLICANT

CERTIFICATE OF SERVICE

I certify that this application was hand delivered to the U.S. Trustee office only, on May 20, 2004, with exhibits attached.



LYLE R. NELSON, P.C.
 204 NORTH ROBINSON, SUITE 2100
 OKLAHOMA CITY, OKLAHOMA 73102
 Phone: (405) 232-4021 ♦ Fax: (405) 232-4061

Nelson, Lyle – Trustee
 204 N. Robinson, Suite 2100
 Oklahoma City, OK 73102

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 Judge Bohanon

| <u>Date</u> | <u>Regarding</u> | <u>Hours</u> | <u>Fee</u> | <u>Copies</u> | <u>Postage</u> |
|-------------|---|--------------|------------|---------------|----------------|
| 8/16/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |
| 8/18/97 | (Trustee) Prepare for and attend first meeting. Many prior employees present; subsequent discussions and meeting with them after first meeting. Many issues. No asset case, but issues involving "purchasing company", Healthback. | 1.50 | n/c | | |
| 8/19/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 1.20 | n/c | | |
| 8/20/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.75 | n/c | | |
| 8/21/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.40 | n/c | | |
| 8/22/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 2.30 | n/c | | |
| 8/26/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.40 | n/c | | |
| 8/28/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.35 | n/c | | |
| 9/4/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. Have 12 messages from last few days and out for holiday. Attempt to return all. | 2.00 | n/c | | |
| 9/5/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |

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|-------------|---|--------------|------------|---------------|----------------|
| 9/8/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.40 | n/c | | |
| 9/10/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |
| 9/12/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.75 | n/c | | |
| 9/12/97 | (Trustee) Draft initial Form 1; file | 1.75 | n/c | | |
| 9/15/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |
| 9/16/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.35 | n/c | | |
| 9/17/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |
| 9/17/97 | (Trustee) Draft/fax to Mr. Fuller of Memorial South Mini Storage re: property in storage/storage costs; file. | 0.25 | n/c | | |
| 9/17/97 | (Trustee) Receive and review fax from Blaney, atty for Boatmen re: sale of vehicles held as collateral consider; t/c to him. file. | 0.50 | n/c | | |
| 9/19/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.40 | n/c | | |
| 9/23/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |
| 9/25/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.75 | n/c | | |
| 9/29/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.50 | n/c | | |
| 9/30/97 | (Trustee) receive multiple calls from prior employees; misc. issues, payment, paychecks, etc. Calls received by trustee, and up to 4 staff members a day. | 0.60 | n/c | | |

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| Date | Regarding | Hours | Fee | Copies | Postage |
|----------|---|-------|-----|--------|---------|
| 10/3/97 | (Trustee) Receive and review letter from K. Blancy re: return money pledged to Nations Bank; file. | 0.50 | n/c | | |
| 10/31/97 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. For October, 38 calls. | 3.00 | n/c | | |
| 11/19/97 | (Trustee) Receive and review letter from Jo Slama re: pull file; forward copies of docs to her. She represents group of former employees. | 0.75 | n/c | | |
| 11/28/97 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. For November, 23 calls. | 2.40 | n/c | | |
| 12/3/97 | (Trustee) Draft, revise and finalize 2 pg. letter to Jo Slama re: encourage clients to file claims | 0.60 | n/c | | |
| 12/9/97 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 12/31/97 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. For December 18 calls. | 1.35 | n/c | | |
| 1/12/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 1/30/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. Receive more calls primary about filing claims, how to figure it, expenses and travel v. wages. 48 calls. Claim calls are longer because these folks can't seem to fill in the blanks. | 4.00 | n/c | | |
| 2/3/98 | (Trustee) docket notice; date to file claims for any Qualicare employees who sent documents bu messed up their claims. | 0.30 | n/c | | |
| 2/10/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |

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| <u>Date</u> | <u>Regarding</u> | <u>Hours</u> | <u>Fee</u> | <u>Copies</u> | <u>Postage</u> |
|-------------|---|--------------|------------|---------------|----------------|
| 2/27/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. Many claim calls. These calls take longer, 42 calls | 3.70 | n/c | | |
| 2/27/98 | (Trustee) pull file; check for information from people who may have sent claims information to me. To much information to go through in limited time. Determine that must leave it up to each claimant to follow the rules themselves. | 1.50 | n/c | | |
| 2/27/98 | (Trustee) Revise Form 1; file. | 0.50 | n/c | | |
| 3/4/98 | (Trustee) my docket notice for Qualicare work; pull file, review, strategy re: ongoing chapter 11 issue, rumor of grand jury. | 3.00 | n/c | | |
| 3/9/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 3/27/98 | (Trustee) additional and misc. t/c with atty Kevin Blaney for Nations bank re: motion, financing cost report, they advancing the money and how all this will go together, his knowledge of Healthback that maybe I can use. | 0.50 | n/c | | |
| 3/31/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some calls are claims, but those are running down. Most dealing with information whole Healthback deal. Some employee's have admitted not marking down most calls. 23 calls | 1.60 | n/c | | |
| 4/2/98 | (Attorney) Prepare for and attend hearing on motion of nations Bank. Misc. conf. and negotiations with counsel. | 1.40 | \$175.00 | | |
| 4/8/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 4/13/98 | (Trustee) meeting with Bob Bruner re: Healthback, Palmetto issues, audit issues. | 2.00 | n/c | | |
| 4/30/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. Most calls ongoing Healthback issues, and wanting their money. 18 calls. | 1.25 | n/c | | |
| 5/6/98 | (Attorney) to court, attend hearing. | 1.00 | \$125.00 | | |
| 5/11/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |

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|-------------|---|--------------|------------|---------------|----------------|
| 5/28/98 | (Trustee) Meeting with B. Bruner re: misc. accounting and cost report issues. Palmetto audit coming up. | 1.25 | n/c | | |
| 5/29/98 | (Trustee) General entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. Calls gravitating mostly to payment and Healthback issues. 26 calls. | 2.00 | n/c | | |
| 6/3/98 | (Trustee) to Weatherford; FBI subpoena issues. Compliance. Mark boxes being loaded into box van; back to OKC; unload into office in this building per agreement resolving protective order I filed for. This involved Trustee and 2 staff members. Total personnel time, 2 @2 hours, plus 1 @ 7 hours. | 11.00 | n/c | | |
| 6/4/98 | (Atty) meet with FBI. | 0.50 | \$62.50 | | |
| 6/4/98 | (Trustee) FBI document review; sit with FBI. | 7.00 | n/c | | |
| 6/5/98 | (Trustee) FBI Document review; sit and meet with FBI. | 7.00 | n/c | | |
| 6/10/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 6/30/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. 12calls. | 0.75 | n/c | | |
| 7/7/98 | (Trustee) misc. calls and conf. re: Palmetto audit, FBI issues;, estate accountants look like they won't work. Say they were threatened by gov., or feel threatened. This will put a real crimp in estates ability to recover funds it is owed. | 3.00 | n/c | | |
| 7/9/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 7/14/98 | (Trustee) misc. conf. re: litigation issues and problems. | 0.75 | n/c | | |
| 7/17/98 | (Trustee) misc. conf. re: litigation, FBI issues; they breaking agreement, with court re: docs. | 1.00 | n/c | | |
| 7/23/98 | (Trustee) misc. conf. re: case, FBI, etc. | 0.50 | n/c | | |
| 7/28/98 | (Trustee) misc. conf. re: case, FBI | 0.50 | n/c | | |

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| 7/31/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. 8 calls. | 0.50 | n/c | | |
| 8/4/98 | (Trustee) conf. and strategy re: case. | 1.00 | n/c | | |
| 8/7/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 8/7/98 | (Trustee) work on case, FBI, documents. | 0.75 | n/c | | |
| 8/11/98 | (Trustee) documents problems, FBI etc. | 1.00 | n/c | | |
| 8/20/98 | (Trustee) conferences re: ongoing audit problems. | 1.00 | n/c | | |
| 8/31/98 | (Trustee) general entry; have had staff and trustee keep tally sheet by their desks and to simply mark each call they receive from an employee. Avg. call 3-5 minutes depending on anger of employee. This entry is to list number of calls marked down that month. Some employee's have admitted not marking down most calls. 8 calls. | 0.75 | n/c | | |
| 9/9/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 9/9/98 | (Trustee) work on case; problem of documents; FBI took, proving case, estate accounts going to quit because of veiled threats. | 1.50 | n/c | | |
| 9/22/98 | (Trustee) work on case; strategy; documents. | 1.00 | n/c | | |
| 9/28/98 | (Trustee) work on case. | 0.75 | n/c | | |
| 9/30/98 | (Trustee) creditor calls for the month. Employees. My staff has stopped keeping track officially. States to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Known calls for the month, 9. | 0.60 | n/c | | |
| 9/30/98 | (Trustee) Revise Form 1; update notes, file. | 1.50 | n/c | | |
| 10/1/98 | (Trustee) Meet with estate examiner/accountant re: ongoing palmetto and FBI issues; records; | 1.50 | n/c | | |
| 10/7/98 | (Trustee) misc. conf. re: ongoing litigation issues with palmetto and government. | 1.00 | n/c | | |
| 10/8/98 | (Trustee) 3 attorney conf. ongoing litigation issues with palmetto. | 1.00 | n/c | | |
| 10/9/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 10/20/98 | (Trustee) meeting and strategy re: Palmetto litigation; conf. with examiner. | 1.25 | n/c | | |

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| 10/27/98 | (Trustee) meeting and strategy conf. re: palmetto and cost report issues. | 1.00 | n/c | | |
| 10/30/98 | (Trustee) creditor calls for the month. Employees. My staff has stopped keeping track officially. They state to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. Known calls for the month, 9. | 0.60 | n/c | | |
| 10/30/98 | (Trustee) Conf. w/ M. Creasey re: claim examination; strategy conf. as to how to check for duplicate claims and issues with so many claims.(2 attorneys, 1 charge) | 2.50 | n/c | | |
| 11/5/98 | (Trustee) file work; documents work, research re: ongoing palmetto, litigation issues. | 0.70 | n/c | | |
| 11/5/98 | (Trustee) Meet w/ Tracy Kluding re: cost report issues; Monarch Management Co. records. | 2.00 | n/c | | |
| 11/9/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 11/11/98 | (Trustee) file work. Palmetto, claim. | 1.80 | n/c | | |
| 11/20/98 | (Attorney) Conf. w/ E. Leeviraphan and M. Creasey re: Healthback and US attorney seeking relief to pursue claim; we have similar notice and demand; how can we get movement on our \$1.2 mm claims (3 atty 1 charge). How to get evidence from prior officers of Monarch Management or where evidence is: strategy. | 1.50 | \$187.50 | | |
| 11/21/98 | (Attorney) Research HICFA; Bankruptcy law, how to force claim; pre-petition unsecured claim vs. debt owed. | 4.50 | \$562.50 | | |
| 11/30/98 | (Trustee) work on Palmetto issues; t/c with examiner. | 0.60 | n/c | | |
| 11/30/98 | (Trustee) creditor calls for the month. Employees. My staff has stopped keeping track officially. They state to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. Known calls for the month, 13. | 1.00 | n/c | | |
| 12/1/98 | (Attorney) Meeting re; overall status and strategy; set-off issues, government claims. (3 atty 1 charge) | 1.20 | \$150.00 | | |
| 12/7/98 | (Attorney) Receive and review overnight cost period report; Palmetto demands \$957K; review report; conf. w/ HSBC and account re: appeal and proof issues; strategy re: set off v. just a claim against estate as argued in Healthback case. | 4.40 | \$550.00 | | |
| 12/7/98 | (Trustee) Receive and review by certified mail Palmetto review of '95 cost report; telephone conf. w/ HCBS (3 calls). | 2.25 | n/c | | |

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| 12/8/98 | (Trustee) Receive and review 12/4/98 letter re: 12/96 report from Palmetto; review 60 plus page document and adjustments; telephone con. w/ HCBS. | 5.40 | n/c | | |
| 12/8/98 | (Attorney) Conference re: appeal and challenge dates; Palmetto report and demand. | 0.75 | \$93.75 | | |
| 12/9/98 | (Attorney) Conf. w/ E. Leeviraphan, J. Mashburn re: three notices in three days (3 attorneys 1 charge) | 1.35 | \$168.75 | | |
| 12/9/98 | (Trustee) Receive and review Palmetto mail; notice of reopening of '95 cost report; second conf. w/ HCBS; conf. with accountant. | 2.00 | n/c | | |
| 12/10/98 | (Attorney) Conf. w/ Jim Voight, Healthback atty re: Palmetto suit issues; (.40) then strategy how to apply to our facts; would be \$750K in assets; they should pay, and claims unsecured. | 1.80 | \$225.00 | | |
| 12/10/98 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 12/10/98 | (Attorney) Telephone conf. w/ Firth; telephone conf. w/ HCBS (.40); conf. w/ JM(.50) (2 attorneys 1 charge) | 0.90 | \$112.50 | | |
| 12/10/98 | (Trustee) Conf. w/ Mike Morrison re: claim review; additional strategy conf. re: how to efficiently review and catalog claims because we will have hundreds of and duplicate claims; plus several categories of claims within claims; priority/unsecured, secured, 401K (2 parties). | 2.00 | n/c | | |
| 12/10/98 | (Trustee) Receive and review another demand pack from Palmetto; initial review. | 0.85 | n/c | | |
| 12/12/98 | (Trustee) Claim review, organization (mm). | 6.00 | n/c | | |
| 12/12/98 | (Attorney) Extended review and strategy re: 3 yrs./demands of cost report; though based on BH decision in Healthback, these are unsecured claims; issue 1 is bar date; it is untimely claim? Notice issues; larger issue is set-off against our pending cost report; they primarily disallow Monarch Mortgage fees; continuing research and strategy on proof and how to resolve our remaining \$1.1mm claim for un-reimbursed visits \$3mm and Palmetto claim; keeps coming back to Healthback. At issue here is over a million dollars in assets, claims. | 6.75 | \$843.75 | | |
| 12/13/98 | (Trustee) Claim review. (mm) | 5.50 | n/c | | |
| 12/17/98 | (Attorney) Meeting with accountant re: \$7mm claim of Palmetto; litigation strategy and new Florida health care co. case. | 1.90 | \$237.50 | | |
| 12/17/98 | (Trustee) meeting with Bruner, estate examiner, re: audit and palmetto issues; have received report review | 0.75 | n/c | | |
| 12/20/98 | (Trustee) Claim review. (mm) | 4.00 | n/c | | |

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|----------|--|-------|----------|--------|---------|
| 12/22/98 | (Trustee) conf. re: debtor. | 0.50 | n/c | | |
| 12/30/98 | (Attorney) Conf. w/ Ell discuss demand of Palmetto; to Library, search for FL case heard about re: suit v. Palmetto. | 1.75 | \$218.75 | | |
| 12/30/98 | (Trustee) Conf. w/ M. Creasey and Mike Morrison re: on-going procedure to clarify and classify claims; their work. | 1.90 | n/c | | |
| 12/31/98 | (Trustee) creditor calls for the month. Employees. My staff has stopped keeping track officially. They state to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Received a lot of calls this month, apparently because its end of year, asking when they are getting their checks, if they are going to get a W-2 for tax purposes. Ask them estimate of how many receive. Known calls for the month, 28. | 2.10 | n/c | | |
| 1/5/99 | (Trustee) Claim review (MC) and organization. | 6.00 | n/c | | |
| 1/11/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 1/12/99 | (Trustee) Review 3 weeks of mail; sort bills/claims. | 3.25 | n/c | | |
| 1/14/99 | (Trustee) Review 200-plus page settlement; NY case Bennett funding bankruptcy case, look for Qualicare connection and argument. | 2.40 | n/c | | |
| 1/14/99 | (Trustee) Review 1 week of mail | 1.25 | n/c | | |
| 1/18/99 | (Trustee) Meeting w/ Ms. Kluding re: claims of Palmetto; trial evidence is basic thrust and summary. | 2.00 | n/c | | |
| 1/18/99 | (Trustee) Review mail. | 0.65 | n/c | | |
| 1/25/99 | (Trustee) 3 days 1/21, 1/22 & 1/25 misc. meetings w/ Kluding and her asst.; go back over records wrecked by FBI for Palmetto suit; put back in boxes. | 14.00 | n/c | | |
| 1/26/99 | (Trustee) Conf. w/ Kluding; review Palmetto demand reports and records. | 0.25 | n/c | | |
| 1/27/99 | <i>* (Attorney) Misc. t/c w/ office of US Attorney; ^{Trustee?} now wants docs; agreement unilaterally changed again as to production. I am confident that estate will never have the documents or all of them again. Strategy. This might be fatal to estate's chances to administratively challenge withholding of \$1.4mm in claims by Palmetto.</i> | 1.50 | \$187.50 | | |
| 1/28/99 | (Attorney) Conf and strategy re: how to deal w. docs; I believe FBI and/or Palmetto "lost" doc; I need them; consider again asserting they should pay to copy. Research protective order authority. | 1.25 | \$156.25 | | |

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| 1/29/99 | (Trustee) creditor calls for the month. Employees. Staff has stopped keeping track officially. They state to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. More calls re: W-2's and wages. Known calls for the month, 19. | 1.50 | n/c | | |
| 1/29/99 | (Attorney) Conf re: US Attorney demands for original docs; options, another round of protective Order probable to try and protect me/estate. | 1.70 | \$212.50 | | |
| 1/29/99 | (Trustee) Conf re: US Attorney demand for records w/ Mr. Graves. Suggestions. | 0.50 | n/c | | |
| 1/31/99 | (Trustee) Claim review ongoing; 200-plus claims; check claims we have against register, initial total \$800K plus. Probable duplicates. | 7.00 | n/c | | |
| 2/1/99 | * (Trustee) Meeting w/ Mr. Graves re: misc. US Attorney issue; documents. Suggests to let documents go rather than push original agreement and Fed. Judge. | 0.50 | n/c | | |
| 2/1/99 | (Trustee) Meet w/ T. Kluding; review more docs; FBI will take tomorrow | 2.10 | n/c | | |
| 2/1/99 | (Attorney) Strategy conf w/ EL and JM (3 attorneys 1 charge)re: HICFS sues; to Westlaw; pull and search FL case of claims v. pre-petition debt. (1/3 charge) | 2.00 | \$250.00 | | |
| 2/1/99 | (Attorney) Conf. w/ accountant re: Suit v. HICFA/Palmetto; strategy re: Proof of debt; of expense; trial strategy; loose outline; law '96 tax. | 1.75 | \$218.75 | | |
| 2/2/99 | (Attorney) Trial strategy and preparation meeting with accountant (second meeting); continuing conf. Re: suit and damages; discussion of unbilled visits and competing limitations. Trial proof; standards used by HICFA. | 5.30 | \$662.50 | | |
| 2/3/99 | (Attorney) T/c w/ HCBS re: trial proof; clarify suit amounts needed and what ever they need from US Attorney taken docs. | 0.50 | \$62.50 | | |
| 2/4/99 | (Trustee) T/c w/ L. Bates; employee/claim holder re: retirement deductions. New issue; explore and consider. | 0.50 | n/c | | |
| 2/4/99 | (Trustee) Prepare bond report and issue check. | 0.50 | n/c | | |
| 2/6/99 | (Trustee) Claim organization; insert numbers on register because it has none; now up to 234 claims. | 5.25 | n/c | | |
| 2/9/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 2/12/99 | (Trustee) 3 t/c from employees. | 0.20 | n/c | | |
| 2/12/99 | (Trustee) Review 1 month mail; sort bills/claims. | 4.50 | n/c | | |

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| 2/12/99 | (Trustee) Claim work; continued review and organization of claims. | 3.20 | n/c | | |
| 2/17/99 | (Trustee) Work on claims. | 3.00 | n/c | | |
| 2/18/99 | (Attorney) Interview; strategy w/ Agee, Carlton, Mashburn re: HICFA suit (1/2 charge-2 hours actual). | 1.00 | \$125.00 | | |
| 2/22/99 | (Attorney) Meeting re: Gov. suit; where are we on Proof and exact dollar amount; Shepardize FL case. | 1.00 | \$125.00 | | |
| 2/23/99 | (Attorney) Meeting w/ HSBC; accountant re: case; trial meeting and litigation strategy. | 0.75 | \$93.75 | | |
| 2/23/99 | (Trustee) Review 2 weeks worth mail. | 1.75 | n/c | | |
| 2/24/99 | Copy Stop-Set of HCFA demands \$38.40. (See expense page.) | | | | |
| 2/26/99 | (Trustee) creditor calls for the month. Employees. My staff has stopped keeping track officially. They state to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. Known calls for the month, 8. | 0.60 | n/c | | |
| 3/1/99 | (Attorney) Extended strategy conf. w/ JM re: legal issues as previously developing. Basically go over fact issues in case; Extent and focus of what I envision their special and limited employment to be if they agreed. Go over facts to date, Palmetto, FBI, etc. Estate simply needs more help. Hearings involve multiple attorneys against estate. | 1.90 | \$237.50 | | |
| 3/1/99 | (Attorney) Rough draft application; affidavit and Order to employ special counsel. | 1.50 | \$187.50 | | |
| 3/4/99 | (Trustee) T/c w/ Jim Voight re: representation of HICFA in Healthback. Begin general discussion of why I think this estate has huge claim against Healthback, usurpation of business opportunity, evidence reflects that they took Qualicare income for the last 3 months, but did not pay the bills or employees. Bank of America information shows that. | 0.75 | n/c | | |
| 3/10/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 3/10/99 | (Attorney) Meeting w. Garvin, Agee firm re: suit v. HICFA, their employment, facts, theories, my extensive information to date, but also how many holes there are. | 1.50 | \$187.50 | | |
| 3/11/99 | (Attorney) Meeting w/ JM re: suit. | 1.00 | \$125.00 | | |

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| 3/15/99 | (Attorney) Strategy conf. w/ JM re: HICFA suit; My research and law to date. Go over research. Brain storm re: theories, I suggest we try and see if we can get them stipulating to jurisdiction in bk court through appearance or anything. We do not want to have to litigate administratively back east. Claim at issue in excess of \$1mm. | 2.50 | \$312.50 | | |
| 3/16/99 | Quick Print Bill-Photocopy expense: Copy of HICFA demands \$30.13. (See expense page.) | | | | |
| 3/17/99 | (Attorney) Revise draft of application Order to employ special counsel; Further conf. w. attorney; re: law, facts, what they are getting into, re-negotiate terms. I renew request for contingent representation and they agreed to it. | 0.50 | \$62.50 | | |
| 3/17/99 | (Attorney) Strategy Conf. Re: HICFA suit (2 attorneys 1 charge) | 1.85 | \$231.25 | | |
| 3/18/99 | (Attorney) Meeting re: strategy, administrative remedies, bankruptcy jurisdiction, litigation. | 2.00 | \$250.00 | | |
| 3/24/99 | (Attorney) T/c w/ employee group attorney re: misc. issues; claims of employees; priority; vacation compensation issues, some apparently had 401k deductions which have not been accounted for. | 0.40 | \$50.00 | | |
| 3/26/99 | (Attorney) Legal work; \$700K set off by Palmetto by striking bills of Monarch Mortgage; have word with atty Linda Scoggins may have bills and backup; how do we get criminal and grand jury issues. How to find and get records. | 2.25 | \$281.25 | | |
| 3/29/99 | (Trustee) Review 30 days mail. | 2.60 | n/c | | |
| 3/30/99 | (Attorney) Receive and review Nations Bank loan invoice; pull file; this is a bill received monthly; Nations was paid by prior Order; draft letter to Bank attorney re: prior payment and agreement; re: stop billing estate. | 0.35 | \$43.75 | | |
| 3/31/99 | (Trustee) Revise Form 1; file. | 0.75 | n/c | | |
| 3/31/99 | (Trustee) creditor calls for the month. Employees. Staff has stopped keeping track. State to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. Known calls for the month, 9. | 0.60 | n/c | | |
| 4/8/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |

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| 4/19/99 | (Attorney) Receive and review Healthback adv. settlement docs; conf. w/ JM and EL (3 attorneys 1 charge) re: our adversary; effect of proposed portion to set aside court's prior Order. This could be huge and be devastating to a quick settlement of the \$1.5mm claim we have established; analyze. Argue we should still be able to use, because a settlement is proposing to set the courts order aside. That should not change the legal basis and courts analysis for the decision. | 1.30 | \$162.50 | | |
| 4/19/99 | (Trustee) Review 2 weeks mail. | 1.50 | n/c | | |
| 4/26/99 | (Trustee) Review 10 days mail. | 1.75 | n/c | | |
| 4/26/99 | (Attorney) Meeting w/ accountant and HCBS (by phone) re: suit and proof issues; discuss some of Healthback strategy (2 attorneys 1 charge); go over pending motion to settle and to set aside courts prior order, and major effect that might have on our strategy and to quickly recover the \$1.5mm HCBS discovered as unpaid visits. | 2.40 | \$300.00 | | |
| 4/28/99 | (Attorney) Conf. re: law suit (3 attorneys 1 charge); review and revise drafts; additional strategy as to our new 5-year contract limitations theory. Looks like we will have to use the expanded theory if the Health back settlement proposal goes through. | 1.15 | \$143.75 | | |
| 4/30/99 | (Trustee) creditor calls for the month. Employees. My staff has stopped keeping track officially. They state to much hassle. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. I receive 5 tax related calls. Known calls for the month, 11. | 1.00 | n/c | | |
| 5/6/99 | (Trustee) Review 2 weeks mail. | 1.50 | n/c | | |
| 5/10/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 5/11/99 | (Attorney) Misc. conf re: suit; fact issues and contract claims; research. | 2.50 | \$312.50 | | |
| 5/11/99 | (Attorney) Conf. w/ John Mashburn re: suit. (1 atty charge) | 1.25 | \$156.25 | | |
| 5/12/99 | (Attorney) Conf. and strategy re: suit, proposed withdrawal of Healthback Order by court: I still think this could undermine entire case strategy. Some Collier's and USCA research (2.7 hours of research). | 3.20 | \$400.00 | | |
| 5/17/99 | (Attorney) Meeting w/ Bob Bruner re: litigation; number crunching; subsequent meeting w/ Bob Bruner trial issue identification. | 2.30 | \$287.50 | | |
| 5/19/99 | (Attorney) Review petition v. gov.; conf re: same. | 1.00 | \$125.00 | | |
| 5/24/99 | (Trustee) Weekly mail review. | 0.75 | n/c | | |

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| 5/27/99 | (Attorney) Conf. w/ JM re: pleading; answer and Summary Judgment; effect of possible or actual withdrawal of Healthback order by Judge Bohanon on our suit; it would be huge; research other cases and search for alternative authority. | 1.25 | \$156.25 | | |
| 5/27/99 | (Trustee) creditor calls for the month. Employees. Staff has stopped keeping track officially. To much time and effort involved on top of taking calls. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. I received 12 calls, wages, status, litigation, criminal inquires by most. Appears there continues to be a "network". Hear from a lot of the same people. Known calls for the month, 19. | 1.40 | n/c | | |
| 6/1/99 | (Attorney) Receive and review court Order in Healthback vacating prior decision; It's happend, despite our objection; strategy conf. re: suit; administrative remedy Objection date. Appeal date; standing of this estate to appeal due to our claim as filed in Healthback; strategy. | 1.75 | \$218.75 | | |
| 6/2/99 | (Trustee) Receive and review mail. | 1.25 | n/c | | |
| 6/4/99 | (Attorney) Conf. w/ JM re: service and Summary Judgment. | 0.45 | \$56.25 | | |
| 6/4/99 | (Trustee) Prepare bond report and issue check. File; mail | 0.65 | n/c | | |
| 6/9/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 6/15/99 | (Attorney) Conf. re: affidavit for Summary Judgment; terms and fact points to include. | 0.50 | \$62.50 | | |
| 6/16/99 | (Attorney) Meeting w/ Rodney McPherson of HCBS cost accountant re: Summary Judgment affidavits. Trial issues; guts of expense identification. | 1.00 | \$125.00 | | |
| 6/17/99 | (Trustee) additional conf. about case, litigation | 2.00 | n/c | | |
| 6/29/99 | (Attorney) Conf. re: Summary Judgment and two affidavits; revise and include additional argument. | 1.40 | \$175.00 | | |
| 6/30/99 | (Trustee) creditor calls for the month. Employees. Staff has stopped keeping track officially. To much time and effort involved on top of taking calls. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. I received 9 calls, wages, status, litigation, criminal inquires by many of them. Known calls for the month, 17. | 1.25 | n/c | | |
| 7/7/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 7/9/99 | (Attorney) Various t/c; receive and review letter asking for statute and legal authority; answer nine calls over last week. | 0.80 | \$100.00 | | |

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| 7/20/99 | (Trustee) Mail review—six weeks. | 2.60 | n/c | | |
| 7/22/99 | (Attorney) Start work on Interim Fee Applications; for about 1 year, 1997 and half of 1998. | 1.75 | \$218.75 | | |
| 7/26/99 | (Attorney) Conf. w/ JM re: Objection to US Gov. Motion to Dismiss. Provide additional arguments for him to add. | 0.60 | \$75.00 | | |
| 7/28/99 | (Attorney) Rough draft Interim fee request. | 1.50 | \$187.50 | | |
| 7/28/99 | (Attorney) Conf. w/ JM re: Objection to US Gov Motion to Dismiss. Revise and discuss his points and my additions. | 0.75 | \$93.75 | | |
| 7/29/99 | (Attorney) Conf. w/ JM re: take draft and make further revisions to response Motion to Dismiss and brief. | 1.50 | \$187.50 | | |
| 7/30/99 | (Attorney) Revise, finalize and prepare fee request; review all bills for 14 months; remove 2 and 3 attorney charges; reduce to single charge estate gets benefit of 3 atty for 1 charge. (6 hours actual time; voluntarily reduced) To court; file. | 2.50 | \$312.50 | | |
| 7/30/99 | (Trustee) creditor calls for the month. Employees. Staff has stopped keeping track officially. I received 7 calls, wages, status, litigation, criminal inquires by most. Appears there continues to be a "network". Hear from a lot of the same people. Known calls for the month, 11. | 0.75 | n/c | | |
| 8/9/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 8/12/99 | (Attorney) Conf. w/ counsel re: abstention problems; jurisdiction and referral. If in fact estate is now required to administratively litigate the \$1.5 million in unreimbursed costs in Virginia; strategy; this could be fatal with the FBI holding records; records now mixed up last I saw. | 2.70 | \$337.50 | | |
| 8/12/99 | (Attorney) Prepare for and attend Motion to Dismiss hearing. Healthback; effect on our million dollar claim. | 4.00 | \$500.00 | | |
| 8/13/99 | (Trustee) File work; document research; strategy re: suit and claims. | 4.00 | n/c | | |
| 8/16/99 | (Attorney) Strategy conf. w/ John Mashburn re: research abstention. Suggest some services, BNA, etc. | 0.20 | \$25.00 | | |
| 8/16/99 | (Attorney) Work on claims review and classification; research to apply to work done to date. Research and how to deal with no records to back up some of the claims; specifically how to deal with retirements funds withheld and vacation issues. | 5.00 | \$625.00 | | |

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| 8/17/99 | (Attorney) Research, develop idea, and then Strategy conf. w/ Mashburn re: suggest theory of informal Proof of Claim by gov. to obtain jurisdiction over them and Palmetto to circumvent administrative claims appeal process, which would be devastating to recovery of \$1.5mm. Advise him that HCBS states this is always the strategy of Palmetto when bk is filed; they have made demand; case law that is jurisdiction. | 1.60 | \$200.00 | | |
| 8/17/99 | (Attorney) Meeting w. Mashburn re: t/c w/ gov. attorney; settlement issues. | 0.85 | \$106.25 | | |
| 8/18/99 | (Attorney) Work on claims review, classification and objections. | 4.50 | \$562.50 | | |
| 8/19/99 | (Attorney) Strategy conf. w/ Mashburn re: claims of gov; review Palmetto demand letter and exit interview. | 0.50 | \$62.50 | | |
| 8/19/99 | (Attorney) Work on claims review and classification. | 4.75 | \$593.75 | | |
| 8/20/99 | (Attorney) Work on claims review and classification. | 5.00 | \$625.00 | | |
| 8/23/99 | (Attorney) To Court; reviewed file and Proofs of Claims as well as attachments; determined claims that required Objections | 2.00 | \$250.00 | | |
| 8/24/99 | (Attorney) Work on claims; review and categorize. | 4.00 | \$500.00 | | |
| 8/24/99 | (Attorney) To Court; finished review of file and Proofs of Claims as well as attachments; we don't have many attachments; determined claims that required Objections (part). | 2.00 | \$250.00 | | |
| 8/24/99 | (Trustee) Mail review (three weeks). | 1.90 | n/c | | |
| 8/25/99 | (Attorney) Ongoing reviewing claims, organizing and classifying claims. | 3.00 | \$375.00 | | |
| 8/25/99 | (Attorney) Misc. conf.; subpoena issues as to Monarch; we need docs to disallow gov. claims and disallowing costs by Palmetto; who to subpoena criminal actions pending. | 2.00 | \$250.00 | | |
| 8/26/99 | (Attorney) Reviewed claims, organized and categorized claims into wage, secured and non-priority claims, and sub-category. | 1.00 | \$125.00 | | |
| 8/30/99 | (Attorney) Researched priorities among the unsecured claims regarding 401K plans, medical insurance and vacation time; reviewed and organized claims. | 3.00 | \$375.00 | | |
| 8/30/99 | (Attorney) Reviewed claims, categorized as priority or non-priority wage, secured, tax or unsecured non-priority claims; determined claims to be disallowed and objected to; determined rough figured for amount of claims for presentation to Judge Bohanon at hearing. For use in government trial. | 7.50 | \$937.50 | | |
| 8/31/99 | (Attorney) Claim work and research. | 6.00 | \$750.00 | | |

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| 8/31/99 | (Trustee) creditor calls for the month. Employees. Staff has stopped keeping track officially. Too much time and effort involved on top of taking calls. Will just make estate aware that they continue to receive calls from employees primarily. Ask them estimate of how many receive. I received 12 calls, wages, status, litigation, criminal inquires by most. Appears there continues to be a "network". Hear from a lot of the same people. Known calls for the month, 19. | 1.40 | n/c | | |
| 9/1/99 | (Attorney) Prepare for interim fee hearing; review billing; review Seneca and Johnson cases; to court; present interim fee request. | 1.70 | \$212.50 | | |
| 9/1/99 | (Attorney) Initial finalized rough mass claim organization; tallied total number of claims; amount; secured versus unsecured; priority and wage claims, etc. Duplicate; spread sheet of legal issues, i.e., documentation problems; note or other problems. | 2.00 | \$250.00 | | |
| 9/7/99 | (Attorney) Rough drafted Objections to Proof of Claim, drafted Notices of Hearing on Objection and drafted Orders on Dana Commercial Credit, ZML and AT & T, others. | 3.00 | \$375.00 | | |
| 9/8/99 | (Attorney) Drafted Objection to Proof of Claim of Aloha Telecom; drafted Notice of Hearing on Objection; drafted Order. | 1.00 | \$125.00 | | |
| 9/8/99 | (Attorney) Draft and review correspondence to Spavinaw Telephone re: claims; agreed to reduce claim by eliminating post-petition charges. | 0.25 | \$31.25 | | |
| 9/9/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 9/10/99 | (Trustee) Reviewed claims and organized file. | 2.00 | n/c | | |
| 9/22/99 | (Trustee) Receive check; prepare deposit. | 0.30 | n/c | | |
| 9/27/99 | (Trustee) One month mail review. | 2.70 | n/c | | |
| 9/30/99 | (Attorney) Review records; search through important patient and management records; review records for verification of prior statements and expenses; review through approx. 18 boxes of records; looking for Monarch Management records. Trial preparation. | 7.50 | \$937.50 | | |
| 9/30/99 | (Trustee) creditor telephone calls for the month. Ask staff to estimate how many received. I received 7 calls, wages, status, litigation, criminal inquires by most. Appears there continues to be a "network". Hear from a lot of the same people. Known calls for the month, 13. | 0.80 | n/c | | |
| 9/30/99 | (Trustee) Revise Form 1; file. | 0.50 | n/c | | |
| 10/1/99 | (Attorney) Search and review 8 boxes of docs; looks like some 1996 cost records; no Monarch Management. Need for trial. | 6.75 | \$843.75 | | |

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| 10/8/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 10/8/99 | (Attorney) Meeting with Mashburn, Rodney McPherson and Bob Bruner re: administrative strategy; 1997 cost report; appeal on 1995 and 1996 and Monarch litigation; raise and explore new idea/claim v. attorney for malpractice; theory is attorney provided advise which resulted in Palmetto disallowing \$750k in costs per year. Trial preparation and discovery. | 3.75 | \$468.75 | | |
| 10/18/99 | (Attorney) Continuing strategy re: suit v. Gov.; begin reorganizing claims into Order for accountant to work on 1997 cost report required by gov. Before we can move on \$1.5mm claim | 2.00 | \$250.00 | | |
| 10/29/99 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 18 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Known calls for the month, 26. | 1.70 | n/c | | |
| 11/1/99 | (Attorney) Strategy conf. w/ Mashburn re: litigation and administrative remedies. Present theories exploring | 1.00 | \$125.00 | | |
| 11/10/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 11/12/99 | (Trustee) Review mail (3 weeks). | 1.60 | n/c | | |
| 11/30/99 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 23 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Known calls for the month, 31. | 2.00 | n/c | | |
| 11/30/99 | (Trustee) Review mail (2 weeks). | 0.90 | n/c | | |
| 12/10/99 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 12/15/99 | (Trustee) Mail review (2 weeks). | 1.30 | n/c | | |
| 12/27/99 | (Attorney) Receive and review letter from Dept. of Labor attorney; draft response as requested. | 0.50 | \$62.50 | | |
| 12/28/99 | (Attorney) Conf. re: letter from Dept. of Labor; her contact of Paychex payroll; we will need for 97/98 cost report. | 1.75 | \$218.75 | | |
| 12/29/99 | (Attorney) Extended conf. re: payroll records and cost report. | 1.00 | \$125.00 | | |
| 12/31/99 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 15 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Known calls for the month, 19. | 1.00 | n/c | | |
| 1/7/00 | (Trustee) Four t/c with employees re: status of case. | 0.80 | n/c | | |
| 1/10/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |

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|-------------|---|--------------|------------|---------------|----------------|
| 1/17/00 | (Attorney) Conf. with attorney Joe Lankford re: his docs.; help with cost report; he is attorney for Chris Kluding; hit Monarch Management issues; we need answered for cost dispute resolution. | 1.90 | \$237.50 | | |
| 1/20/00 | (Attorney) T/c w/ attorney John Laasch. | 0.40 | \$50.00 | | |
| 1/27/00 | (Trustee) Claim work; reviewing claims. | 5.00 | n/c | | |
| 1/31/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 8 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Some tax calls starting; provide updates. Known calls for the month, 11. | 0.50 | n/c | | |
| 2/1/00 | (Trustee) Review mail from 10 days. | 1.00 | n/c | | |
| 2/3/00 | (Attorney) Conf. and research re: tax issues. | 3.00 | \$375.00 | | |
| 2/7/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 2/7/00 | (Attorney) Review two insurance policies obtained from old company executive; other information which may help with cost report. | 2.00 | \$250.00 | | |
| 2/14/00 | (Trustee) Unscheduled meeting with FBI; FBI appears to threaten Trustee or employees. | 0.40 | n/c | | |
| 2/14/00 | (Attorney) Conf. w/ attorney John Mashburn re: strategy and claim w/ debtor's atty. FBI comments which appear to be veiled possible threats if pursuing Qualicare payment issues; grand jury; discussion about a harsher threat to HCBS employee. | 0.75 | \$93.75 | | |
| 2/15/00 | (Trustee) Review mail (2 weeks). | 1.30 | n/c | | |
| 2/28/00 | (Attorney) extended t/c w/ employee rep. Re: case; convictions and effect conf. w/ Mashburn re: convictions; effect on strategy v. original counsel. | 0.60 | \$75.00 | | |
| 2/29/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 11 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Some tax calls starting again; provide updates. Tax calls. Known calls for the month, 16. | 0.80 | n/c | | |
| 3/1/00 | (Attorney) T/c w/ gov. atty. Marsha Levine re: retirement funds; agree to send Form 2 and atty information. | 0.35 | \$43.75 | | |
| 3/7/00 | (Trustee) Meet with accountant re: tax issues. | 2.50 | n/c | | |
| 3/8/00 | (Trustee) Receive three t/c from prior employees, | 0.50 | n/c | | |
| 3/10/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |

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|-------------|--|--------------|------------|---------------|----------------|
| 3/14/00 | (Trustee) Received fax from Marsha Levine re: payroll information. | 0.30 | n/c | | |
| 3/17/00 | (Trustee) One month mail review. | 2.50 | n/c | | |
| 3/28/00 | (Attorney) meeting w. atty Mashburn re: strategy; FBI meeting and t/c. Discuss retirement fund issues raised by atty Levine. | 1.00 | \$125.00 | | |
| 3/28/00 | (Trustee) Faxed copy of Schedule B to M. Levine as requested. | 0.30 | n/c | | |
| 3/28/00 | (Trustee) T/c from FBI; set up meeting; meet with agent Cami Newey. Subsequent general review of notes. | 2.50 | n/c | | |
| 3/28/00 | (Attorney) Review Monarch Management docs as received from Chris Kluding; work and research on angle of professional malpractice by attorney who gave advise re: Monarch mgmt. Cost deductability which has resulted in disallowance of our \$1mm in costs; pull the hundreds of documents we do have, try and locate his original opinion request letter. | 3.75 | \$468.75 | | |
| 3/29/00 | (Trustee) Faxed Form 1 w/ letter re: retirement funds. | 0.30 | n/c | | |
| 3/30/00 | (Trustee) Conference re: file and claim organization. | 1.25 | n/c | | |
| 3/31/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 12 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Some tax calls starting again; provide updates. Known calls for the month, 15. | 1.00 | n/c | | |
| 4/4/00 | (Trustee) Mail review (2 weeks). | 0.85 | n/c | | |
| 4/5/00 | (Trustee) work on subpoena compliance. Staff | 2.00 | n/c | | |
| 4/5/00 | (Trustee) Search file (two feet of docs) to comply w/ grand jury subpoena; (still did not complete task) | 4.00 | n/c | | |
| 4/10/00 | (Trustee) Review file and HCBS docs to date for grand jury subpoena; draft letter to FBI agent. | 2.00 | n/c | | |
| 4/10/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 4/13/00 | (Trustee) Organize claim documents. | 3.00 | n/c | | |
| 4/14/00 | (Trustee) Meet with FBI agent Cami Newey. | 1.75 | n/c | | |
| 4/18/00 | (Trustee) Enter claim information on computer, | 7.00 | n/c | | |
| 4/20/00 | (Trustee) Organize file and objections. | 6.00 | n/c | | |
| 4/24/00 | (Trustee) Sort claims/duplicates. | 5.00 | n/c | | |
| 4/25/00 | (Trustee) Draft Objections to additional Claims (16). | 8.00 | n/c | | |

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|---------|--|-------|-----|--------------------|------------------|
| 4/25/00 | (Trustee) Final review of Objection to 16 claims and 34 related claims, notice, Order and Proof of Service; execute. | 2.25 | n/c | | |
| 4/26/00 | (Trustee) To court; file and serve 16 Objections to Claims. | 2.75 | n/c | 240@.15 \$36.00 | 16@.33 \$5.28 |
| 4/28/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 18 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Some tax calls starting again; provide updates. Known calls for the month, 27. | 1.30 | n/c | | |
| 4/28/00 | (Trustee) 2 weeks mail review. | 1.90 | n/c | | |
| 5/5/00 | (Trustee) Work on Proof of Claims; still reviewing duplicates and duplicate claims w/ different amounts. | 3.00 | n/c | | |
| 5/9/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 5/10/00 | (Trustee) Review claims. | 8.00 | n/c | | |
| 5/11/00 | (Trustee) Review claims. | 4.00 | n/c | | |
| 5/12/00 | (Trustee) Continue work on claims, revise Objections to "special" claim Objections; wages. | 2.00 | n/c | | |
| 5/15/00 | (Trustee) One month mail review. | 2.50 | n/c | | |
| 5/23/00 | (Trustee) Draft Objections to claims. | 3.50 | n/c | | |
| 5/24/00 | (Trustee) Draft Objections to claims. | 3.50 | n/c | | |
| 5/31/00 | (Trustee) creditor calls for the month. I received 6 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Som tax calls again; provide updates. Known calls for the month, 8. | 0.50 | n/c | | |
| 6/5/00 | (Trustee) Draft Order. | 1.50 | n/c | | |
| 6/6/00 | (Trustee) Draft Objections. | 3.00 | n/c | | |
| 6/7/00 | (Trustee) Revise Objections. | 2.00 | n/c | | |
| 6/12/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 6/13/00 | (Trustee) Revise Objections. | 2.50 | n/c | | |
| 6/13/00 | (Trustee) T/c w/ HCBS re: documents; any ability to continue representing estate in Palmetto claims. | 0.50 | n/c | | |
| 6/14/00 | (Trustee) Work on objections. | 4.00 | n/c | | |
| 6/18/00 | (Trustee) Continuing claim review; revise objections. | 5.00 | n/c | | |

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|---------|---|-------|----------|--------|---------|
| 6/19/00 | (Attorney) Extended file review, strategy and research, specifically for any letters from Palmetto or U.S. Attorney claiming money paid estate is duplicate and/or making demand for return on money paid for any reason other than cost report issues previously raised. | 5.00 | \$625.00 | | |
| 6/20/00 | (Attorney) Conf. re: Claim objections and reply; medical claims; Linda Dunn; she has a claim, she is also a stock investor. Research re: bifurcating her claim. | 2.60 | \$325.00 | | |
| 6/21/00 | (Trustee) Finalize another set of claim objections. | 1.10 | n/c | | |
| 6/22/00 | (Trustee) Revise and sign more Objections, notice to claims; prepare for filing. | 1.00 | n/c | | |
| 6/22/00 | (Attorney) Conf. w/ Mashburn re: possible Patzkowski suit; my strategy Palmetto. | 0.70 | \$87.50 | | |
| 6/22/00 | (Trustee) Review 14 unusual claims; combination of attachments missing; numbers don't add up; determine how to object and outline Objection. | 3.20 | n/c | | |
| 6/26/00 | (Trustee) Prepare Objections and notices for filing; 38; service after filing. | 2.50 | n/c | | |
| 6/26/00 | (Attorney) Strategy conf. re: possible Patzkowski professional attorney malpractice suit; agree with JM that I will research gov./Palmetto suit and application to this possible claim. Theoretically, he would be liable for the \$.5mm in disallowed costs based on his advice. | 2.80 | \$350.00 | | |
| 6/26/00 | (Trustee) Complete tax i.d. number request. | 0.40 | n/c | | |
| 6/26/00 | (Trustee) Revise and finalize another 38 claim Objections; to date, over 95 prepared. | 3.80 | n/c | | |
| 6/27/00 | (Trustee) Meeting w/ Mike Deeba, accountant re: tax returns; payroll reports, issues. | 2.00 | n/c | | |
| 6/28/00 | (Trustee) T/c w/ wage claimants; 16 calls averaging 8-10 minutes per call. | 1.50 | n/c | | |
| 6/29/00 | (Trustee) Receive four t/c from employees re: claim objections. | 0.55 | n/c | | |
| 6/30/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 7 calls, wages, status, litigation, criminal inquires by most. Provide updates. Known calls for the month, 10. | 0.75 | n/c | | |
| 7/5/00 | (Trustee) T/c w/ creditor re: Objection to their Proof of Claim. | 0.40 | n/c | | |
| 7/5/00 | (Trustee) Research claim and Objection to Proof of Claim. | 2.00 | n/c | | |
| 7/5/00 | (Trustee) Receive and review and have six t/c re: claim objections. | 1.10 | n/c | | |

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| 7/6/00 | (Trustee) misc. file work. | 4.00 | n/c | | |
| 7/6/00 | (Trustee) Receive eight t/c re: claims and objections. | 1.90 | n/c | | |
| 7/6/00 | (Attorney) Conf. re: claim of Dana Corp.; breach of lease of personal property; review contract; two t/c w/ atty for Dana Corp.; Objection. Provide attorney with law as to why they are not entitled to that claim because of lease; limited remedy. | 0.80 | \$100.00 | | |
| 7/7/00 | (Trustee) Receive four t/c re: claims. | 0.85 | n/c | | |
| 7/7/00 | (Trustee) Prepare Withdrawal of Objection to Proof of Claims; to court, file.. | 1.80 | n/c | | |
| 7/10/00 | (Trustee) T/c w/ former employee to explain the Objection procedure. | 0.50 | n/c | | |
| 7/11/00 | (Trustee) T/c w/ former employee's atty re: Objection to Proof of Claim; will not appear. | 0.30 | n/c | | |
| 7/11/00 | (Trustee) Draft and review Order allowing Proof of Claim per document produced. | 0.40 | n/c | | |
| 7/11/00 | (Trustee) Prepare bond report and issue check. | 0.50 | n/c | | |
| 7/11/00 | (Trustee) Misc. t/c w/ five employees (1 extended .35 call) | 1.10 | n/c | | |
| 7/11/00 | (Trustee) misc. file work by staff on files document production issues. | 2.50 | n/c | | |
| 7/11/00 | (Trustee) T/c w/ former employee to explain Objection and claims procedure. | 0.50 | n/c | | |
| 7/12/00 | (Trustee) Prepare Order on Objection to Proof of Claim. | 0.50 | n/c | | |
| 7/12/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 7/12/00 | (Trustee) misc. file work, staff work; documents. | 3.00 | n/c | | |
| 7/13/00 | (Trustee) T/c w/ employee re: claims. | 0.30 | n/c | | |
| 7/14/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 7/16/00 | (Trustee) Review 3 responses; docs submitted in response to Objection to claim; review 18 additional/unusual claims and determine how to object to; outline Objection for each. | 6.00 | n/c | | |
| 7/17/00 | (Trustee) misc. file work, staff work | 1.25 | n/c | | |
| 7/20/00 | (Trustee) T/c w/ employee re: future Objection. | 0.30 | n/c | | |
| 7/20/00 | (Trustee) T/c w/ employee re: Objection to Proof of Claim and hearing. | 0.40 | n/c | | |
| 7/21/00 | (Trustee) T/c w/ employee re: Objection. | 0.25 | n/c | | |

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| 7/24/00 | (Trustee) T/c w/ employees. | 1.50 | n/c | | |
| 7/24/00 | (Trustee) Prepare Orders on Objections. | 2.00 | n/c | | |
| 7/25/00 | (Trustee) Prepare single Order for seventeen Objections. | 0.30 | n/c | | |
| 7/26/00 | (Trustee) T/c w/ Judge Bohanon's assistant re: Order presented. | 0.50 | n/c | | |
| 7/27/00 | (Trustee) T/c w. employees. | 1.00 | n/c | | |
| 7/31/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 4 calls, wages, status, litigation, criminal inquires by most. Provide updates. Known calls for the month, 5. | 0.35 | n/c | | |
| 7/31/00 | (Trustee) T/c w/ employee re: claim Objection. | 1.50 | n/c | | |
| 8/1/00 | (Trustee) T/c w/ employee re; hearing, Order and status of case. | 0.50 | n/c | | |
| 8/2/00 | (Trustee) T/c w/ atty for Promotional Resource re: case status and new address. | 0.20 | n/c | | |
| 8/7/00 | (Trustee) Review and revise eight claim Objections and Motions; file and serve; obtain hearing dates. | 1.00 | n/c | | |
| 8/9/00 | (Attorney) Conf. and research status of Palmetto suit and how to jump start settlement; since we cannot locate any expert to help with administrative appeal. | 1.75 | \$218.75 | | |
| 8/9/00 | (Trustee) T/c w/ employees re: claim; Objection. | 1.00 | n/c | | |
| 8/10/00 | (Trustee) Five t/c w/ employees re: claims. | 1.20 | n/c | | |
| 8/11/00 | (Trustee) Misc. claims review; review and consider unidentified retirement funds and how to tie with claims that we have. | 2.00 | n/c | | |
| 8/14/00 | (Trustee) Review misc. mail. | 0.35 | n/c | | |
| 8/14/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 8/18/00 | (Attorney) Review request for admission in Patzkowski suit; strategy where defendant is going; probably looking to waiver of privilege; second cause of action. That's not a bad defense. But is it a waiver b/c of FBI and grand jury subpoena which I had to comply with; and he should now that in order to be reimburse for costs, Palmetto has the right to look at all costs. Begin to form strategy that he included language in his bill and letter which focused in on the Monarch mgmt. Problem. And he would have to know, as an expert, that including that disclosure in the bills would be seen by Palmetto on a cost adit. | 1.75 | \$218.75 | | |
| 8/22/00 | (Trustee) T/c w/ employee re: Objection to Proof of Claim (two calls). | 0.60 | n/c | | |

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| 8/26/00 | (Trustee) Draft and review Order on Objection to twelve Proofs of Claims. | 2.00 | n/c | | |
| 8/29/00 | (Trustee) T/c w/ employee re: Objection to claim. | 0.30 | n/c | | |
| 8/31/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 6 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Provide updates. Known calls for the month, 9. | 0.70 | n/c | | |
| 8/31/00 | (Trustee) T/c w/ employee re: status of case. | 0.25 | n/c | | |
| 9/7/00 | (Trustee) T/c w/ employees re: claims. | 1.40 | n/c | | |
| 9/12/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 9/20/00 | (Attorney) Extended t/c re; discovery in Patzkowski malpractice case. | 1.20 | \$150.00 | | |
| 9/21/00 | (Trustee) Extended t/c w/ three employees re: status and claims. | 0.80 | n/c | | |
| 9/21/00 | (Trustee) File review. | 1.00 | n/c | | |
| 9/25/00 | (Trustee) file work, staff. | 5.00 | n/c | | |
| 9/28/00 | (Trustee) T/c w/ employee re: claim. | 0.30 | n/c | | |
| 9/29/00 | (Trustee) creditor calls for the month. Staff estimates how many they received. I received 4 calls, wages, status, litigation, criminal inquires by most. Some tax calls starting again; provide updates. Known calls for the month, 26. | 1.40 | n/c | | |
| 10/2/00 | (Trustee) Receive and review demand letter from Bank of America; have received a bill per month; now demand letter; draft notice of bankruptcy. | 0.45 | n/c | | |
| 10/5/00 | (Trustee) Draft and review Proof of Service on Objection to Proof of Claim Order. | 1.50 | n/c | | |
| 10/9/00 | (Trustee) T/c w/ employee re: case status. | 0.30 | n/c | | |
| 10/10/00 | (Trustee) T/c w/ creditor/employee. | 0.30 | n/c | | |
| 10/11/00 | (Trustee) T/c w/ creditor/employee. | 0.30 | n/c | | |
| 10/12/00 | (Trustee) T/c w/ creditors/employees. | 0.90 | n/c | | |
| 10/17/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 10/23/00 | (Trustee) Receive and review credit billing from AT&T; draft letter asking for credit balance. | 0.40 | n/c | | |
| 10/23/00 | (Trustee) Revise Form 1; file. | 0.50 | n/c | | |

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| 10/31/00 | (Trustee) creditor calls for the month. I received 11 calls, wages, status, litigation. Provide updates. Known calls for the month, 13. | 1.00 | n/c | | |
| 11/9/00 | (Attorney) Status and strategy conf. re: two pending adversaries; trial or Summary Judgment issues; scheduling (two attorneys—one charge). | 2.20 | \$275.00 | | |
| 11/9/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 11/14/00 | (Trustee) T/c w/ employee/creditor. | 0.30 | n/c | | |
| 11/14/00 | (Trustee) Draft and review letter to employee/creditor. | 0.30 | n/c | | |
| 11/30/00 | (Trustee) Monthly phone log summary; Lyle R. Nelson received 28 telephone calls. | 1.90 | n/c | | |
| 11/30/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. Re: wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Some tax calls starting again; provide updates. Known calls for the month, 7 by employees | 0.40 | n/c | | |
| 12/11/00 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 12/29/00 | (Trustee) creditor calls for the month. Ask staff to estimate how many received. I received 7 calls, wages, status, litigation, criminal inquires by most. Hear from a lot of the same people. Som tax calls starting again; provide updates. Known calls for the month, 11. | 0.60 | n/c | | |
| 1/19/01 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 1/31/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 8 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 12. | 0.40 | n/c | | |
| 2/8/01 | (Trustee) T/c w/ 15 creditors. | 4.50 | n/c | | |
| 2/13/01 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 2/15/01 | (Trustee) Extended t/c w/ employee Cecilia Smith re: frustration. | 1.00 | n/c | | |
| 2/28/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 7 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; some tax claims issues as well; provide updates. Known calls for the month, 11. | 0.60 | n/c | | |
| 3/13/01 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |

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|---------|---|-------|-----|--------|---------|
| 3/29/01 | (Trustee) Revise Form I; file. | 0.50 | n/c | | |
| 3/30/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 5 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 7. | 0.40 | n/c | | |
| 4/11/01 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 4/19/01 | (Trustee) Strategy conf. re: state court suit; v. Patzkowski; pretrial/scheduling conf. | 3.75 | n/c | | |
| 4/30/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 4 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 6. | 0.30 | n/c | | |
| 5/22/01 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 5/31/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 5 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 6. | 0.25 | n/c | | |
| 6/8/01 | (Trustee) Faxed requested information to UST office. | 0.25 | n/c | | |
| 6/15/01 | (Trustee) Prepare bond report and issue check. | 0.50 | n/c | | |
| 6/28/01 | (Trustee) Receive and review bank statement; file. | 0.35 | n/c | | |
| 6/29/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 6 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 7. | 0.35 | n/c | | |
| 7/11/01 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 7/31/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 7 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 10. | 0.50 | n/c | | |

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| 8/1/01 | (Trustee) T/c w/ Chase and US Trustee's office re: getting better interest rates on CD. | 1.00 | n/c | | |
| 8/20/01 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 8/31/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 9 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 13. | 0.60 | n/c | | |
| 9/21/01 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 9/28/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 7 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 9. | 0.50 | n/c | | |
| 10/12/01 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 10/26/01 | (Trustee) Revise Form 1; file. | 0.50 | n/c | | |
| 10/31/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 3 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 6. | 0.40 | n/c | | |
| 11/12/01 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 11/30/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 4 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 4. | 0.30 | n/c | | |
| 12/13/01 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |

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| 12/28/01 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 9 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 10. | 0.80 | n/c | | |
| 1/14/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 1/31/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 9 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 11. | 0.60 | n/c | | |
| 2/1/02 | (Attorney) Misc. conf. w/ special counsel re: Patzkowski trial issues (many not billed for). Explore fact and law issues. | 0.75 | \$93.75 | | |
| 2/6/02 | (Attorney) Misc. conf. w/ special counsel re: trial issues (many not billed for). Explore fact and law issues; new contract problems. | 0.75 | \$93.75 | | |
| 2/12/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 2/28/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 2 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 3. | 0.25 | n/c | | |
| 3/13/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 3/29/02 | (Trustee) Revise Form 1; File. | 0.50 | n/c | | |
| 3/29/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 4 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 4. | 0.30 | n/c | | |
| 3/29/02 | (Trustee) Revise Form 1; file. | 0.50 | n/c | | |
| 4/10/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |

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| 4/30/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 7 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 9. | 0.65 | n/c | | |
| 5/10/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 5/31/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 2 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 4. | 0.25 | n/c | | |
| 6/4/02 | (Trustee) Receive and review Mashburn's application and notice of hearing for interim compensation and reimbursement of expenses; docket. | 2.00 | n/c | | |
| 6/11/02 | (Trustee) Prepare bond report and issue check. | 0.50 | n/c | | |
| 6/17/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 6/28/02 | (Trustee) Receive Order for Mashburn's compensation; fax Chase on amount to transfer; write checks. | 1.00 | n/c | | |
| 6/28/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 3 calls, and regarding usual issues of wages, status, remaining litigation, and criminal information or conviction of principals of company; provide updates. Known calls for the month, 3. | 0.25 | n/c | | |
| 7/15/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 7/31/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Amazing, received only 1 call this month. Known calls for the month, 1. | 0.10 | n/c | | |
| 8/6/02 | (Attorney) Misc. conf. (for months) with employees; John Laasch; wage issues; law-options. Retirement funds | 1.00 | \$125.00 | | |
| 8/13/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |

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| 8/30/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 6 calls, and regarding usual issues of wages, status, remaining litigation; provide updates. Known calls for the month, 9. | 0..40 | n/c | | |
| 9/13/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 9/30/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 5 calls, and regarding usual issues of wages, status, remaining litigation; provide updates. Known calls for the month, 5. | 0..30 | n/c | | |
| 9/30/02 | (Trustee) Revise Form I; file. | 0.50 | n/c | | |
| 9/30/02 | (Trustee) Revise Form I; File | 0.50 | n/c | | |
| 10/16/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 10/31/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 8 calls, and regarding usual issues of wages, status, remaining litigation; provide updates. Known calls for the month, 11. | 0.60 | n/c | | |
| 11/1/02 | (Attorney) Receive notice of dormancy; suit vs. government. Strategy re: same; we don't want case to dismiss because they might seek late priority claim; Probably the only reason government has not filed claim for the Monarch "disallowed" cost is that would give court jurisdiction over them here, and we might have a chance to litigate the \$1.5mm we claim is owed, rather than be stuck with administrative appeal process back east in VA. Adversary keeps them at bay. | 1.95 | \$243.75 | | |
| 11/11/02 | (Attorney) Prepare letter to Judge Bohanon asking to leave Adv. open a while longer until case is closed; Hand deliver. | 0.40 | \$50.00 | | |
| 11/21/02 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 11/29/02 | (Trustee) entry for ongoing and standard creditor calls for the month. I received 3 calls, and regarding usual issues of wages, status, remaining litigation. Provide updates. Known calls for the month, 4. | 0.35 | n/c | | |

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| 12/12/02 | (Trustee) Prepare for and attend mediation; all day session review draft of settlement proposal. Ongoing discussion of our latest research; we do have a legal problem if we go to trial. They have a defense, possibly, on disclosure, and on 10 th cir case I previously handled on the insurance appeal. We need to settle this. Further, general check of business suggests only recover will be whatever the malpractice carrier will pay. Case settled, after 5:00 p.m. for \$120,000. | 8.00 | n/c | | |
| 12/12/02 | (Attorney) Research and bankruptcy issues as to settlement of Patzkowski malpractice case; Motion to Compromise; tenth circuit authority; compliance. The insurance company wants some special things in the motion. | 2.90 | \$362.50 | | |
| 12/12/02 | (Trustee) Staff organizing files/claims. | 5.00 | n/c | | |
| 12/13/02 | (Trustee) Staff organizing files/claims; hundreds, if not thousands of pages. | 6.00 | n/c | | |
| 12/13/02 | (Attorney) Strategy and limited research re: remaining case v. HICFA; do we try and settle or walk; attempt to make an offer, let court dismiss; avoid efforts to make later claim; no clear answer yet. But if we let dismiss, dismiss at end of case, during final report so they can't come in at last minute, if we dismiss early, and seek priority government claim. | 2.00 | \$250.00 | | |
| 12/16/02 | (Trustee) Staff organizing files/claims. | 4.50 | n/c | | |
| 12/17/02 | (Trustee) Staff organizing files/claims. | 1.50 | n/c | | |
| 12/18/02 | (Trustee) Receive monthly statement review, second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 12/31/02 | (Trustee) entry for ongoing and standard creditor calls for the month. Ask staff to estimate how many received per ongoing procedure. I received 11 calls, and regarding usual issues of wages, status, remaining litigation; more questions about taxes now. Provide updates. Known calls for the month, 15. | 1.25 | n/c | | |
| 12/31/02 | (Attorney) T/c w/ insurance atty; deal approved, late; begin to revise draft of Motion to Compromise; debate degree of disclosure; too many specifics gives away trial strategy if settlement not approved; re-draft and simplify argument; reduce disclosure of Summary Judgment and trial problems. | 2.00 | \$250.00 | | |
| 1/2/03 | (Attorney) Further revision of Motion to Settle/Compromise; provider draft to special counsel; discuss need to provide minimal information for disclosure but not to disclose too much about problems with case. | 1.75 | \$218.75 | | |

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| 1/13/03 | (Trustee) Strategy conf. With staff re: claims; how to handle size and number to check; how to organize for accountant (three people). | 1.50 | n/c | | |
| 1/14/03 | (Attorney) Research tax issue; withholding requirement for wages and matching. | 0.65 | \$81.25 | | |
| 1/14/03 | (Attorney) Final revision; Motion to Compromise; to court, file, mail. Draft Order. | 1.00 | \$125.00 | 64@.15 \$9.60 | 16@.37 \$5.92 |
| 1/21/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 1/31/03 | (Trustee); ongoing and standard entry for multiple creditor calls received every week and month of the case; calls from mostly wage claimants; pulling their claims; discussing case, providing estimates and returning all calls. Staff continues to estimate how many received per ongoing procedure. I received 12 calls. Known calls for the month, 16. | 1.30 | n/c | | |
| 2/3/03 | (Trustee) Staff organizing files/claims. | 1.75 | n/c | | |
| 2/5/03 | (Trustee) Staff organizing files/claims. | 2.50 | n/c | | |
| 2/14/03 | (Attorney) Draft Proof of Service on Order Granting Trustee Motion to Settle Controversy; File, matrix mail. | 0.75 | \$93.75 | 32@.15 \$4.80 | 16@.37 \$5.92 |
| 2/18/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 2/20/03 | (Trustee) Receive and review Application and Notice of Hearing For Interim Compensation and Reimbursement of Expenses from Atty. Mashburn; docket. | 2.00 | n/c | | |
| 2/28/03 | (Trustee); ongoing and standard entry for multiple creditor calls received every week and month of the case; calls from mostly wage claimants; pulling their claims; discussing case, providing estimates and returning all calls. Staff continues to estimate how many received per ongoing procedure. I received 5 calls. Known calls for the month, 9. | 0.60 | n/c | | |
| 3/11/03 | (Attorney) Receive Notice of adversary proceeding Dismissal within 20 days; strategy re: same. | 0.40 | \$50.00 | | |
| 3/13/03 | (Trustee) Received Release and settlement check for \$120,000.00 from Patzkowski; prepare deposit. | 0.30 | n/c | | |
| 3/13/03 | (Trustee) Staff organizing files/claims. | 5.25 | n/c | | |
| 3/13/03 | (Trustee) Delivered Order on Application For Interim Compensation to UST for signature. | 0.20 | n/c | | |

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| 3/14/03 | (Trustee) Received and reviewed Objection of US Trustee to Pending Application for Compensation from Atty Mashburn; | 0.75 | n/c | | |
| 3/17/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 3/18/03 | (Trustee) Staff organizing files/claims. | 3.00 | n/c | | |
| 3/19/03 | (Trustee) Staff organizing files/claims. | 4.50 | n/c | | |
| 3/20/03 | (Trustee) Staff organizing files/claims. | 7.00 | n/c | | |
| 3/21/03 | (Trustee) Staff organizing files/claims. | 3.50 | n/c | | |
| 3/27/03 | (Trustee) Prepare check and paid Interim Compensation to firm Garvin, Agee, Carlton and Mashburn. | 0.50 | n/c | | |
| 3/31/03 | (Trustee); ongoing and standard entry for multiple creditor calls received every week and month of the case; calls from mostly wage claimants; pulling their claims; discussing case, providing estimates and returning all calls. Staff continues to estimate how many received per ongoing procedure. I received 7 calls. Known calls for the month, 12. | 1.00 | n/c | | |
| 4/4/03 | (Trustee) Staff organizing files/claims. | 4.00 | n/c | | |
| 4/8/03 | (Trustee) Receive and review Order of Dismissal adversary vs. USA | 0.20 | n/c | | |
| 4/9/03 | (Trustee) Staff organizing files/claims. | 2.00 | n/c | | |
| 4/10/03 | (Trustee) Staff organizing files/claims. | 1.50 | n/c | | |
| 4/11/03 | (Trustee) start work on final fee applications; go through about 35 pages of time records. Start cleaning up entries; change some attorney time to trustee time. Review with file, in part. | 5.00 | n/c | | |
| 4/11/03 | (Trustee) Staff organizing files/claims. | 1.25 | n/c | | |
| 4/15/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 4/20/03 | (Trustee) misc. calls over this month and fax to accountant; need him to start on this. (3 calls and faxes). | 0.40 | n/c | | |
| 4/23/03 | (Trustee) Staff organizing files/claims. | 2.75 | n/c | | |
| 4/30/03 | (Trustee); ongoing and standard entry for multiple creditor calls received every week and month of the case; calls from mostly wage claimants; pulling their claims; discussing case, providing estimates and returning all calls. Staff continues to estimate how many received per ongoing procedure. I received 9 calls. Known calls for the month, 10. | 0.75 | n/c | | |

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| 4/30/03 | (Trustee) Continued claim work; going back through hundreds of claims and cross checking; complicated claims b/c they include portions which are unsecured, priority and possible administrative, and various sub-parts of priority. Working on wage claims so accountant can work payroll. | 6.00 | n/c | | |
| 5/1/03 | (Trustee) more general file and expense work for final compensation for trustee; continue review of hundreds of pages of documents; compare them with time records for omissions; have not previously recorded hundreds of phone calls nor meetings simply because it became to onerous. | 7.00 | n/c | | |
| 5/2/03 | (Attorney) work on final compensation request; 3 years of uncompensated for time. Work on fee exhibit. Go through bills and change any time marked atty to trustee where appropriate. | 3.00 | \$375.00 | | |
| 5/4/03 | (Trustee) claims work; continuing review, cross checking with past notes (2 people, 1 time entry) | 1.50 | n/c | | |
| 5/7/03 | (Attorney) research; 507; some past orders entered, 401k retirement issues and application of certain claims to that. How to treat. | 1.00 | \$125.00 | | |
| 5/7/03 | (Trustee) claims work; trustee and 2 legal assistants, wage claims. | 5.00 | n/c | | |
| 5/10/03 | (Trustee) receive 3 calls from employees this date re: usual; have long stopped logging these calls. Too time consuming; hundreds of calls not logged by staff either. | 0.20 | n/c | | |
| 5/15/03 | (Attorney) Rough draft final request for attorney compensation, draft notice and proposed order. Rough draft. | 1.75 | \$218.75 | | |
| 5/18/03 | (Trustee) Rough draft trustee compensation request, notice and proposed order. | 1.00 | n/c | | |
| 5/20/03 | (Trustee) misc. calls over this month and various faxes to accountant; still waiting on him; misc. calls with other trustees re: any other accountants available. Estate will already save a few thousand dollars from not using nor compensating first accountant employed, Mr. Bruner. | 0.40 | n/c | | |
| 5/23/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 6/10/03 | (Trustee) draft hard fax to accountant; last chance. | 0.20 | n/c | | |
| 6/11/03 | (Trustee) Prepare bond report; issue check. | 0.50 | n/c | | |
| 6/12/03 | (Trustee) continue to work on final fee requests; will need for accountant to do tax returns; continue to go through 30 plus pages of records, with file. Some file reorganization involved. Have boxes have pleadings, records, etc., | 6.00 | n/c | | |

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| 6/13/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 6/20/03 | (Trustee) Meeting with accountant; general overview of file, issues, what I believe to be tax returns due, payroll taxes, how to minimize number of payroll reports, recognizing that some of the employees will have moved with no forwarding. Other issues. | 1.50 | n/c | | |
| 6/23/03 | (Attorney) research and strategy; how to pay wage claims before all claims, before final report. Need to do this because no doubt some wage checks will come back. This will require second distribution. Easier to see if those checks clear first, to see what is left to pay to general unsecured after that. May be to do at least 2 payroll reports as it is. This will save accounting fees and time if we can pay wages pre-closing, to see what clears. Call and conference with accountant | 1.75 | \$218.75 | | |
| 6/30/03 | (Trustee) Received fax from accountant needing Trustee's signature for another Power of Attorney sheet; signed and faxed back. | 0.50 | n/c | | |
| 6/30/03 | (Trustee) meet with new accountant re: payroll issues, retirement withholding, misc. issues. Come up with idea of paying allowed wage claims before final to avoid having to make 2-3 or more distributions, and redoing payroll reports and taxes each time. This will be more cost effective to estate. This new accountant has no bankruptcy experience, but he's the only person found willing to tackle this. Explain how bk works. Generally discuss and outline how to do wages, and final. | 3.00 | n/c | | |
| 7/2/03 | (Trustee) Staff organizing files/claims. | 4.50 | n/c | | |
| 7/3/03 | (Trustee) Staff organizing files/claims. | 3.75 | n/c | | |
| 7/3/03 | (Trustee) Continue work on final fee requests. | 2.50 | n/c | | |
| 7/10/03 | (Trustee) claim work; going through all claims, logging and setting up computer parameters for the various priority's and sub priorities. | 8.00 | n/c | | |
| 7/15/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 7/15/03 | (Trustee) general work on trustee exhibit to final fee request; review contemporaneous time records to date. Clean up words and typo's. Move some time designated as attorney time to trustee time. | 1.75 | n/c | | |
| 7/15/03 | (Trustee) receive 3 phone calls from employees re: status and payment; advice accountant working on payroll. | 0.25 | n/c | | |

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| 7/15/03 | (Attorney) research and strategy re: payment of wage claims early; research re: authority to support theory and request. | 2.25 | \$281.25 | | |
| 7/15/03 | (Trustee) research boxes of records I have for 2 cost reports. Accountant needs them as starting point for tax returns. | 2.00 | n/c | | |
| 7/16/03 | (Trustee) draft letter to accountant Arledge who prepared those cost reports a few years ago. Ask if he has copies in his old files. | 0.25 | n/c | | |
| 7/23/03 | (Attorney) go over 36 pages of time records; review for final request for attorney compensation; anticipate that there will be more attorney fees before this case can end since I still do not necessarily have an accountant to complete tax returns, and 4 accounts have quit.. However, need a final number for tax returns; will just absorb the costs of additional litigation. | 1.70 | \$212.50 | | |
| 7/31/03 | (Attorney- rough draft motion to allow estate to pay allowed payroll claims early; draft notice and order, assuming figures will allow this. | 1.50 | \$187.50 | | |
| 8/1/03 | (Trustee) misc. conf. with latest accountant re: payroll report or reports; we've got problems. | 0.50 | n/c | | |
| 8/18/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 8/30/11 | (Trustee) 5 faxes and/or attempted t/c with accountant; appears he has given up like last 2 as well, quits on payroll or any other; start looking for another accountant | 0.75 | n/c | | |
| 9/12/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 9/25/03 | (Trustee) attempted contact with 3d acct; meet with 2 more possible accountants | 1.00 | n/c | | |
| 9/30/03 | (Trustee) monthly log reflects 8 t/c from employees; obviously, rumors are circulating again, they are calling; advise of status, and can pay as soon as can find an accountant who will prepare payroll. | 1.20 | n/c | | |
| 10/10/03 | (Trustee) Revise Form 1; File. | 0.50 | n/c | | |
| 10/13/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 11/18/03 | (Trustee) Receive monthly statement review, second and subsequent review per mandated procedure; renew cd for month as well; file | 0.50 | n/c | | |
| 11/24/03 | (Trustee) 4 meetings and t/c over last week with probable new accountant; 4 th or 5 th acct. To do just payroll taxes. | 1.75 | n/c | | |

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| 11/30/03 | (Trustee) meeting with possible new accountant to do payroll; go over claims to date, objections, orders, etc. Box of records we have segregated. | 1.00 | n/c | | |
| 12/8/03 | (Attorney) conf. with acct; some questions and problems re: some of the claims; recheck law; may have to object to about 5-8 more claims to finally clean this up. He'll get back to me. | 0.65 | \$81.25 | | |
| 12/9/03 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 12/10/03 | (Trustee) unusual call from employee; still receiving 5-10 calls per month, and have stopped writing them down. However, this one demanded blow by blow; long call. | 0.75 | n/c | | |
| 12/10/03 | (Trustee) file and claim work; conf. with payroll acct; look for the 6 th accountant, someone to do the tax returns; past 4 accountants have quit and/or refuse to return phone calls. | 2.00 | n/c | | |
| 1/13/04 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 2/10/04 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 3/17/04 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 4/12/04 | (Trustee) Receive monthly statement review; second and subsequent review per mandated procedure; file. | 0.60 | n/c | | |
| 4/23/04 | (Trustee) strategy conference; I still have no accountant willing to do final returns for estate or corp. returns. We have enough information to see that we cannot prepay wages; must do all returns at once; present accountant employed for wages only, will start talking to him; will go ahead with final comp requests so those figures will be available. However, I anticipate at least another 40 hours after compensation in dealing with employees, 2 rounds of taxes (estate and subsequent payroll) and then year end payroll reports which will be due after final report as well. | 2.50 | n/c | | |
| 5/6/04 | (Trustee) Staff organizing files/claims. | 1.00 | n/c | | |
| 5/17/04 | (Trustee) another extended t/c with accountant presently working on payroll; try to talk him into doing taxes for all. | 0.35 | n/c | | |

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| <u>Date</u> | <u>Regarding</u> | <u>Hours</u> | <u>Fee</u> | <u>Copies</u> | <u>Postage</u> |
|---|---|---------------|------------------|---------------|----------------|
| 5/19/04 | (Trustee) meeting with accountant for payroll. Go over where he is, identify possible problem claims; outline job/duty list to finish; discuss and obtain agreement to try and do final returns; draft job list and time line; strategy and brain storm this; will have two sets of tax returns; one for estate and one for wages after estate returns prepared. Conf. with legal assistant; identify other documents to search our 3 feet of files for to assist in tax preparation. | 3.50 | n/c | | |
| 5/19/04 | (Trustee-support staff) file search; Palmetto documents; income information; tax information. Copy records for Ken Tressler for tax return work. | 1.50 | n/c | 174@.15 | \$26.10 |
| 5/20/04 | (Attorney) draft final compensation request. | 1.50 | \$187.50 | | |
| | Subsequent preparation of final report, related reports, issue checks and close case. I estimate I will receive over 75 calls regarding final report when filed; numerous calls regarding payroll check disbursements. There will be additional work with the accountant on two "groups" of tax returns submissions, one involving two years of corporate returns, plus an estate return, then a subsequent submission for payroll taxes. I anticipate various work regarding the distribution of retirement account funds a rollover issues. There will be work involving the dismissal of an adversary. There will be final payroll reports which will have to be submitted after the final report is approved and the payroll checks are mailed. I estimate that the trustee and staff will spend at least another 40 hours after submission of the trustee's final request in working to close this case. | 40.00 | n/c | | |
| TOTAL ATTORNEY FOR TRUSTEE TIME: | | <u>248.80</u> | <u>31,100.00</u> | | |