

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>Conseco, Inc., et al.,</b>	)	<b>Case No. 02 B 49672</b>
	)	<b>(Jointly Administered)</b>
<b>Debtors.</b>	)	
	)	<b>Honorable Carol A. Doyle</b>
	)	
	)	

**FILED**  
 UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF ILLINOIS  
 OCT 9 2003  
 KENNETH S. GARDNER, CLERK  
 PS REP. - RD

**VERIFIED FINAL APPLICATION OF DORSEY & WHITNEY LLP AS SPECIAL  
COUNSEL FOR THE CFC DEBTORS FOR COMPENSATION FOR FEES AND  
REIMBURSEMENT OF EXPENSES**

Dorsey & Whitney LLP (“Dorsey”) hereby applies for final approval and allowance (the “Application”) of (i) compensation in the amount of \$910,115.25, which represents 100% of the total fees for legal services rendered during the period of December 17, 2002 through September 9, 2003 (the “Fee Period”) as special counsel for the CFC Debtors<sup>1</sup> (the “Fees”), and (ii) reimbursement in the amount of \$53,448.39 for the expenses that Dorsey incurred on behalf of the CFC Debtors for the Fee Period (the “Expenses”), pursuant to sections 327(c), 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 607 of the Bankruptcy Rules for the United States District Court and the United States Bankruptcy Court for the Northern District of Illinois, the Retention Order (as defined below) and this Court’s Amended Administrative Order Establishing

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<sup>1</sup> The CFC Debtors are: Conseco Finance Corp., Conseco Finance Servicing Corp., Conseco Finance Corp. -- Alabama, Conseco Finance Credit Corp., Conseco Finance Credit Consumer Discount Company, Conseco Finance Canada Holding Company, Conseco Finance Canada Company, Conseco Finance Loan Company, Rice Park Properties Corporation, Landmark Manufactured Housing, Inc., Conseco Finance Net Interest Margin Finance Corp. I, Conseco Finance Net Interest Margin Finance Corp. II, Green Tree Financial Corp. – Two, Conseco Agency of Nevada, Inc., Conseco Agency of New York, Inc., Green Tree Floorplan Funding Corp., Conseco Agency, Inc., Conseco Agency of Alabama, Inc., Conseco Agency of Kentucky, Inc., and Crum-Reed General Agency, Inc.

Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members entered January 6, 2003 (the "Interim Compensation Order"). Further, Dorsey hereby applies for payment of compensation in the amount of \$139,541.77, which represents \$117,579.77 in unpaid fees and \$21,962.00 in unpaid expenses for legal services rendered during the Fee Period as special counsel for the CFC Debtors, pursuant to sections 327(e), 330 and 331 of Title 11 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 607 of the Bankruptcy Rules for the United States District Court and the United States Bankruptcy Court for the Northern District of Illinois, the Retention Order (as defined below) and the Interim Compensation Order. In support of its Application, Dorsey respectfully states as follows:

1. The Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on December 17, 2002 (the "Petition Date").

2. On January 14, 2003, this Court entered an Order (the "Retention Order"), made effective as of the Petition Date, authorizing the CFC Debtors to employ and retain Dorsey as special counsel in connection with (i) general corporate matters, including, but not limited to, securitization matters, tax matters, benefit plan matters, immigration matters, intellectual property matters and real estate matters, (ii) certain litigation matters and (iii) certain conflicts matters. A true and correct copy of the Retention Order is attached hereto as Exhibit A.

3. This is Dorsey's final application for approval and allowance of compensation for fees and reimbursement of expenses. Dorsey has received payment of interim compensation in the amount of \$823,395.64 for services rendered to the CFC Debtors since the Petition Date.

4. Dorsey does not hold or represent any interest adverse to the CFC Debtors or to their estates with respect to the matters on which Dorsey is employed. Dorsey has neither shared

nor agreed to share any payments it may receive with another person other than the partners, counsel and associates of Dorsey.

5. All fees and expenses sought by Dorsey for the Fee Period are included as part of this Application, and true and correct copies of detailed billing records for such fees and expenses are attached hereto or to the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of December 17, 2002 through January 31, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of February 1, 2003 through February 28, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of March 1, 2003 through March 31, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of April 1, 2003 through April 30, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of May 1, 2003 through May 31, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of June 1, 2003 through June 30, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of July 1, 2003 through July 31, 2003 and the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of August 1,

2003 through August 31, 2003 as Exhibit B hereto or thereto, as applicable. Dorsey seeks approval and allowance of \$910,115.25 in fees for the Fee Period and \$53,448.39 in expenses for the Fee Period. Dorsey seeks payment of compensation in the amount of \$139,541.77, which represents \$117,579.77 in unpaid fees and \$21,962.00 in unpaid expenses for legal services rendered during the Fee Period.

6. The Dorsey attorneys who rendered professional services in the Fee Period are:

Name of Attorney	Position with the Applicant and Year Admitted	Hourly Billing Rate	Total Billed Hours	Total Compensation
Chris Lenhart	Associate 1999	\$290	49.20	\$ 13,578.00
John C. Thomas	Partner 1973	\$435	39.40	16,859.00
Alpha B. Khaldi	Associate 2000	\$235	6.70	1,574.50
Steven Nyquist	Partner 1992	\$355	1.70	603.50
David Overstreet	Associate 1997	\$275	20.75	5,706.25
William Goetz	Attorney 1987	\$340	11.25	3,825.00
Jennifer Hopkins-Finnerty	Associate 2001	\$210	65.20	13,692.00
Charles Sawyer	Partner 1982	\$450	648.50	291,825.00
Monica L. Clark	Associate 1995	\$300-330 <sup>2</sup>	107.40	34,299.00
Shawna Fullerton	Associate 2001	\$250	367.20	91,800.00
John G. Ruckdaschel	Associate 1997	\$310	14.25	4,417.50
Travis L. Bachman	Associate 1998	\$295	13.50	3,982.00
Elizabeth Buckingham	Partner 1988	\$360	11.00	3,960.00
Theodore Cadwell	Partner 1992	\$375	287.60	107,699.50

<sup>2</sup> Monica L. Clark's services are billed at rates ranging between \$300 and \$330 per hour. Certain types of services garner a higher rate, which rate is based on the prevalent market rates for such services.

Saiko McIvor	Attorney	1987	\$295	3.70	\$ 1,091.50
Brian Davis	Associate	2000	\$300	8.00	2,400.00
Bruce Shnider	Partner	1977	\$495	67.05	33,047.25
Bruce J. McNeil	Partner	1982	\$400	16.80	6,720.00
Michael J. Voves	Associate	1997	\$275	19.50	5,362.50
John Haine	Partner	1983	\$345	.50	172.50
Jeffrey T. Campbell	Associate	2000	\$250	70.40	17,600.00
Seth J. Leventhal	Associate	1996	\$290	1.10	319.00
Dannette L. Smith	Partner	1998	\$370	1.40	518.00
Sarah A. Kolar	Associate	2002	\$200	.50	100.00
Molly Joseph	Associate	1999	\$265	7.80	2,067.00
Robert Cattnach	Partner	1993	\$455	88.90	40,449.50
Michael Kroll	Associate	2001	\$210	13.70	2,751.00
Angela Hall	Associate	2001	\$210	13.50	2,835.00
Katherine Constantine	Partner	1980	\$435	1.70	739.50
Cam Hoang	Associate	2000	\$250	1.00	250.00
Kim A. Severson	Partner	1984	\$380	2.00	760.00
Leslie Anderson	Partner	1983	\$380	11.25	4,275.00
Amy L. Schneider	Associate	2000	\$235	5.40	1,269.00
Jessica Forbes	Associate	2000	\$235	14.60	2,628.00
Stephen Gottschalk	Partner	1972	\$420	35.30	14,826.00
Shannon Heim	Associate	2001	\$225	172.10	38,722.50
David B. Tyner	Summer Assoc.	2003	\$150	9.25	1,387.50

Rebecca E. Molloy	Summer Assoc.	2003	\$150	4.20	\$ 630.00
Robert Burns	Partner	1972	\$415	1.25	518.75
Timothy Goodman	Associate	1998	\$260	1.50	390.00
Peter Carter	Partner	1992	\$340	.75	255.00
Shari Jerde	Associate	2000	\$225	1.60	360.00
Michael Wahoske	Partner	1978	\$390	.10	39.00
David Eldred	Associate	2002	\$180	.25	45.00
			Total for Attorneys	2,218.75	\$776,349.75

7. The Dorsey paraprofessionals who rendered professional services in this period are:

Name of Paraprofessional	Position and Number of Years as a Paraprofessional at Dorsey	Hourly Billing Rate	Total Billed Hours	Total Compensation
Deborah Vigdal	Paralegal 25	\$195-215 <sup>3</sup>	240.75	\$ 51,726.25
Teresa Hardy	Paralegal 14	\$145	205.05	29,732.25
Kris Gentry	Docket Specialist 1	\$90	7.50	675.00
Elizabeth Sumpton	Paralegal 3	\$135	37.70	5,089.50
Han Ha	Casc Assistant 9	\$75	2.00	150.00
Jean M. Diekmann	Paralegal 4.5	\$150	3.60	540.00
Judith Hamilton	Miscellaneous 19	\$85	120.75	10,263.75
Karn Copa	Paralegal 10	\$215	44.55	9,578.25
Patricia A. Ngong	Paralegal 2.5	\$90	.50	45.00

<sup>3</sup> Deborah Vigdal's services are billed at rates ranging between \$195 and \$215 per hour. Certain types of services, including certain securitization work, garner a higher rate, which rate is based on the prevalent market rates for such services.

Jason A. Anderson	Paralegal	3	\$105	1.95	\$ 204.75
Steve Jarzyna	Librarian	6	\$145	1.50	145.00
Carla Tollefsrud	Paralegal	17	\$215	56.15	10,906.00
Barbara J. Senty	Docket Specialist	4.5	\$120	.80	96.00
Mary George	Paralegal	6.5	\$180	.15	27.00
Paul Mussell	Research Clerk	.5	\$135	1.15	155.25
Kari Swedberg	Aut. Lit.Support Spec.	1.5	\$155	.25	38.75
Karla Stoeckman	Paralegal	8	\$190	73.35	13,936.50
Nicholas Saunders	Case Assistant	2	\$75	2.75	206.25
Alicia Kelton	Paralegal	3	\$125	2.00	250.00
			Total for Legal Assistants	<u>802.45</u>	<u>\$133,765.50</u>

8. Dorsey has advised and represented the CFC Debtors in connection with a variety of legal matters arising from time to time, including, but not limited to, securitization transactions necessary to fund the CFC Debtors' business of making loans, tax matters, employee benefits matters, immigration matters, intellectual property matters, litigation matters, general corporate matters and conflicts matters.

9. The rates described above are Dorsey's hourly rates for services of this type. The rates are at a level designed to fairly compensate Dorsey for the work of its attorneys and paraprofessionals and to cover fixed and routine overhead expenses.

10. The professional services that Dorsey rendered during the Fcc Period are grouped into the numbered and titled categories of the subject matters described in Paragraphs 11 through 22 herein.

11. Matter 1: Fee/Employment Applications

This category involves legal services provided in connection with Dorsey's retention as Special Counsel for the CFC Debtors, including 1) the preparation of its retention application package in conjunction with Kirkland & Ellis; 2) preparation for and participation in a telephonic hearing regarding approval of Dorsey's employment application; 3) the preparation of its first monthly fee application, second monthly fee application, third monthly fee application, fourth monthly fee application, fifth monthly fee application, sixth monthly fee application and seventh monthly fee application; and 4) the preparation of first quarterly fee application and second quarterly fee application.

12. Matter 2: Fee/Employment Objections

This category involves legal services provided in connection with Dorsey's response to objections to Kirkland & Ellis's retention application filed by the United States Trustee, including: 1) review of the United States Trustee's objection to Kirkland & Ellis's employment application and numerous memoranda and telephone conferences regarding the same; and 2) preparation for and participation in a telephonic hearing regarding the same.

13. Matter 3: Securitizations

This category relates to legal services pertaining to the CFC Debtors' securitization transactions, including 1) telephone conferences and meetings regarding past securitization transactions, explaining the transactions to potential bidders; 2) conferences and memos regarding possible amendments and/or restructuring of various securitization transactions; 3) conferences and memos regarding interpretation and application of securitization agreements to operational issues; 4) preparation of servicing amendment and conference calls regarding the same; 5) research in connection with annual compliance opinions; 6) preparation of reserve



account agreement; 7) conference calls regarding accounting issues; 8) responding to various due diligence inquiries about prior securitizations; 9) drafting, negotiating and revising documents for the CFN, MH and GE Capital transactions relating to the securitizations; 10) drafting, negotiating and revising various amendments to securitization documents in connection with the CFN, MH and GE Capital transactions, including the amendment of all manufactured housing transactions as required by the Consent Agreement and the 9019 Order; and 11) following up on post-closing matters with respect to prior asset sales.

14. Matter 4: Tax Matters

This category involves legal services pertaining to tax matters, including: 1) review of documents relating to REMIC and conferences regarding REMIC; 2) electronic correspondence regarding taxes due; 3) research regarding REMIC and preparation of memoranda regarding the same and telephone conferences regarding the same; 4) review of servicing agreement; 5) telephone conference regarding tax matters; 6) preparation of memorandum regarding WIMS; 7) telephone conference regarding sale; 8) telephone conference regarding credit cards; 9) conferences regarding servicing; 10) research regarding servicing; 11) review of documents; 12) research regarding tax issues; 13) telephone conferences regarding losses; 14) research and telephone conferences regarding MESA; 15) telephone conferences regarding guarantee fee; and 16) research and telephone conferences regarding trusts.

15. Matter 5: Employee Benefits/Pension

This category involves legal services pertaining to employee benefits and pension matters, including: 1) preparation of EGTRA amendments and new claims procedures; 2) reviewing and commenting on plan provisions regarding vesting of benefits; 3) reviewing plan and trust documents and a telephone conference regarding payment of actuarial expenses from

the trust; 4) review of pension plans; 5) research and conferences regarding withholding and reporting on distributions; 6) research regarding amendments to 401K plan; 7) research regarding distributions from taxable trust; 8) research and conferences regarding liability for under funded plans; 9) research regarding FICA issues; 10) termination of pension plan and numerous conferences and preparation of notices in connection with the same; 11) research regarding COBRA issues, reviewing and commenting on COBRA forms and correspondence, preparing COBRA notice and telephone conferences regarding COBRA issues; 12) reviewing and revising notices to employees; 13) research of rollover issues; 14) revising termination timetable; 15) revising application fee payment form; 15) reviewing participant election forms and Form 500; 16) telephone conferences regarding termination status; 17) reviewing and revising annuity notice; 18) researching DOL regulations to MEWAs and researching secondary authority in connection with MEWAs; 19) reviewing COBRA merger and acquisition regulations; 20) reviewing cafeteria plan regulations; 21) working on various plan termination and annuity purchase issues; 22) reviewing due diligence documents; 23) telephone conference regarding annuity contract purchase and regarding due diligence process; 24) analysis of HCE issues for flex plan; 25) research and conferences in connection with selection of annuity provider for distribution of plan assets; 26) conferences and research regarding transfer of IRA of deceased participant; and 27) preparing COBRA correspondence.

16. Matter 6: Immigration Matters

This category involves legal services pertaining to immigration matters, including: 1) providing advice regarding employee terminations, 2) providing advice regarding H-1B related issues; 3) analyzing the effect of corporate organizational changes on employee; 4) providing advice regarding I-9 compliance and airfare reimbursement; 5) reviewing

correspondence from GE Financial regarding transfer of files; 6) reviewing status of Consecos employees; 7) conference with other immigration attorneys regarding employees; 8) reviewing release of file documents issue; and 9) correspondence to GE Financial.

17. Matter 7: Intellectual Property Matters

This category involves legal services pertaining to intellectual property matters, including: 1) monitoring deadlines for various trademarks and updating docket to reflect the deadlines; 2) researching a proposed trademark and conferences with the client regarding the same; 3) preparation of a Consecos trademark portfolio; 4) preparation and filing of new trademark applications and correspondence to the client regarding the same; 5) conferences with the Patent and Trademark Office regarding pending office action and preparation of a response thereto and correspondence regarding the same; 6) responding to due diligence requests regarding trademark information and correspondence regarding the same; 7) preparation of various statements of use and telephone conference regarding the same; 8) recording a change of name in connection with various trademarks and correspondence regarding the same; 9) correspondence regarding notices of allowance and notices of publication for trademark applications; 10) conferences regarding trademarks; 11) correspondence regarding ownership of various trademarks; 12) finalizing letters regarding statement of use and issuance of notices of allowance for trademarks; 13) reviewing notice of acceptance of statement of use and notice of allowance and correspondence regarding the same; and 14) preparing request for reinstatement of trademark application.

18. Matter 8: Real Estate Matters

This category involves legal services pertaining to real estate matters, including burning a CD of Consecos Mailbox files.

19. Matter 9: Litigation Matters

This category involves legal services pertaining to litigation matters, including:

- 1) preparation of memoranda regarding the applicability of the automatic stay to pending litigation and Dorsey's litigation services;
- 2) correspondence in connection with demand to renew litigation and request for sanctions;
- 3) evaluation of litigation strategy and strategizing regarding discovery issues and negotiations with opposing counsel regarding discovery issues;
- 4) preparation and filing of notice of bankruptcy and conferences with other counsel regarding bankruptcy status and ongoing litigation;
- 5) conferences regarding claims against non-bankrupt entity and potential impact of bankruptcy filing;
- 6) review of pleadings and discovery;
- 7) correspondence regarding Carlisle deposition;
- 8) production of documents;
- 9) preparation for negotiations and conference with Conseco representatives regarding the same;
- 10) review of deposition transcripts and settlement conference summaries;
- 11) participation in mediation;
- 12) preparation of litigation summary;
- 13) conference regarding litigation plan;
- 14) preparation of discovery outline;
- 15) preparation of document requests and interrogatories and research and conferences in connection with the same;
- 16) preparation of status memorandum;
- 17) research in connection with Teleplus litigation;
- 18) preparation of deposition notices and offer of judgment;
- 19) review and analysis of documents produced;
- 20) evaluation of scheduling issues and conferences and emails regarding scheduling issues;
- 21) conference with Conseco regarding scheduling and discovery issues;
- 22) preparation of stipulation and proposed order;
- 23) telephone conferences regarding review of documents and preparation for depositions;
- 24) correspondence regarding protective order;
- 25) preparing for and conducting depositions;
- 26) work on discovery issues and correspondence regarding the same;
- 27) telephone conference and emails regarding expert report;
- 28) preparation of motion to compel response to document requests, research in

connection with the same and preparation for hearing on motion to compel; 29) numerous telephone conferences and review of documents in connection with calculation of counterclaim damages; 30) preparing and filing expert witness disclosure; 31) preparing and filing stipulation; 31) reviewing and revising settlement documents; 32) reviewing court of appeals decision, preparing correspondence regarding court of appeals decision, and telephone conference regarding appellate procedural matter; 33) reviewing judgment and transcript of judgment and correspondence regarding the same; and 34) preparation of notice of taxation of costs and affidavit of verification of costs.

20. Matter 10: Conflicts

This category involves legal services provided on behalf of the CFC Debtors in connection with Dorsey's retention as conflicts counsel, including 1) multiple conferences with the CFC Debtors regarding proofs of claim and preparation of the same; 2) preparation of an emergency motion to extend the bar date for filing proofs of claim on the CFC Debtors' behalf and multiple conferences and memoranda regarding the same; 3) review of plan and disclosure statement, and conferences regarding same; 4) conferences and memoranda regarding general disclosure and conflicts issues; 5) review of relevant pleadings and memoranda and conferences regarding the same; 6) review of amended plan and disclosure statement, and conferences regarding same; 7) review of claim objection and preparation of memoranda regarding the same; 8) preparation of response to claim objection and conferences and memorandum regarding the same; 9) matters regarding creditors' committee claim; 10) conferences regarding settlement of intercompany claims; 11) conferences and memoranda regarding extension of response deadline; 12) preparation of memoranda regarding basis for Conseco Finance entity claims; 13) review of retention application and preparation of memorandum regarding the same; 14) emails and

conferences regarding claims objection hearings; 15) emails and telephone conference regarding settlement of intercompany disputes; and 16) telephone conference regarding claims bar date.

21. Matter 11: Case Administration

This category involves legal services pertaining to general bankruptcy case administration, including 1) review of custodial agreement and conferences regarding the same; 2) review of claim issues; 3) conference with committee counsel; 4) conferences regarding claims issues, payments and settlements; 5) review of correspondence regarding demand to bring claims against Conseco; 6) conferences regarding committee requests and actions and review of docket regarding the same; 7) conference regarding claims objection; and 8) conferences regarding stipulation to extend deadlines.

22. Matter 12: General Corporate

This category involves legal services pertaining to general corporate matters, including 1) correspondence regarding articles of dissolution; 2) organization of files regarding corporate subsidiary records; 3) reviewing articles and bylaws of Conseco Finance Foundation and preparation of notice of intent to dissolve Conseco Finance foundation; 4) reviewing executed notice of intent to dissolve and resolutions regarding the same and preparation of correspondence regarding the same; and 5) preparing a notice of dissolution for filing with the Minnesota Secretary of State.

23. It is Dorsey's policy to charge its clients in all areas of service for all other expenses incurred in connection with the client's account. The expenses charged to clients include, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand-delivery charges, document processing, photocopying charges, travel expenses, expenses for "working meals," computerized research, messengers, couriers,

postage and non-ordinary overhead expenses such as secretarial and other overtime. Dorsey charges the CFC Debtors for these expenses in a manner and at rates consistent with charges made generally to Dorsey's other clients. Dorsey believes that it is fairer to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

24. Dorsey charges between \$0.10 and \$0.16 per page for standard photocopying and \$.50 per page for outgoing telecopier transmissions (plus related toll charges). Dorsey charges for computerized legal research at a rate equal to the rate charged to it by its vendors.

25. A detailed itemization and description of the disbursements made by Dorsey on behalf of the CFC Debtors during the Fee Period is attached to hereto or to the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of December 17, 2002 through January 31, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of February 1, 2003 through February 28, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of March 1, 2003 through March 31, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of April 1, 2003 through April 30, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of May 1, 2003 through May 31, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of

Expenses for the Interim Period of June 1, 2003 through June 30, 2003, the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of July 1, 2003 through July 31, 2003 and the Verified Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses for the Interim Period of August 1, 2003 through August 31, 2003 as Exhibit B hereto or thereto, as applicable.

26. The services and expenses for which compensation and reimbursement are sought were necessary and the charges for the same are reasonable.

27. The signature of the undersigned, an associate at Dorsey, constitutes her certification that the contents of this Application and its exhibit are true and correct.

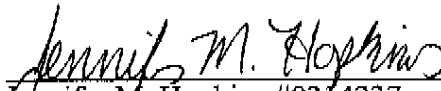
28. Dorsey therefore requests final approval and allowance of compensation for fees and expenses in the total amount of \$963,603.64, consisting of (a) \$910,115.25, which represents 100% of the total fees for reasonable and necessary professional services provided by Dorsey, and (b) reimbursement in the amount of \$53,488.39 for actual and necessary costs and expenses. Dorsey further requests payment of compensation in the amount of \$139,541.77, which represents \$117,579.77 in unpaid fees and \$21,962.00 in unpaid expenses for reasonable and necessary professional services provided by Dorsey.



WHEREFORE, Dorsey respectfully requests that reimbursement for its Fees and Expenses incurred during the Fee Period be finally approved and allowed and that the remaining unpaid portion of such Fees and Expenses be paid as administrative expenses of the Debtors' estates.

Dated: October 8, 2003

**DORSEY & WHITNEY LLP**

By   
Jennifer M. Hopkins #0314237  
Suite 1500, 50 South Sixth Street  
Minneapolis, MN 55402-1498  
(612) 340-2600

Attorneys for the CFC Debtors

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re:	)	Chapter 11
	)	
Conseco, Inc., <u>et al.</u> , <sup>1</sup>	)	Case No. 02 B 49672
	)	
Debtors.	)	(Jointly Administered)
	)	Honorable Carol A. Doyle
	)	

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT  
OF DORSEY & WHITNEY LLP AS SPECIAL  
COUNSEL FOR THE CFC DEBTORS UNDER SECTION 327(e)  
OF THE BANKRUPTCY CODE**

Upon the application (the "Application")<sup>2</sup> of the CFC Debtors in the above captioned Chapter 11 Case, seeking entry of an order under Section 327(e) of the Bankruptcy Code authorizing the CFC Debtors to employ and retain Dorsey & Whitney LLP ("Dorsey") as their special counsel effective as of the Petition Date; and it appearing that the relief requested is in the best interests of the CFC Debtors' estates, their creditors and other parties-in interest; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 158(a); and it appearing that Dorsey holds no adverse interest to the CFC Debtors or their estates for the matters on which Dorsey is to be employed and meets all requirements for retention set forth in the Bankruptcy Code, including, without limitation, sections 327(e) and 1107 of the Bankruptcy Code; and it appearing that the terms and conditions of Dorsey's employment as further described in the Application are reasonable, it is hereby

<sup>1</sup> The Debtors are the following entities: Conseco, Inc., CTRC, Incorporated, CTRC, Inc., Farmers Health Group, Inc., Conseco Finance Corp. and Conseco Finance Servicing Corp.

<sup>2</sup> Capitalized terms not defined herein are as defined in the Application.

ORDERED that the retention and employment of Dorsey as special counsel in connection with (i) general corporate matters, including, but not limited to securitization matters, tax matters, benefit plan matters, immigration matters, intellectual property matters and real estate matters, (ii) certain litigation matters and (iii) matters for which Dorsey is requested to act as conflicts counsel for the CFC Debtors for the purposes set forth in the Application is hereby approved effective as of the Petition Date; and it is further

ORDERED that if this Court approves fee applications properly submitted herein, then Dorsey shall be compensated in accordance with the terms set forth in the Application and shall be reimbursed for all allowed necessary, actual and reasonable expenses; and it is further

ORDERED that the allowed fees and expenses of Dorsey shall be an administrative expense of the CFC Debtors' estates; and it is further

ORDERED that this Order will become effective immediately upon its entry.

Chicago, Illinois

Dated: June 14, 2003

Carol A. Doyle  
Carol A. Doyle  
United States Bankruptcy Judge

EXHIBIT B

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/02/03	C. Sawyer	2.00	900.00	900.00	MH SHELF: draft changes to conforming amendments; memorandum regarding same
09/03/03	S. Fullerton	.30	75.00	75.00	Conference with J. Hamilton regarding global changes
09/03/03	C. Sawyer	2.00	900.00	900.00	MH SHELF: MH amendments; MESA 2002-B amendment
09/03/03	T. Hardy	2.30	333.50	333.50	Revise Instruction letter; Representation letter and Transfer Affidavit in connection with the transfer of excluded certificates; conference with D. Vigdal regarding same; forward documents to L. Kruse at U.S. Bank for review
09/03/03	T. Hardy	2.30	333.50	333.50	{MESA 2002-1} Revise distribution memorandum; work regarding distribution of closing sets to working group participants
09/04/03	C. Sawyer	1.50	675.00	675.00	Draft documents for MESA 2002-B amendment; telephone conference with C. Collins
09/04/03	T. Hardy	1.80	261.00	261.00	{MESA 2002-1} work regarding cleanup and organization of working files; index same
09/04/03	T. Hardy	1.00	145.00	145.00	Telephone conference with L. Kruse regarding documentation relating to excluded certificates; conference with D. Vigdal regarding same; revise documents and forward to W. Lamb-Lindow for execution
09/04/03	D. Vigdal	1.30	279.50	279.50	Proof and revise MH amendments
09/05/03	S. Fullerton	.50	125.00	125.00	Mark up 2002 deals to address changes to section 4.01 and 5.07
09/05/03	C. Sawyer	1.50	675.00	675.00	Conference calls regarding non-economic residuals; draft documents for MESA 2002-B amendment
09/05/03	T. Hardy	.80	116.00	116.00	Telephone conference with W. Lamb-Lindow and D. Vigdal regarding excluded securities; further

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/05/03	T. Hardy	3.80	551.00	551.00	Proof and mark changes to MAHCS Amendments
09/05/03	D. Vigdal	.80	172.00	172.00	Proof and revise MH amendments; conferences with T. Hardy to respond to request from US Bank regarding holding of Excluded Certificates and telephone conference with W. Lamb-Lindow and T. Hardy regarding same
09/06/03	J. Hamilton	7.00	595.00	595.00	Revise MH Amendments
09/07/03	S. Fullerton	.10	25.00	25.00	Proofread 2002-2; mark up same
09/08/03	C. Sawyer	1.00	450.00	450.00	MH SHELF: work to finalize servicing protocols
09/08/03	T. Hardy	3.50	507.50	507.50	Review and proof changes to MH Amendments
09/08/03	K. Stoeckman	5.00	950.00	950.00	Conferences with S. Fullerton; work on MH amendments; update checklist of MH amendments
09/08/03	D. Vigdal	.30	64.50	64.50	Work on MH amendments with T. Hardy
09/09/03	C. Sawyer	1.50	675.00	675.00	Conference with B. Snider regarding residuals; revise MH servicing protocols
09/09/03	T. Hardy	2.80	406.00	406.00	Prepare correspondence transmitting excluded securities documentation to L. Kruse at U.S. Bank; begin working on documentation relating to excluded securities where Wells Fargo is trustee; pull representation letter exhibits from the indentures of various transactions where securities were excluded; begin revising copies of same

TOTALS 43.10 9,214.50 9,214.50

\*\*\*\*\*COST ENTRIES\*\*\*\*\*

INDEX DATE STS DESCRIPTION ORIGINAL VALUE BILL VALUE CODE TKPER VOUCHER

PROFORMA STATEMENT AS OF 09/09/03

BILLING ATTORNEY 02843 Charles Sawyer

300101-08003 Conseco Finance Corp.  
Securitizations

Page 3 (3)  
DATE RUN: 10/07/03  
INVOICE NO:

INDEX	DATE	STS	DESCRIPTION
TOTAL FOR COST		015	Overnight Delivery Charges
TOTAL FOR COST		054	Long Distance Telephone Charges
TOTAL FOR COST		084	Photocopy Charges

COST TOTAL:

ORIGINAL VALUE	BILL VALUE	CODE	TKPR	VOUCHER
392.03	392.03	QTY:	17	
0.68	0.68	QTY:	2	
5.20	5.20	QTY:	26	
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397.91	397.91			

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PROFORMA STATEMENT AS OF 09/09/03  
 BILLING ATTORNEY 02843 Charles Sawyer  
 300101-08004 Conesco Finance Corp.  
 Tax Matters

DATE RUN: 10/07/03

\*\*\*\*\*  
 DATE TIMEKEEPER HOURS WORK BILL DESCRIPTION  
 VALUE VALUE  
 \*\*\*\*\*

-----TIME ENTRIES-----\*

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/03/03	B. Snider	1.00	495.00	495.00	Research; telephone conference with C. Sawyer regarding MESA
09/04/03	B. Snider	.30	148.50	148.50	Telephone conference with M. Reeslund regarding REMIC
09/05/03	B. Snider	3.50	1,732.50	1,732.50	Research; telephone conferences regarding REMIC residuals
09/06/03	B. Snider	3.50	1,732.50	1,732.50	Research; telephone conferences regarding REMIC
09/09/03	B. Snider	4.50	2,227.50	2,227.50	Research; telephone conferences regarding REMIC
TOTALS		12.80	6,336.00	6,336.00	

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 \*-----COST ENTRIES-----\*  
 INDEX DATE STS DESCRIPTION ORIGINAL BILL CODE TRKPR VOUCHER  
 VALUE VALUE  
 \*\*\*\*\*

TOTAL FOR COST CODE: 054 Long Distance Telephone Charges 0.70 0.70 QTY: 1

COST TOTAL: 0.70

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DATE RUN: 10/07/03

PROFORMA STATEMENT AS OF 09/09/03  
BILLING ATTORNEY 02843 Charles Sawyer

300101-08005 Conseco Finance Corp.  
Employee Benefits/Pension

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/04/03	D. Overstreet	1.00	275.00	275.00	Review and revise letter to COBRA participants notifying them of change in COBRA administration; analyze whether letter should be modified for individuals who will be sending in initial premium payment covering September and October months
09/05/03	L. Anderson	.50	190.00	190.00	Review COBRA correspondence and revise same; send to K. Heim
09/06/03	S. Gottschalk	.30	126.00	126.00	Provide information regarding possible PBGC audit
09/08/03	K. Copa	.30	64.50	64.50	E-mail to K. Heimarck transmitting sample PBGC audit letter request
TOTALS			2.10	655.50	

INDEX	DATE	STS	DESCRIPTION	ORIGINAL VALUE	BILL VALUE	CODE	TKPER	VOUCHER
				0.00	0.00			

COST TOTAL: 0.00

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PROGRAM STATEMENT AS OF 09/09/03  
BILLING ATTORNEY 02843 Charles Sawyer

DATE RUN: 10/07/03

300101-08007 Conseco Finance Corp.  
Intellectual Property Matters

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
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\*-----TIME ENTRIES-----\*

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/08/03	E. Buckingham	.10	36.00	36.00	Conference with E. Sumpton regarding pending trademark matters
09/09/03	T. Bachman	.10	29.50	29.50	Conference with E. Sumpton regarding status of CUSTOMER CARE CARD

TOTALS		.20	65.50	65.50	
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\*\*\*\*\*-COST ENTRIES-----\*

INDEX	DATE	STS	DESCRIPTION	ORIGINAL VALUE	BILL VALUE	CODE	TKPER	VOUCHER
*****								

COST TOTAL:	0.00	0.00
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PROFORMA STATEMENT AS OF 09/09/03  
 BILLING ATTORNEY 02843 Charles Sawyer  
 300101-08009 Conesco Finance Corp.  
 Litigation Matters

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/08/03	R. Cattanach	1.60	728.00	728.00	Negotiations regarding discovery; evaluate billing issues; develop strategy and language for stipulation and orders regarding pending discovery dispute
09/09/03	S. Heim	4.90	1,102.50	1,102.50	Telephone conference with C. Flynn regarding analysis of documents produced by Teleplus; telephone conference with A. Kelton regarding review of Teleplus documents; telephone conference with C. Sandberg regarding proposed stipulation; review document request; draft interrogatories; leave voicemail for R. Cattanach regarding same; prepare for motion to compel hearing; telephone conference with R. Cattanach regarding content of document requests and potential revision to stipulation; revise stipulation; e-mail same to Sandberg with comment; leave voicemail for Sandberg regarding same; analyze Teleplus damages chart, calculate September 2001 rate with discount
09/09/03	R. Cattanach	.60	273.00	273.00	Review and revise proposed stipulation and order; discuss with S. Heim
TOTALS		25.00	8,569.00	8,569.00	

\*\*\*\*\*COST ENTRIES-----\*

INDEX	DATE	STS	DESCRIPTION	ORIGINAL VALUE	BILL VALUE	CODE	TKPER	VOUCHER
*****090303****B**			Court Reporter - Esquire Deposition Services - Deposition transcript of L. Carlise Volume I 08/07/03	433.25	433.25	390	02867	817535
*****091103****B**			Court Reporter - Bryant Court Reporting -	469.35	469.35	390	03053	819538

300101-08009 Conseco Finance Corp.  
 Itigation Matters

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 DATE TIMEKEEPER HOURS WORK VALUE BILL VALUE DESCRIPTION  
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 \*-----TIME ENTRIES-----\*

DATE	TIMEKEEPER	HOURS	WORK VALUE	BILL VALUE	DESCRIPTION
09/02/03	S. Heim	2.20	495.00	495.00	Prepare outline for R. Francis deposition; assemble documents for deposition; conference with R. Cattanaach regarding same; review letter from C. Sandberg; e-mail R. Mennen regarding CDs needed for Teleplus analysis

09/02/03	R. Cattanaach	2.50	1,137.50	1,137.50	Prepare for deposition of R. Francis
09/03/03	S. Heim	.50	112.50	112.50	Finalize letter to C. Sandberg; exchange e-mail with R. Cattanaach regarding same; telephone conference with Cattanaach regarding R. Francis deposition

09/03/03	R. Cattanaach	7.30	3,321.50	3,321.50	Prepare for and take deposition of R. Francis; review and revise demand letter to Teleplus regarding outstanding discovery
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09/04/03	S. Heim	1.10	247.50	247.50	Telephone conference with C. Flynn regarding status of damages documents; conference with R. Cattanaach regarding motion to compel hearing; telephone conference with C. Sandberg regarding production of Conseco bills; exchange e-mail with R. Cattanaach regarding same; e-mail R. Mennen regarding same
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09/04/03	R. Cattanaach	.40	182.00	182.00	Continue work on discovery and negotiations regarding documents
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09/05/03	S. Heim	.90	202.50	202.50	Review letter from C. Sandberg regarding document production; conference with A. Hall regarding availability for document review; conference with R. Cattanaach regarding same; draft letter to C. Sandberg; exchange e-mail with R. Cattanaach regarding same; send letter
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09/05/03	R. Cattanaach	.40	182.00	182.00	Negotiations on discovery; draft response to Teleplus proposal
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09/08/03	S. Heim	2.60	585.00	585.00	Telephone conference with C. Sandberg regarding status of discovery dispute; conference with R. Cattanaach regarding same; review Teleplus
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# DORSEY & WHITNEY LLP

P.O. BOX 1680  
MINNEAPOLIS, MINNESOTA 55480-1680  
(612) 340-2600

(Tax Identification No. 41-0223337)

## STATEMENT OF ACCOUNT FOR PROFESSIONAL SERVICES

Conseco Finance Corp.  
Attn: Kurt Sass  
Regional Vice President  
Suite 7, 1155 Centre Pointe Drive  
Mendota Heights, MN 55120  
Conseco Tracking No. 010018

Invoice No. 1087409

**Client-Matter No: 300101-00318**

**Brian and Margaret Robins**

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### For Legal Services Rendered Through August 31, 2003

08/18/03	D. Eldred	0.25	45.00	Research regarding registration of judgment
<b>Total Hours</b>		<b>0.25</b>		

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**Total for Legal Fees** \$45.00

### Disbursements and Service Charges

Long Distance Telephone Charges	0.55
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**Total for Disbursements and Service Charges** \$0.55

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**Total This Invoice** \$45.55

Service charges are based on rates established by Dorsey & Whitney. A schedule of those rates has been provided and is available upon request. Disbursements and service charges, which either have not been received or processed, will appear on a later statement.

**PAYMENT DUE UPON RECEIPT**

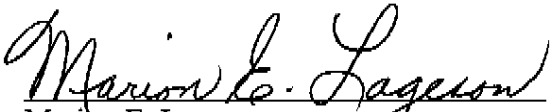
AFFIDAVIT OF SERVICE BY FEDERAL EXPRESS

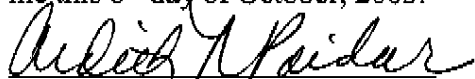
STATE OF MINNESOTA )  
 ) ss.  
 COUNTY OF HENNEPIN )

**FILED**  
 UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF ILLINOIS  
 OCT 9 2003  
 KENNETH S. GARDNER, CLERK  
 PS REP - FID

Marion E. Lageson, being first duly sworn, upon oath, deposes and says that on the 8<sup>th</sup> day of October, 2003, she did serve by Federal Express the (1) Verified Final Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation for Fees and Reimbursement of Expenses, and (2) Summary of Final Application of Dorsey & Whitney LLP as Special Counsel for the CFC Debtors for Compensation and Reimbursement of Expenses upon the following:

Kirkland & Ellis 200 East Randolph Drive Chicago, IL 60601 Attn: Anne Marrs Huber, Esq. and Roger Higgins, Esq.	The Office of the United States Trustee 227 West Monroe St. Suite 3350 Chicago, IL 60606 Attn: Richard Freedman, Esq. and Gretchen Silver, Esq.	
Fried, Frank, Harris, Shriver & Jacobson One New York Plaza New York, NY 10004 Attn: Brad Eric Scheler, Esq. and Vivek Melwani, Esq.	Jenner & Block, LLC One IBM Plaza Chicago, IL 60611 Attn: Daniel R. Murray, Esq. and Catherine Steege, Esq.	
Mayer Brown Rowe & Maw 190 South LaSalle Street Chicago, IL 60603-3441 Attn: Thomas S. Kiriakos, Esq.	Saul Ewing LLP 100 South Charles Street, 15 <sup>th</sup> Floor Baltimore, Maryland 21201 Attn: Irving E. Walker, Esq.	

  
 Marion E. Lageson

Subscribed and sworn to before  
 me this 8<sup>th</sup> day of October, 2003.  
  
 Notary Public

