

**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.,<sup>1</sup></b>	)	
	)	
<b>Debtors.</b>	)	<b>Case No. 02 B49672</b>
	)	<b>Honorable Carol A. Doyle</b>
	)	<b>(Jointly Administered)</b>
	)	
<hr/>	)	
<b>In re:</b>	)	<b>Case No. 02 49675</b>
	)	<b>Honorable Carol A. Doyle</b>
<b>Conseco Finance Corp., et al.,<sup>2</sup></b>	)	<b>(Jointly Administered)</b>
	)	
<b>Debtors.</b>	)	
	)	<b>Hearing Date: February 4, 2004, at 11:00 a.m.</b>
	)	<b>Objections Deadline: TBD</b>

**NOTICE OF FILING REGARDING THE FINAL  
APPLICATION OF LAZARD FRERES & CO. LLC  
FOR ALLOWANCE OF ADMINISTRATIVE CLAIM FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

**PLEASE TAKE NOTICE**, that on October 9, 2003, we filed with the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division, located at 219 S. Dearborn Street, Chicago, IL 60604, the **Final Application of Lazard Freres & Co. for Allowance of Compensation and Reimbursement of Expenses for the Final Period December 18, 2002 through September 9, 2003 (the "Application")**.

<sup>1</sup> The CNC Debtors comprise the following entities: Conseco, Inc., ("CNC"), CIHC, Incorporated, ("CIHC"), CTIHC, Inc., Partners Health Group, Inc., (collectively the "CNC Debtors").

<sup>2</sup> The CFC Debtors comprise the following entities: (i) Conseco Finance Corp. ("CFC") and Conseco Finance Servicing Corp., (ii) Conseco Finance Corp. - Alabama, Conseco Finance Credit Corp., Conseco Finance 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 Finance 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., Green Tree Finance Corp. - Five and Green Tree Residual Finance Corp. I, and Conseco Finance Credit Card Funding Corp., (the "CFC Debtors" and the CNC Debtors are collectively the "Debtors").

\* \* \* \* \*  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

OCT 09 2003

**KENNETH S. GARDNER, CLERK  
PS REP. - DR**

**PLEASE TAKE FURTHER NOTICE**, that on **February 4, 2004, at 11:00 a.m.**, or as soon thereafter as counsel may be heard, we shall appear before the Honorable Carol A. Doyle in Courtroom 742 of the Everett McKinley Dirksen Building, 219 South Dearborn Street, Chicago, Illinois, 60604, or in her absence, before any other Judge who may be sitting in her place or stead, and shall then and there present the **Application**. The hearing on this **Application** may be continued from time to time without further notice except as it may be given in open court.

Chicago, Illinois  
Dated: October 9, 2003

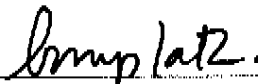
Respectfully submitted,

LAZARD FRÈRES & CO. LLC  
Frank A. (Terry) Savage  
Managing Director  
30 Rockerfeller Plaza, 61<sup>st</sup> Floor  
New York, NY 10020  
(212) 632-6000

Investment Banker for the Debtors and Debtors in Possession

and

KIRKLAND & ELLIS LLP



---

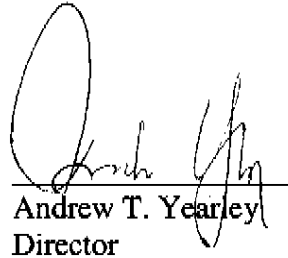
James H.M. Sprayregen, P.C. (ARDC. No. 6190206)  
Richard L. Wynne (Admitted pro hac vice)  
Anne Marrs Huber (ARDC No. 6226828)  
Anup Sathy (ARDC No. 6230191)  
Roger J. Higgins (ARDC No. 6257915)  
Kirkland & Ellis LLP  
200 East Randolph Drive  
Chicago, IL 60601-6636  
(312) 861-2000 (telephone)  
(312) 861-2200 (facsimile)

Counsel for the Debtors and Debtors In Possession



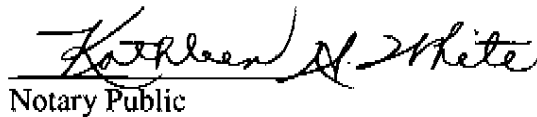
3. All of the services for which compensation is sought by Lazard were performed for and on behalf of the Debtors and not on behalf of any other person.

4. No agreement or understanding exists between Lazard and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with these cases.



Andrew T. Yearley  
Director

Sworn to before this 8<sup>th</sup> the day of October 2003.



Notary Public

**KATHLEEN H. WHITE**  
Notary Public, State of New York  
No. 01WH9643655  
Qualified in Queens County  
Certificate Filed in New York County  
Commission Expires October 31, 2006

**CERTIFICATION PURSUANT TO AMENDED ADMINISTRATIVE ORDER  
ESTABLISHING PROCEDURE FOR MONTHLY COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR PROFESSIONALS**

I have read the Final Fee Application of Lazard Frères & Co. LLC ("Lazard") for Allowance of Interim Compensation and Reimbursement of Expenses for the Period from December 18, 2002 through September 9, 2003 (the "Final Fee Period.")

To the best of my knowledge, information and belief, formed after reasonable inquiry, the Final Fee Application complies substantially with the mandatory guidelines set forth in the Amended Administrative Order Establishing Procedure For Interim Compensation and Reimbursement Of Expenses For Professionals dated January 2, 2003 (the "Amended Administrative Order").

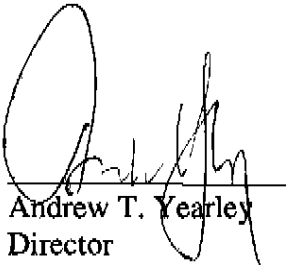
To the best of my knowledge, information and belief, formed after reasonable inquiry, the fees and disbursements sought in the Final Fee Application fall within the guidelines of the Amended Administrative Order, except as specifically noted in this certification and in the Final Fee Application.

To the best of my knowledge, information and belief, formed after reasonable inquiry, the fees and disbursements sought are billed in accordance with the practices customarily employed by Lazard and generally accepted by Lazard's clients.

To the best of my knowledge, information and belief, formed after reasonable inquiry; in providing reimbursable services, Lazard does not make a profit on these services; in charging for a particular service, Lazard does not include in the amount for which reimbursement is sought

the amortization of the cost of any investment, equipment or capital outlay; in seeking reimbursement for services which Lazard justifiably purchased or contracted from a third party, Lazard seeks reimbursement only for the amount paid by Lazard to such vendor.

Dated: New York, New York  
October 8, 2003

By:   
Andrew T. Yearley  
Director

# EXHIBIT A

## Engagement Letter

# LAZARD

LAZARD FRÈRES & Co. LLC  
30 ROCKEFELLER PLAZA  
NEW YORK, NY 10020  
PHONE 212-632-6000  
www.lazard.com

December 16, 2002

Conseco, Inc.  
11825 North Pennsylvania Street  
Carmel, IN 46032

Attention: Eugene Bullis  
Executive Vice President, Chief Financial Officer

Dear Sirs:

This letter agreement (the "Agreement") confirms the understanding and agreement between Lazard Frères & Co. LLC ("Lazard") and Conseco, Inc. ("Conseco") and each of its subsidiaries (collectively, the "Company"). This Agreement amends and restates in entirety the engagement letter entered into on August 12, 2002, as amended by a letter dated October 21, 2002, by Lazard and Conseco. Notwithstanding the foregoing, the indemnification agreement entered into by Lazard and Conseco on June 7, 2002 (the "Indemnification Letter") shall continue in full force and effect.

### Assignment Scope

The Company hereby retains Lazard to act as its investment banker, to render financial advisory services to the Company, on the terms and subject to the conditions hereinafter set forth, in connection with a Restructuring Transaction and the other matters referred to herein. As used in this Agreement, the term "Restructuring Transaction" shall mean, collectively, any financial restructuring, reorganization (whether or not pursuant to Chapter 11 of the United States Bankruptcy Code) and/or recapitalization, which may be implemented by means of, *inter alia*, the solicitation of waivers and consents from the holders of the Company's bank debt, debt securities, preferred stock or other claims against the Company (collectively, the "Claims"; and the holders of such Claims, collectively, the "Creditors"); the modification or amendment of the terms and conditions of such Claims; the conversion of such Claims into equity of the Company; an exchange offer involving the issuance of new securities in exchange for such Claims; the issuance or sale of new debt or equity securities or other interests; the refinancing all or a portion of, renewal or refunding of the Company's existing bank debt; the sale, merger or consolidation of the Company to or with another person or entity; the sale or disposition of all or a portion of the Company's assets; or any other similar transaction or series of transactions.

### Description of Services

1. Lazard agrees, in consideration of the compensation provided in Section 2 below, to perform such of the following investment banking services as the Company may reasonably request, including:

PARIS    LONDON    NEW YORK    BERLIN    BOMBAY    CAIRO    CHICAGO    FRANKFURT    HAMBURG    HONG KONG    MADRID  
MILAN    MONTREAL    NEW DELHI    ROME    SAN FRANCISCO    SEOUL    SINGAPORE    STOCKHOLM    SYDNEY    TOKYO    WARSAW



**LAZARD**

- (a) A review and analysis of the Company's business, operations and financial projections;
- (b) Evaluating the Company's potential debt capacity in light of its projected cash flows;
- (c) Assisting in the determination of a capital structure for the Company;
- (d) Determining a range of values for the Company on a going concern basis;
- (e) Advising the Company on tactics and strategies for negotiating with its various groups of Creditors;
- (f) Rendering financial advice to the Company and participating in meetings or negotiations with the Creditors and/or rating agencies or other appropriate parties in connection with any restructuring, modification or refinancing of the Company's Claims;
- (g) Advising the Company on the timing, nature, and terms of new securities, other consideration or other inducements to be offered pursuant to the Restructuring;
- (h) If requested by the Company, advising and assisting the Company in evaluating potential capital markets transactions of public or private debt or equity offerings, including any debtor-in-possession financing by the Company, and, on behalf of the Company, evaluating and contacting potential sources of capital and assisting in negotiating such financing;
- (i) Assisting the Company in preparing documentation within our area of expertise that is required in connection with the restructuring of the Claims;
- (j) Assisting in identifying and evaluating candidates for a potential Conseco Finance Sale Transaction<sup>1</sup>, a CCM Sale Transaction<sup>2</sup> and, if requested by the Company, other Sale Transactions<sup>3</sup> involving all or a portion of the Company, advising the Company in connection with negotiations and aiding

<sup>1</sup> As used in this letter, the term "Conseco Finance Sale Transaction" shall mean a Sale Transaction involving only all or a portion of Conseco Finance Corporation or its subsidiaries (collectively, "Conseco Finance")

<sup>2</sup> As used in this letter, the term "CCM Sale Transaction" shall mean a Sale Transaction involving only all or a portion of Conseco Capital Management ("CCM"), including without limitation any transaction involving the sale, transfer, assignment or other disposition of all or a portion of any rights with respect to the Conseco Fund Group.

<sup>3</sup> As used in this letter, the term "Sale Transaction" means any transaction or series of transactions involving (a) an acquisition, merger, consolidation, or other business combination pursuant to which the business or assets of all or a portion of the Company are combined with another company or any of such company's subsidiaries; (b) the acquisition, directly or indirectly, by a buyer or buyers (which term shall include a "group" of persons as defined in Section 13(d) of the Securities Exchange Act of 1934, as amended), of equity interests or options, or any combination thereof constituting a majority of the then outstanding stock of the Company or possessing a majority of the then outstanding voting power of the Company (except as may occur with current Stakeholders as a result of a Restructuring); (c) any other purchase or acquisition by a buyer or buyers of assets, securities or other interests of the Company or (d) the formation of a joint venture or partnership with the Company or direct investment in the Company for the purpose of effecting a transfer of a controlling or minority interest in the Company to a third party.

**LAZARD**

in the consummation of a Conseco Finance Sale Transaction, a OCM Sale Transaction, and, if applicable, other Sale Transactions.

- (k) Advising and attending meetings of the Company's Board of Directors and its committees;
- (l) Providing testimony and/or other evidence, as necessary, in any proceeding before the bankruptcy court; and
- (m) Providing the Company with other general restructuring advice.

**Fees:**

2. As consideration for the services to be provided, the Company shall pay Lazard certain fees as follows:

- (a) A monthly fee of \$250,000, payable in cash on execution of this agreement and on the 1st day of each month thereafter until the earlier of the completion of the Restructuring or the termination of Lazard's engagement pursuant to paragraph 10. Payment of the \$250,000 monthly fee for the month of December 2003 and each month thereafter shall be credited against only the Restructuring Fee provided for in clause (b) below.
  - (b) A fee equal to \$11.0 million payable in cash upon the consummation of a Restructuring Transaction (the "Restructuring Fee").
  - (c) A fee payable in cash in connection with a Conseco Finance Restructuring Transaction as defined and as set forth in Schedule I (the "Conseco Finance Restructuring Fee"). The Conseco Finance Restructuring Fee shall not be credited against any other fees.
  - (d) A fee payable in cash upon consummation of a Conseco Finance Sale Transaction as set forth in Schedule II ("Conseco Finance Sale Transaction Fee"). One-half of any Conseco Finance Sale Transaction Fee paid to Lazard shall be credited against the Restructuring Fee payable to Lazard and no portion of the Conseco Finance Sale Transaction Fees shall credit against the Conseco Finance Restructuring Fee.
  - (e) A fee equal to \$1 million payable in cash upon consummation of a OCM Sale Transaction (the "OCM Sale Transaction Fee"). The full amount of any OCM Sale Transaction Fee paid to Lazard shall credit against the Restructuring Fee.
-

## LAZARD

- (f) If the Company requests Lazard to assist in connection with any Sale Transaction (other than a Conesco Finance Sale Transaction or a OCM Sale Transaction, a fee in cash based on the Aggregate Consideration calculated as set forth in Schedule III attached hereto, such fee to be payable promptly upon the closing of such transaction (the "Sale Transaction Fee"). One-half of any fee paid under this Section 2(f) shall be credited against the Restructuring Fee.
- (g) For the avoidance of any doubt, more than one fee may be payable pursuant to clauses (b), (c), (d), (e) and (f) above, and, except as set forth in this Agreement, no fees shall credit against any such fees.
- (h) In addition to any fees that may be payable to Lazard and, regardless of whether any transaction occurs, the Company shall promptly reimburse Lazard for all: (i) reasonable out-of pocket expenses (including travel and lodging, data processing and communications charges, courier services and other appropriate expenditures) and (ii) other reasonable fees and expenses, including expenses of counsel, if any.
- (i) As part of the compensation payable to Lazard hereunder, the Company agrees that the indemnification and contribution provisions set forth in the Indemnification Letter shall also apply to our engagement hereunder and are incorporated herein in their entirety.
- (j) All amounts hereunder shall be paid promptly after such amounts accrue hereunder.

### Retention in Chapter 11 Proceedings:

3. In the event that the Company commences a Chapter 11 proceedings, the Company agrees that it will use best efforts to obtain prompt authorization from the Bankruptcy Court to retain Lazard on the terms and conditions set forth in this Agreement under the provisions of Section 328(a) of the Bankruptcy Code. Subject to being so retained, Lazard agrees that during the pendency of any such proceedings, it shall continue to perform its obligations under this Agreement and that it shall file interim and final applications for allowance of the fees and expenses payable to it under the terms of this Agreement pursuant to the applicable Federal Rules of Bankruptcy Procedure, and the local rules and order of the Bankruptcy Court. The order of the Bankruptcy Court approving the Agreement and authorizing Lazard's retention shall be acceptable to Lazard in its reasonable discretion. In so agreeing to seek Lazard's retention under Section 328(a) of the Bankruptcy Code, the Company acknowledges that it believes that Lazard's general restructuring experience and expertise, its knowledge of the capital markets and its merger and acquisition capabilities will inure to the benefit of the Company in pursuing any Restructuring Transaction, Conesco Finance Restructuring Transaction, Sale Transaction, Conesco Finance Sale Transaction, OCM Sale Transaction, or financing, that the value to the Company of Lazard's services hereunder derives in substantial part from that expertise and experience and that, accordingly, the structure and

## LAZARD

amount of the contingent Restructuring Fee, Conseco Finance Restructuring Fee, Conseco Finance Sale Transaction Fee, OCM Sale Transaction Fee and Sale Transaction Fee are reasonable regardless of the number of hours to be expended by Lazard's professionals in the performance of the services to be provided hereunder.

### Other

4. No fee payable to any other person, by you or any other party, shall reduce or otherwise affect any fee payable hereunder to us.

5. The Company will furnish or cause to be furnished to Lazard such current and historical financial information and other information regarding the business of the Company as Lazard may request in connection with this engagement. The Company represents and warrants to Lazard that all of the foregoing information will be accurate and complete to the best of your knowledge at the time it is furnished, and the Company agrees to keep Lazard advised of all material developments materially affecting the Company or its financial position. In performing its services pursuant to this Agreement, including in connection with any valuation of the Company, Lazard shall be entitled to rely upon information furnished to it by the Company or that is publicly available, may assume the accuracy and completeness of such information and shall not assume any responsibility for independent verification of any such information. In connection with Lazard's activities hereunder, the Company authorizes Lazard to make appropriate use of such information, including discussing it with any third parties as to whom the Company and Lazard may mutually agree. However, Lazard covenants and agrees that it shall not divulge or disclose for any purpose whatsoever, any confidential information that has been obtained by or disclosed to it as a result of Lazard's engagement, except to the extent that such confidential information (a) is or becomes a matter of public record or is published in a newspaper, magazine or other periodical or otherwise becomes available to the general public, other than as a result of any act or omission of us in breach of this confidentiality obligation, (b) is required to be disclosed by any law, regulation or order of any court or regulatory commission, department or agency, in which event, unless prohibited by law, Lazard shall give the Company prompt notice of such requirement to enable the Company to seek an appropriate protective order or confidential treatment, (c) becomes available to Lazard from a source other than the Company or its representatives who, to our knowledge, is not subject to a confidentiality obligation to the Company, or (d) must be disclosed to enable us to perform our services under this engagement, in which event Lazard shall give prompt notice of such requirement to the Company so that the Company may determine whether to authorize disclosure of such information and the manner of any such disclosure.

6. In performing its services pursuant to this Agreement, Lazard is not assuming any responsibility for the decision by the Company or any other party to pursue (or not to pursue) any business strategy or to effect (or not to effect) any Restructuring Transaction, Conseco Finance Restructuring Transaction, Conseco Finance Sale Transaction, OCM Sale Transaction, Sale Transaction or other transaction. Lazard shall not have any obligation or responsibility to provide "crisis management" for or business consultant services to the Company, and shall have no responsibility for designing or implementing operating, organizational, administrative, cash

## LAZARD

management or liquidity improvements; nor shall Lazard be responsible for providing any tax, legal or other specialist advice. Lazard will not, as part of its engagement, undertake any independent valuation or appraisal of any of the assets or liabilities of the Company or of any third party, or opine or give advice to the Board of Directors, the Company or management or shareholders with respect thereto.

7. It is understood and agreed that nothing contained in this Agreement shall constitute an express or implied commitment by Lazard to underwrite, place or purchase any securities in a financing or otherwise, which commitment shall only be set forth in a separate underwriting, placement agency or purchase agreement, as applicable, relating to the financing.

8. The Indemnification Letter shall survive any termination or expiration of this Agreement.

9. In order to coordinate our efforts on behalf of the Company during the period of our engagement hereunder, in the event that the Company receives an inquiry concerning any potential transaction, the Company will promptly inform Lazard of such inquiry so that we can assess such inquiry and if requested by the Company, assist in any resulting negotiations. In the event that Lazard receives an inquiry concerning any transaction, we will promptly inform the Company of such inquiry.

10. Our engagement hereunder may be terminated by you or us at any time without liability or continuing obligation to you or us, except that following such termination and any expiration of this agreement (a) we shall remain entitled to any fees accrued pursuant to Section 2 but not yet paid prior to such termination or expiration, as the case may be, and to reimbursement of expenses incurred prior to such termination or expiration, as the case may be, and (b) in the case of termination by you and any expiration of this agreement, we shall remain entitled to full payment of all fees contemplated by Section 2 hereof in respect to any (i) Restructuring Transaction, (ii) Consec Finance Restructuring Transaction, (iii) Consec Finance Sale Transaction, (iv) OCM Sale Transaction and (v) Sale Transaction in respect of which Lazard was requested to provide assistance, in each case (i), (ii), (iii), (iv), and (v), announced or consummated during the period from the date hereof until one year following such termination or expiration, as the case may be.

11. The Company recognizes that Lazard has been engaged only by the Company and that the engagement of Lazard is not deemed to be on behalf of and is not intended to confer rights upon any shareholder, partner or other owner of the Company, any creditor, lender or any other person not a party hereto as against Lazard or any of its affiliates or any of their respective directors, officers, agents, employees or representatives. Unless otherwise expressly agreed, no one other than the Company's management and Board of Directors, is authorized to rely upon the engagement of Lazard or any statements, advice, opinions or conduct by Lazard, and the Company agrees that such advice may not be publicly disclosed or made available to third parties without the prior written consent of Lazard, which consent shall not be unreasonably withheld or delayed. Without limiting the foregoing, any advice, written or oral rendered to the Company's Board of Directors or management in the course of the engagement of Lazard is solely for the purpose of assisting the Board or management, as the case may be, in evaluating the Restructuring Transaction, Consec

## LAZARD

Finance Restructuring Transaction, Conseco Finance Sale Transaction, CCM Sale Transaction, and if applicable other Sale Transactions, financings or other transactions, and does not constitute a recommendation to any stakeholder of the Company that such stakeholder might or should take in connection with the Restructuring Transaction, Conseco Finance Restructuring Transaction, Conseco Finance Sale Transaction, CCM Sale Transaction, and if applicable other Sale Transactions, financings or other transactions. Lazard's role herein is that of an independent contractor; nothing herein is intended to create or shall be construed as creating a fiduciary relationship between Lazard and the Company or its Board of Directors.

12. In connection with the services to be provided hereunder, Lazard may employ the services of its affiliates and such affiliates may share with Lazard any information concerning the Company, provided that Lazard and such affiliates shall hold any nonpublic information confidential in accordance with the terms set forth in paragraph 5 above. Any such affiliate so employed (and its directors, officers, employees, agents, attorneys, and affiliates) shall be entitled to all of the benefits afforded to Lazard hereunder and shall be entitled to be reimbursed for its costs and expenses on the same basis as Lazard.

13. The provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the Company, Lazard and any other person entitled to indemnity under the Indemnification Letter. This Agreement may be amended, modified or supplemented only by written instrument by the parties hereto.

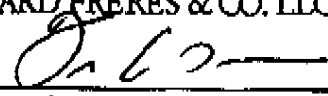
14. This Agreement and any claim related directly or indirectly to this Agreement (including any claim concerning advice provided pursuant to this agreement) shall be governed by and construed in accordance with the laws of the State of New York without regard to the principle of conflicts of law. No such claim shall be commenced, prosecuted or continued in any forum other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, and each of the parties hereby submits to the jurisdiction of such courts. Each of Lazard and the Company hereby waives on behalf of itself and its successors and assigns any and all right to argue that the choice of forum provision is or has become unreasonable in any legal proceeding. Each of Lazard and the Company waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) related to or arising out of the engagement of Lazard pursuant to, or the performance by Lazard of the services contemplated by, this Agreement.

LAZARD

If the foregoing letter is in accordance with your understanding of the terms of our engagement, please sign and return to us the enclosed duplicate hereof.

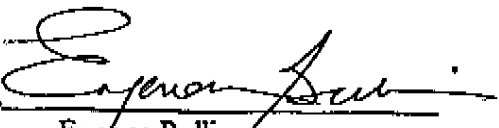
Very truly yours,

LAZARD FRERES & CO, LLC

By:   
\_\_\_\_\_  
Frank A. "Terry" Savage  
Managing Director

Accepted and agreed to as of the date first written above.

CONSECO, INC., on behalf of itself and each of its subsidiaries

By:   
\_\_\_\_\_  
Eugene Bullis  
Executive Vice President, Chief Financial Officer

# LAZARD

## SCHEDULE I

### Conseco Finance Restructuring Transaction

The term "Conseco Finance Restructuring" shall mean (whether or not pursuant to Chapter 11 of the United States Bankruptcy Code) (i) any refinancings, recapitalization, repurchases, exchanges, restructurings or conversions of, or any amendments or modifications to, or any similar transaction involving any of the manufactured housing securities from series GTFC 1992-1 through CFHC 1998-4, issued by Conseco Finance Corporation and held by entities other than Conseco Finance Corporation and its affiliates including the Conseco Insurance companies (the "Old ABS Securities") ("ABS Restructuring"); or (ii) any restructuring, amendment, change, elimination or termination of, or other similar transaction involving any of the Company's servicing rights or obligations ("Servicing Rights") for any of the manufactured housing securities, from series GTFC 1992-1 through CFHC 2002-2, issued by Conseco Finance Corporation and held by entities other than Conseco Finance Corporation, and any affiliates including the Conseco Insurance companies (the "Serviced Securities") as they exist on the date hereof (a "Servicing Rights Restructuring" and each of the ABS Restructuring and the Servicing Rights Restructuring, a "Conseco Finance Restructuring").

The Conseco Finance Restructuring Fee payable to Lazard shall equal to the sum of the amounts derived by multiplying the applicable percentages (as set forth in the Table A) by the corresponding portions of the principal amount of the Old ABS Securities that are restructured pursuant to such ABS Restructuring, plus the amounts derived by multiplying the applicable percentages (as set forth in the Table B) by the corresponding portions of the total remaining principal amount of the Serviced Securities that are restructured pursuant to such Servicing Rights Restructuring; provided, however, that the aggregate amount of Conseco Finance Restructuring Fees payable to Lazard shall not exceed \$5 million.

**Table A**

<u>Principal Amount of Old ABS Securities Restructured through ABS Restructuring</u>	<u>Fee Percentage</u>
Old ABS Securities GTFC 1992-1 thru 1995-10	0.25% plus
Old ABS Securities GTFC 1996-1 thru 1998-4	0.75%



**LAZARD****Table B**

<u>Principal Amount of Serviced Securities</u> <u>Restructured through Servicing Rights</u> <u>Restructuring</u>	<u>Fee Percentage</u>
Amount up to \$1 billion of Serviced Securities	0.00% of such amount; plus
Amount in excess of \$1 billion and up to \$5 billion of Serviced Securities	0.01% of such amount; plus
Amount in excess of \$5 billion and up to \$15 billion of Serviced Securities	0.02% of such amount; plus
Amount in excess of \$15 billion up to 100% of Serviced Securities	0.05% of such amount

50% of the Consec Finance Restructuring Fee will be due and payable when Consec Finance reaches an agreement in principle with respect to such Consec Finance Restructuring and the remainder will be payable upon consummation of such Consec Finance Restructuring.

**LAZARD****SCHEDULE II****Conseco Finance Sale Transaction and Conseco Finance Sale Transaction Fees**

- a) In the event of any Conseco Finance Sale Transaction involving the sale of all or substantially all of the assets or stock of Conseco Finance, a fee payable upon consummation of such transaction equal to the sum of (i) \$1 million and (ii) an amount equal to three quarters of 0.75% of Aggregate Consideration (as defined on Schedule III);
- b) In the event of any Conseco Finance Sale Transaction (other than a transaction covered by (a) above or (c) below) involving the sale of a majority of the stock or assets of Conseco Finance's home equity business (including but not limited to the home equity and home improvement assets, servicing platform, and origination assets), a fee payable upon consummation of such transaction equal to 1% of Aggregate Consideration. In the event of transfer of the home equity business that does not occur through a sale, Lazard shall be paid a fee of \$1 million to assist in the transfer of servicing and the run off of the portfolio;
- c) In the event of any Conseco Finance Sale Transaction involving the sale of a majority of the stock or assets of Mill Creek Bank completed (i) outside of a bankruptcy proceeding, a fee payable upon consummation of such transaction in the amount of \$250,000; or (ii) pursuant to a bankruptcy court sanctioned process in which (A) Conseco Finance has executed a purchase agreement with a buyer prior to commencement of any bankruptcy proceedings (regardless of whether such buyer is the buyer who consummates the transaction), a fee payable upon consummation of such transaction equal to 0.70% of Aggregate Consideration; or (B) in which Conseco Finance has not executed a purchase agreement prior to commencement of any bankruptcy proceedings, a fee payable upon consummation of such transaction equal to 0.90% of Aggregate Consideration.

# LAZARD

## SCHEDULE III

### Fees for Sale Transactions

The total fee is calculated by breaking down the Aggregate Consideration and multiplying each increment by the corresponding incremental fee. For example, for a transaction in which the Aggregate Consideration paid is \$60 million, the fee would be \$625,000 + \$550,000 + \$175,000 which totals \$1.35 million.

<u>Aggregate Consideration</u> <i>(\$ in millions)</i>	<u>Incremental Fee %</u>
\$0 - \$25	2.50%
\$25 - \$50	2.20%
\$50 - \$100	1.75%
\$100 - \$200	1.30%
\$200 - \$300	1.10%
\$300 - \$400	1.00%
\$400 - \$500	0.90%
\$500 - \$600	0.86%
\$600 - \$700	0.82%
\$700 - \$800	0.78%
\$800 - \$900	0.74%
\$900 +	0.70%

For purposes hereof, the term "Aggregate Consideration" means (x) the total amount of cash and the fair market value (on the date of payment) of all of the property paid or payable (including amounts paid into escrow) in connection with the transaction (or any related transaction), including amounts paid or payable in respect of convertible securities, preferred equity securities, warrants, stock appreciation rights, option or similar rights, whether or not vested, plus (y) the principal amount of all indebtedness for borrowed money of the relevant entity or entities as set forth on the most recent balance sheet, or, in case of the sale of assets, all indebtedness for borrowed money assumed by the third party. Aggregate Consideration shall also include the aggregate amount of any dividends or other distributions declared by the relevant entity or entities after the date hereof other than normal quarterly cash dividends, and, in the case of the sale of assets, the net value of any current assets not sold minus the value of any current liability not assumed. For purposes of calculating Aggregate Consideration, (i) all shares will be deemed transferred where there is a transfer of shares, (a) constituting more than 30% of the then

**LAZARD**

outstanding equity securities of or equity interest in the relevant entity, or (b) possessing more than 30% of the then outstanding voting power of the outstanding equity securities of or equity interest in the relevant entity, and (ii) the value of securities (whether debt or equity) that are freely tradable in an established public market will be determined on the basis of the average closing price in such market for the 10 trading days prior to the closing of the transaction (the "Valuation Date"); and the value of securities that have no established public market or other property will be the fair market value of such securities or other property on such Valuation Date as agreed to by the parties in good faith and any restricted stock (i.e., stock in a public company not freely tradable) received shall be valued at 85% of the public market price of such stock. Aggregate Consideration shall also be deemed to include pension liabilities and guarantees of monies borrowed assumed by the third party. If the Aggregate Consideration is subject to increase by contingent payments related to future events, the portion of our fee relating thereto shall be agreed to by the parties in good faith and paid to us upon consummation of the transaction.

June 7, 2002

Conseco, Inc.  
11825 N. Pennsylvania St.  
Carmel, IN 46032

Attn: William J. Shea – President, Chief Operating Officer and Acting Chief Financial Officer

Gentlemen:

In connection with our engagement to advise and assist you with the matters set forth in the engagement letter of even date herewith, you and we are entering into this letter agreement. It is understood and agreed that in the event that Lazard Frères & Co. LLC or any of our members, employees, agents, affiliates or controlling persons, if any (each of the foregoing, including Lazard Frères & Co. LLC, being an "Indemnified Person") become involved in any capacity in any action, claim, proceeding or investigation brought or threatened by or against any person, including your stockholders, related to, arising out of or in connection with our engagement, you will promptly reimburse each such Indemnified Person for its reasonable legal and other expenses (including the reasonable cost of any investigation and preparation) as and when they are incurred in connection therewith. You will indemnify and hold harmless each Indemnified Person from and against any losses, claims, damages, liabilities or expense to which any Indemnified Person may become subject under any applicable federal or state law, or otherwise, related to, arising out of or in connection with our engagement, whether or not any pending or threatened action, claim, proceeding or investigation giving rise to such losses, claims, damages, liabilities or expense is initiated or brought by or on your behalf and whether or not in connection with any action, proceeding or investigation in which you or such Indemnified Persons are a party, except to the extent that any such loss, claim, damage, liability or expense is found by a court of competent jurisdiction in a judgment which has become final in that it is no longer subject to appeal or review to have resulted primarily from such Indemnified Person's bad faith or gross negligence. You also agree that no Indemnified Person shall have any liability (whether direct or indirect, in contract or tort or otherwise) to you or your security holders or creditors related to, arising out of or in connection with our engagement except to the extent that any loss, claim, damage or liability is found by a court of competent jurisdiction in a judgment which has become final in that it is no longer subject to appeal or review to have resulted primarily from such Indemnified Person's bad faith or gross negligence. If multiple claims are brought against us in an arbitration related to, arising out of or in connection with our engagement, with respect to at least one of which such claims indemnification is permitted under applicable law, you agree that any arbitration award shall be conclusively deemed to be based on claims as to which indemnification is permitted and provided for hereunder, except to the extent the arbitration

## LAZARD

award expressly states that the award, or any portion thereof, is based solely on a claim as to which indemnification is not available.

If for any reason the foregoing indemnification is held unenforceable, then you shall contribute to the loss, claim, damage, liability or expense for which such indemnification is held unenforceable in such proportion as is appropriate to reflect the relative benefits received, or sought to be received, by you and your stockholders on the one hand and the party entitled to contribution on the other hand in the matters contemplated by our engagement as well as the relative fault of yourselves and such party with respect to such loss, claim, damage, liability or expense and any other relevant equitable considerations. You agree that for the purposes hereof the relative benefits received, or sought to be received, by you and your stockholders and ourselves shall be deemed to be in the same proportion as (i) the total value paid or proposed to be paid or received by you or your stockholders, as the case may be, pursuant to the transaction (whether or not consummated) for which we have been engaged to perform investment banking services bears to (ii) the fees paid or proposed to be paid to us in connection with such engagement; provided, however, that, to the extent permitted by applicable law, in no event shall we or any other Indemnified Person be required to contribute an aggregate amount in excess of the aggregate fees actually paid to us for such investment banking services. Your reimbursement, indemnity and contribution obligations under this letter shall be in addition to any liability which you may otherwise have, shall not be limited by any rights we or any other Indemnified Person may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of yourselves, ourselves, and any other Indemnified Persons.

You agree that, without our prior written consent (which will not be unreasonably withheld), you will not settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action, or proceeding or investigation in respect of which indemnification or contribution could be sought hereunder (whether or not we or any other Indemnified Persons are an actual or potential party to such claim, action or proceeding or investigation), unless such settlement, compromise or consent includes an unconditional release of each Indemnified Person from all liability arising out of such claim, action or proceeding or investigation. No waiver, amendment or other modification of this agreement shall be effective unless in writing and signed by each party to be bound thereby. This agreement and any claim related directly or indirectly to this agreement (including any claim concerning advice provided pursuant to this agreement) shall be governed and construed in accordance with the laws of the State of New York (without giving regard to the conflicts of law provisions thereof). No such claim shall be commenced, prosecuted or continued in any forum other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, and each of us hereby submits to the jurisdiction of such courts. You hereby waive on behalf of yourself and your successors and assigns any and all right to argue that the choice of forum provision is or has become unreasonable in any legal proceeding. We and you (on your own behalf and, to the extent permitted by applicable law, on behalf of your stockholders and creditors) waive all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) related to or arising

**LAZARD**

out of or in connection with our engagement. This agreement shall remain in effect indefinitely, notwithstanding any termination or expiration of our engagement.


Very truly yours,

LAZARD FRERES & CO. LLC

By   
\_\_\_\_\_  
Frank A. ("Terry") Savage  
Managing Director

AGREED TO AND ACCEPTED  
as of the date first above written:

CONSECO, INC.

By   
\_\_\_\_\_  
William J. Shea  
President, Chief Operating Officer and  
Acting Chief Financial Officer

# EXHIBIT B

## Retention Order



**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
	)	(Jointly Administered)
Debtors.	)	Honorable Carol A. Doyle

**ORDER PURSUANT TO 11 U.S.C. §§ 327, 328 and 330  
APPROVING THE RETENTION OF LAZARD FRÈRES & CO. LLC  
AS DEBTORS' INVESTMENT BANKERS**

This matter having come before the Court on the application dated December 18, 2002 (the "Application") of Conseco, Inc. and its affiliated debtors (collectively, the "Debtors"), for an order under 11 U.S.C. §§ 327(a), 328(a) and 330 and Federal Rule of Bankruptcy Procedure 2014(a) authorizing the employment and retention of Lazard Frères & Co. LLC ("Lazard") as their investment banker in these Chapter 11 cases pursuant to the terms of that certain engagement letter and indemnity referenced in the Application (collectively, the "Engagement Letter"); the Court having held a hearing on the Application on January 14, 2003 and having considered the affidavits of Andrew Yearley of Lazard and William J. Shea of the Debtors relating thereto; the Court having considered the above-referenced affidavits and being satisfied that Lazard, having waived any and all prepetition claims against the Debtors, having agreed to return a certain

---

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

payment of \$250,000.00 made to Lazard by the Debtors on or about October 21, 2002 and having made a showing that all other payments received from the Debtors prior to the commencement of these cases were in the ordinary course of business under § 547(c) of the Bankruptcy Code, is "disinterested" and represents no interest adverse with respect to the matters upon which it is to be employed; the Court further finding that the employment and retention of Lazard pursuant to the terms of the Engagement Letter as noted below is reasonable and in the best interest of the estate; all objections to the Application either having been resolved or overruled; it further appearing that proper and adequate notice having been given to all parties entitled thereto and after due deliberation thereon and good and sufficient cause appearing therefore:

**IT IS ORDERED, ADJUDGED AND DECREED THAT:**

1. The Debtors are hereby authorized to employ and retain Lazard as their investment banker pursuant to the terms of the Engagement Letter effective as of December 18, 2002 pursuant to 11 U.S.C. §§ 327(a) and 328(a).

2. The terms of the Engagement Letter, including, without limitation, the monthly advisory, sale and restructuring fee provisions and the indemnification provisions, are reasonable terms and conditions of employment and are approved pursuant to 11 U.S.C. § 328(a); provided, however, each Indemnified Person (as defined in the Engagement Letter) shall be entitled to indemnification for losses, claims, damages, liabilities or expenses found by a court of competent jurisdiction to have resulted primarily from such Indemnified Person's ordinary negligence only if directors of the Debtors may be indemnified under the laws of the State(s) of incorporation of the applicable Debtors for losses, claims, damages, liabilities or expenses found by a court of

competent jurisdiction to have resulted primarily from such director's ordinary negligence.

3. Lazard hereby waives all prepetition claims against the Debtors. Any and all claims that Lazard may have against the Debtors, including, without limitation, claims for fees, expenses and/or indemnity, shall be made solely pursuant to the terms of retention as approved by the Court in this Order. Lazard further agrees that (a) it shall immediately return the payment of \$250,000.00 it received from the Debtors on or about October 21, 2002 and waive any and all claims that it may have against the Debtors relating to such payment and (b) if, at a later date it is adjudicated by a final order of a court of competent jurisdiction that Lazard received any other payments from the Debtors prior to the commencement of these cases that must be returned pursuant to § 547 of the Bankruptcy Code, then Lazard agrees to waive any and all claims that it may have relating to any such payments.

4. Lazard shall be compensated in accordance with (a) the procedures set forth in the Bankruptcy Code and Bankruptcy Rules as may then be applicable, (b) such procedures as may be fixed by order of this Court and (c) the terms of the Lazard Engagement Letter as set forth in the Application and this Order.

5. Nothing in the Engagement Letter shall be deemed to cap an Indemnified Person's liability, if any, for any losses, claims, damages, liabilities or expenses found by a court of competent jurisdiction to have resulted primarily from such Indemnified Person's bad faith or gross negligence.

6. Schedule II of the Engagement Letter is hereby modified to correct a typographical error. Specifically, Schedule II section (a)(ii) shall be stricken and

replaced with the following: "(ii) an amount equal to .75% of Aggregate Consideration  
(as defined on Schedule III)."

Dated: January 14, 2003

A handwritten signature in black ink, appearing to read "Carol A. Doyle". The signature is written in a cursive style with a large initial "C" and "D".

---

HONORABLE CAROL A. DOYLE  
UNITED STATES BANKRUPTCY JUDGE

14261468.3

# EXHIBIT C

## Detail of Hours Expended

Exhibit C

Summary of Services Rendered by Project

December 18, 2003 - September 9, 2003

<u>Project #</u>	<u>Project Description</u>	<u>TOTAL</u>
1	Interface with Professionals, Official Committees, and Other Parties-In-Interest	343.5
2	Business Operations Planning, Monitoring, Reporting and Analysis, and Projections (Conseco Inc.)	138.0
3	Business Operations Planning, Monitoring, Reporting and Analysis, and Projections (Conseco Finance)	56.5
4	Preparation and/or Review of Court Filings	218.9
5	Court Testimony/Deposition and Preparation	480.8
6	Valuation Analysis	472.2
7	Capital Structure Review and Analysis	243.1
8	Merger & Acquisition Activity (Conseco Inc.)	26.5
9	Merger & Acquisition Activity (Conseco Finance)	1,652.2
10	Financing Issues	127.9
11	General Corporate Finance, Research and Analysis, and Other Due Diligence	311.9
12	Fee Application, Engagement	13.9
13	Employee Retention Program	7.2
<b>TOTAL</b>		<u><u>4,092.6</u></u>

Summary of Services Rendered by Professional

<u>Name</u>	<u>TOTAL</u>
Frank T. Savage, Managing Director	113.0
Stephen Campbell, Managing Director	325.3
Justin Millberg, Managing Director	116.8
Andrew Yearley, Director	821.5
David Schuster, Director	216.0
Arthur Bruhmuller, Vice President	1,068.0
Joseph Cassanelli, Associate	558.5
James Williams, Associate	7.2
Ameet Amin, Financial Analyst	297.0
Tim Rupert, Financial Analyst	358.5
Yatin Patel, Financial Analyst	167.0
Gregory Stevens, Financial Analyst	43.9
<b>TOTAL</b>	<u><u>4,092.6</u></u>

Exhibit C

Summary of Services Rendered by Project

December 18, 2003 - September 9, 2003

Project #	Project Description	Dec 02	Jan 03	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03	TOTAL
1	Interface with Professionals, Official Committees, and Other Parties-In-Interest	16.9	61.3	35.1	75.1	77.1	36.5	2.0	28.0	4.5	7.0	343.5
2	Business Operations Planning, Monitoring, Reporting and Analysis, and Projections (Conseco Inc.)	0.0	3.6	18.9	5.0	38.5	28.0	0.0	0.0	40.0	4.0	138.0
3	Business Operations Planning, Monitoring, Reporting and Analysis, and Projections (Conseco Finance)	0.5	52.0	0.0	0.0	0.0	0.0	0.0	0.0	4.0	0.0	56.5
4	Preparation and/or Review of Court Filings	6.1	3.0	20.6	74.2	0.0	87.0	1.0	16.5	5.5	5.0	218.9
5	Court Testimony/Deposition and Preparation	0.0	1.0	6.0	33.0	32.3	54.0	293.5	61.0	0.0	0.0	480.8
6	Valuation Analysis	6.8	10.8	0.0	2.5	415.2	1.5	0.0	16.0	13.0	6.5	472.2
7	Capital Structure Review and Analysis	0.0	4.0	35.4	3.8	5.5	1.4	19.5	84.5	65.5	23.5	243.1
8	Merger & Acquisition Activity (Conseco Inc.)	0.0	0.0	1.5	0.0	0.0	0.0	3.0	2.0	7.0	13.0	26.5
9	Merger & Acquisition Activity (Conseco Finance)	20.4	301.7	601.2	332.9	34.5	131.5	51.0	56.0	85.5	37.5	1,652.2
10	Financing Issues	31.8	46.1	0.5	1.0	14.4	29.6	4.5	0.0	0.0	0.0	127.9
11	General Corporate Finance, Research and Analysis, and Other Due Diligence	11.3	44.9	29.0	61.4	59.7	48.6	48.0	8.0	0.0	1.0	311.9
12	Fee Application, Engagement	1.0	6.5	0.0	0.0	0.5	2.4	3.5	0.0	0.0	0.0	13.9
13	Employee Retention Program	0.0	1.5	3.5	2.2	0.0	0.0	0.0	0.0	0.0	0.0	7.2
<b>TOTAL</b>		<b>94.8</b>	<b>536.4</b>	<b>751.7</b>	<b>591.1</b>	<b>677.7</b>	<b>430.5</b>	<b>426.9</b>	<b>273.0</b>	<b>225.0</b>	<b>97.5</b>	<b>4,892.6</b>

Summary of Services Rendered by Professional

Name	Dec 02	Jan 03	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03	TOTAL	
Frank T. Savage, Managing Director	13.4	46.1	30.7	11.4	5.7	5.7	0.0	0.0	0.0	0.0	113.0	
Stephen Campbell, Managing Director	18.6	10.8	4.0	4.5	34.9	34.5	115.0	70.5	28.5	4.0	325.3	
Justin Millberg, Managing Director	11.8	15.0	5.0	10.5	34.5	16.0	2.0	2.0	7.0	13.0	116.8	
Andrew Yearley, Director	35.5	114.5	116.0	151.5	79.5	115.0	101.5	65.5	16.0	26.5	821.5	
David Schuster, Director	6.0	38.0	71.5	100.5	0.0	0.0	0.0	0.0	0.0	0.0	216.0	
Arthur Bruhmler, Vice President	2.5	91.0	95.5	119.5	171.5	177.0	138.5	112.0	130.5	30.0	1,068.0	
Joseph Cassanelli, Associate	0.0	82.5	229.5	153.0	93.5	0.0	0.0	0.0	0.0	0.0	558.5	
James Williams, Associate	0.0	2.5	0.0	0.0	4.7	0.0	0.0	0.0	0.0	0.0	7.2	
Aneet Amin, Financial Analyst	0.0	0.0	0.0	0.0	249.0	0.0	48.0	0.0	0.0	0.0	0.0	297.0
Tim Rupert, Financial Analyst	0.0	124.5	196.0	38.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	358.5
Yatin Patel, Financial Analyst	0.0	0.0	0.0	0.0	0.0	57.0	21.0	22.0	43.0	0.0	24.0	167.0
Gregory Stewens, Financial Analyst	7.0	11.5	3.5	2.2	4.4	15.3	0.0	0.0	0.0	0.0	0.0	43.9
<b>TOTAL</b>	<b>94.8</b>	<b>536.4</b>	<b>751.7</b>	<b>591.1</b>	<b>677.7</b>	<b>430.5</b>	<b>426.0</b>	<b>273.0</b>	<b>225.0</b>	<b>97.5</b>	<b>4,092.6</b>	

**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Terry Savage - Managing Director

<u>Date:</u>	<u>Description of Work:</u>	<u>Hours:</u>	<u>Code</u>
<b>December</b>			
18-Dec-03	Meeting: J. Sprayregen re: CNC first day issues	1.5	11
18-Dec-03	Call: B. Shea re: first day issues	0.4	11
18-Dec-03	Discussion re: APA with bidder at CFC	1.6	9
19-Dec-03	Conf Call: with Management re: first day issues	1.2	11
19-Dec-03	Call: Bank Advisor ( Greenhill) re: bank & bond issues	0.5	1
19-Dec-03	Call: Bond Counsel (Fried Frank) re: bank & bond issues	0.4	1
20-Dec-03	Call: J. Sprayregen re: bank/bond negotiation strategy	1.1	1
20-Dec-03	Internal Update Meeting: re: CFC	0.8	9
20-Dec-03	Review Court Motions	1.1	4
20-Dec-03	Call: Bank Advisor re: preferred negotiations	0.7	1
20-Dec-03	Call: Bond Advisor ( Houlihan ) re: preferred	0.6	1
23-Dec-03	Calls: J.Sprayregen: Update on CFC/CNC negotiations	1.2	11
23-Dec-03	Call: Bank Advisor re: preferred and covenants	0.5	1
23-Dec-03	Call: Bank holder re: preferred	0.4	1
23-Dec-03	Review Trm Sheet	1.4	10
	<b>TOTAL</b>	<u><u>13.4</u></u>	



**Conseco, Inc.**  
Time Sheet  
Lazard Frères & Co. LLC  
Terry Savage - Managing Director

<b>Date:</b>	<b>Description of Work:</b>	<b>Hours:</b>	<b>Code</b>
<b>January</b>			
02-Jan-03	Call: J.Sprayregen re: update on negotiations	0.9	1
02-Jan-03	Review court motions	0.5	4
02-Jan-03	Call: Bond Counsel re: update on negotiations	0.6	11
02-Jan-03	Call: Bank Advisor re: negotiations	0.3	11
03-Jan-03	Call: J.Sprayregen re: CFC bid and CNC status	0.8	1
03-Jan-03	Call: G.Bullis re: projections	0.6	2
03-Jan-03	Call: S. Campbell re: insurance portfolio	0.4	11
06-Jan-03	Calls: J.Sprayregen re: CFC/CNC negotiations	0.7	1
06-Jan-03	Review CFC DIP	0.4	10
06-Jan-03	Review CFC sales process	0.6	9
06-Jan-03	Call: E. Johnson re: insurance company portfolio	0.8	1
06-Jan-03	Call: Bank Advisor re: preferred issues	0.4	1
06-Jan-03	Call: Bondholder advisor re: preferred		1
07-Jan-03	Call: J.Sprayregen re: preferred issues	0.8	1
07-Jan-03	Review court motions	0.4	4
08-Jan-03	Call: CFC bidder re: status	0.6	9
08-Jan-03	Calls: J.Sprayregen re: preferred negotiation, board issues	1.1	1
09-Jan-03	Review bid procedures and sales status - CFC	1.4	9
09-Jan-03	Calls: J.Sprayregen re: CFC status, bank/bond status	0.7	1
09-Jan-03	Call: G. Bullis re: insurance company portfolio	0.5	1
09-Jan-03	Review court motions	0.3	4
10-Jan-03	Update of buyers for CFC - internal	0.5	9
10-Jan-03	Call: J.Spayregen re: negotiations	0.4	1
12-Jan-03	Conference Call: Management & Advisors re: status	1.1	1
13-Jan-03	Call: J. Sprayregen re: board issues	0.5	1
13-Jan-03	Conf Call: Board Restructuring Committee	1.2	1
13-Jan-03	Review CFC sales material	0.5	9
13-Jan-03	Calls: Bank and Bond Advisors re: open issues	1.3	1
14-Jan-03	Review retention papers	1.5	13
14-Jan-03	Call: J.Sprayregen re: negotiation status	0.6	1
14-Jan-03	Call: Bondholder re: open issues	0.4	1
15-Jan-03	Conf Call: Management re: negotiation strategy/position	1.3	1
15-Jan-03	Call: J.Sprayregen re: legal open issues	0.5	1
15-Jan-03	Internal update on CFC buyer status	0.4	9
15-Jan-03	Call: Bondholder counsel re: meeting on Friday	0.3	1
16-Jan-03	Call: J.Sprayregen re: meeting on Friday with bond/bank advisors	1.0	1
16-Jan-03	Review term sheets	1.2	10
17-Jan-03	Meeting: Bank, bond advisors & counsel	2.2	1
21-Jan-03	Conf Call with Management re: term sheet	2.5	10
21-Jan-03	Review of pricing grid	1.1	11
21-Jan-03	Call: J.Sprayregen re: term sheet and CFC	1.2	1
22-Jan-03	Call: Bank & Bond Advisors re: term sheet	1.0	1
22-Jan-03	Update on CFC status: internal	0.9	9
22-Jan-03	Call: J.Sprayregen re: update	0.6	1
23-Jan-03	Meeting: potential buyer	2.0	9
23-Jan-03	Call: G. Bullis : financial update	0.6	1
23-Jan-03	Call: J.Sprayregen re: term sheet issues	0.4	1
24-Jan-03	Call: J.Sprayregen re: legal/board issues	0.9	1
24-Jan-03	Call: Bondholder counsel re: GM building sale	0.5	1
24-Jan-03	Review court motions	0.8	4
27-Jan-03	Call: J.Sprayregen re: board call	1.1	1
27-Jan-03	Call: Bank debt holder re: covenants	0.4	1
28-Jan-03	Board of Directors Meeting	2.0	1

Conseco, Inc.  
Time Sheet  
Lazard Frères & Co. LLC  
Terry Savage - Managing Director

Date:	Description of Work:	Hours:	Code
28-Jan-03	Update: CFC process	0.8	9
28-Jan-03	Call: J.Sprayregen re: CFC/CNC process	1.2	1
30-Jan-03	Call: J.Sprayregen re: update	0.4	1
<b>TOTAL</b>		<b>46.1</b>	
<b>February</b>			
03-Feb-03	Call: J. Sprayregen re; Bond/Bank negotiation	0.6	1
03-Feb-03	Review court documents	1.1	4
04-Feb-03	Update on CFC sale internally	0.5	9
04-Feb-03	Call: M. Kramer/bank advisor re: covenants	0.4	7
04-Feb-03	Meeting: CFC buyer	1.5	9
05-Feb-03	Call: CNC management re: POR	1.1	4
05-Feb-03	Review draft of bank's covenant proposal	1.0	7
06-Feb-03	Call: J.Sprayregen re: update bank/bond/CFC	1.2	1
06-Feb-03	Call: G. Bullis re: financial update	0.4	2
06-Feb-03	Call: B. Shea re: CNC POR	0.6	4
07-Feb-03	Call: CNC management to review key issues	1.5	1
11-Feb-03	Meeting: Bank debt holder re: covenants/bond issues	1.2	7
11-Feb-03	Update: CFC sale - internal	0.5	9
11-Feb-03	Review court documents	0.4	4
12-Feb-03	Call: J. Sprayregen re: CNC/CFC issues	1.1	1
13-Feb-03	Prepare for meeting with banks/bonds-internal	0.5	1
13-Feb-03	Review covenant sensitivity	1.2	7
14-Feb-03	Call: J. Sprayregen re: CNC/CFC issues	1.1	1
14-Feb-03	Review court documents	0.4	4
18-Feb-03	Call: Bond counsel re: covenant issues	1.2	1
18-Feb-03	Call: Bank advisor re: covenant issues	0.7	1
18-Feb-03	Call: J.Sprayregen re: bank/bond negotiations	1.0	1
19-Feb-03	Internal meeting re: CFC buyer's proposal	1.0	9
19-Feb-03	Call: bank debt holder re: POR	0.3	4
19-Feb-03	Call: bank debt holder re: POR	0.4	4
20-Feb-03	Call: J. Sprayregen re: CFC/CNC	0.8	9
20-Feb-03	Call: G. Bullis re: covenants	0.5	7
20-Feb-03	Call: M. Kramer re: covenants	0.6	7
21-Feb-03	Review CFC sale progress	1.1	9
21-Feb-03	Review court documents	0.4	4
21-Feb-03	Call: G. Bullis re: negotiations	0.3	1
21-Feb-03	Internal update on CFC negotiations	0.3	9
24-Feb-03	Call: J. Sprayregen re: CFC update	0.5	9
25-Feb-03	Meeting: Bank debt holders	1.2	1
25-Feb-03	Review CFC bid analysis	1.0	9
28-Feb-03	Review CFC bids	1.5	9
28-Feb-03	Review court documents - CNC	0.4	4
28-Feb-03	Call: J. Sprayregen re: CFC/CNC negotiations	1.2	1
<b>TOTAL</b>		<b>30.7</b>	

Conseco, Inc.  
Time Sheet  
Lazard Frères & Co. LLC  
Terry Savage - Managing Director

Date:	Description of Work:	Hours:	Code
<b>March</b>			
04-Mar-03	Conference call re: POR and Disclosure Statement	1.5	1
05-Mar-03	Call: A. Yearley re: CFC update	0.5	1
05-Mar-03	Call: J. Sprayregen re: legal	0.3	1
06-Mar-03	Internal call re: CNC term sheet	0.3	7
09-Mar-03	Call: Bank Advisors re: term sheet	1.0	7
10-Mar-03	Board Call	2.5	1
10-Mar-03	Call: J.Sprayregen re: POR issues	0.5	1
12-Mar-03	Meeting: internal update on bank meeting	0.4	1
14-Mar-03	Review court documents	1.2	4
17-Mar-03	Review CFC POR and Disclosure Statements	0.8	11
24-Mar-03	Call: J.Sprayregen re: POR issues	0.8	1
27-Mar-03	Call: Greenhill re: bank positions	0.5	1
28-Mar-03	Call Bill Shea re: corporate governance	0.6	1
31-Mar-03	Call: A. Yearley re: CFC update	0.5	1
	<b>TOTAL</b>	<u><u>11.4</u></u>	
<b>April</b>			
04-Apr-03	Review CNC capitalization	1.2	7
08-Apr-03	Meeting: Internal with A. Yearley for update	0.4	1
08-Apr-03	Call: J.Sprayregen re: POR	0.5	10
14-Apr-03	Review CFC Disclosure Statement	0.8	10
14-Apr-03	Meeting: Internal with A. Yearley for update	0.3	1
18-Apr-03	Review warrant valuation analysis	0.5	11
18-Apr-03	Call: J.Sprayregen re: POR	0.4	10
23-Apr-03	Review warrant valuation	0.4	11
28-Apr-03	Review CNC Disclosure Statement	1.2	10
	<b>TOTAL</b>	<u><u>5.7</u></u>	
<b>May</b>			
02-May-03	Review CNC Plan formulas	1.0	10
05-May-03	Conference Call: Creditors re: settlement	1.0	1
08-May-03	Call: J. Sprayregen re: update on POR	0.4	10
13-May-03	Internal update from A. Yearley	0.5	11
14-May-03	Call: J.Sprayregen re: update on settlement issues	0.5	10
15-May-03	Review CNC capitalization	0.4	7
19-May-03	Call: Creditor's counsel re: POR issues	0.6	10
21-May-03	Internal update from A. Yearley	0.4	11
23-May-03	Internal update re: NYSE and NASDAQ	0.3	11
29-May-03	Call: J.Sprayregen re: releases and other POR issues	0.6	10
	<b>TOTAL</b>	<u><u>5.7</u></u>	

**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Stephen Campbell - Managing Director

Date:	Description of Work:	Hours:	Code
<b>December</b>			
03-Dec-02	Conference Call (Management Restructuring Committee) Preparation	0.5	1
03-Dec-02	Conference Call (Management Restructuring Committee) Call Time	1.0	1
09-Dec-02	Affidavit Drafting Session	4.0	10
10-Dec-02	Affidavit Drafting Session	3.0	10
11-Dec-02	Conseco Board Meeting Conference Call - Preparation	1.0	1
11-Dec-02	Conseco Board Meeting Conference Call - Call Time	2.0	1
12-Dec-02	Conference Call	1.0	1
12-Dec-02	Valuation Issues Meeting	2.0	6
16-Dec-02	Term Sheet Discussions with Gene Bullis	0.8	10
16-Dec-02	Valuation Issues Meeting	2.8	6
23-Dec-02	Term Sheet Discussion with Gene Bullis	0.2	10
23-Dec-02	Ratings Agency Treatment Discussion	0.5	1
	<b>TOTAL</b>	<b>18.6</b>	
<b>January</b>			
22-Jan-03	Valuation Issues Meeting with Kirkland & Ellis	6.5	6
22-Jan-03	Discussion regarding valuation for disclosure statement	1.0	6
28-Jan-03	Discussions regarding valuation for disclosure statement	3.3	6
	<b>TOTAL</b>	<b>10.8</b>	
<b>February</b>			
03-Feb-03	Disclosure Statement Issues	0.5	4
06-Feb-03	Disclosure Statement Issues	1.5	4
11-Feb-03	Disclosure Statement Issues	1.0	4
14-Feb-03	Disclosure Statement Issues	1.0	4
	<b>TOTAL</b>	<b>4.0</b>	
<b>March</b>			
24-Mar-03	Valuation Report	1.0	6
27-Mar-03	Valuation Report	1.5	6
28-Mar-03	Disclosure Statement Issues - Conference Call	1.0	4
31-Mar-03	Testimony Prep - Conference Call	1.0	5
	<b>TOTAL</b>	<b>4.5</b>	

**Conseco, Inc.**  
 - Time Sheet  
 Lazard Frères & Co. LLC  
 Stephen Campbell - Managing Director

<b>Date:</b>	<b>Description of Work:</b>	<b>Hours:</b>	<b>Code</b>
<b>April</b>			
15-Apr-03	Deposition & Testimony Prep w/ Kirkland & Ellis	13.8	5
21-Apr-03	Valuation Report / Testimony Prep	2.5	5
22-Apr-03	Visit to Conseco, Indianapolis, IN	12.6	1
25-Apr-03	Conseco Meeting w/ Arthur Bruhmuller	1.3	1
28-Apr-03	Valuation Report	2.5	6
29-Apr-03	Valuation Report & Testimony Prep - Conference Call	2.2	6
<b>TOTAL</b>		<b>34.9</b>	
<b>May</b>			
02-May-03	Submission of Valuation Book	1.5	6
06-May-03	Conference Call w/ Conseco re: Inviva	1.0	1
07-May-03	Conference Call re: Valuation Report	1.0	1
08-May-03	Deposition Review	7.0	5
20-May-03	Deposition Review	6.0	5
23-May-03	Inviva & Conseco Meeting	2.0	1
27-May-03	Deposition Review	3.0	5
28-May-03	Conseco Deposition at Kirkland & Ellis, NYC	7.0	5
29-May-03	Fox-Pitt Deposition at Kirkland & Ellis, NYC	6.0	5
<b>TOTAL</b>		<b>34.5</b>	
<b>June</b>			
10-Jun-03	Conference Call w/John Klein	1.0	1
11-Jun-03	AM Best & Conseco Meeting in Oldwick, NJ	9.0	7
12-Jun-03	Conseco Hearing / Kirkland & Ellis	3.0	5
13-Jun-03	Conseco Hearing / Kirkland & Ellis	16.0	5
15-Jun-03	Conseco Hearing / Kirkland & Ellis	10.0	5
16-Jun-03	Conseco Hearing / Kirkland & Ellis	12.0	5
17-Jun-03	Conseco Hearing / Kirkland & Ellis	10.0	5
18-Jun-03	Conseco Hearing / Kirkland & Ellis	10.0	5
19-Jun-03	Conseco Hearing / Kirkland & Ellis	12.0	5
23-Jun-03	Conseco Conference Call re: Inviva	1.0	8
25-Jun-03	Conseco Hearing / Kirkland & Ellis	15.0	5
30-Jun-03	Conseco Hearing / Kirkland & Ellis	16.0	5
<b>TOTAL</b>		<b>115.0</b>	
<b>July</b>			
01-Jul-03	Conseco Hearing / Kirkland & Ellis	16.0	5
02-Jul-03	Conseco Hearing / Kirkland & Ellis	12.0	5
07-Jul-03	Conseco Hearing / Kirkland & Ellis	16.0	5
08-Jul-03	Conseco Hearing / Kirkland & Ellis	12.0	5
09-Jul-03	Meeting to discuss Conseco Trip	1.5	1
16-Jul-03	Conseco Meeting in Indianapolis, IN	12.0	1
23-Jul-03	Conseco Meeting in NYC	1.0	1
<b>TOTAL</b>		<b>70.5</b>	

**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Stephen Campbell - Managing Director

<u>Date:</u>	<u>Description of Work:</u>	<u>Hours:</u>	<u>Code</u>
<b>August</b>			
06-Aug-03	Meeting at Company	14.0	2
11-Aug-03	Equity story drafting session	1.5	2
13-Aug-03	Equity story meeting	3.0	2
16-Aug-03	Conference Call re: Equity story	1.0	2
17-Aug-03	Conference Call re: Equity story	2.0	2
19-Aug-03	Conference Call re: Equity story	2.5	2
20-Aug-03	Conference Call re: Equity story	1.0	2
21-Aug-03	Conference Call re: Equity story	2.0	2
22-Aug-03	Conference Call re: Equity story	1.5	2
	<b>TOTAL</b>	<u>28.5</u>	
<b>September</b>			
04-Sep-03	Roadshow Discussion	1.0	2
09-Sep-03	Roadshow Meeting	2.0	2
10-Sep-03	Specialist Discussion	1.0	2
	<b>TOTAL</b>	<u>4.0</u>	

**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Justin Millberg - Managing Director

Date:	Description of Work:	Hours:	Code
<b>December</b>			
10-Dec-02	Affidavit Drafting Session	3.0	4
11-Dec-02	Conseco Board Meeting Conference Call - Preparation	1.0	1
11-Dec-02	Conseco Board Meeting Conference Call - Call Time	2.0	1
12-Dec-02	Conference Call	1.0	1
12-Dec-02	Valuation Issues Meeting	2.0	6
16-Dec-02	Term Sheet Discussions with Gene Bullis	0.8	10
17-Dec-02	Review of Conseco Financial Result with Bondholder Advisor	1.0	1
23-Dec-02	Term Sheet Discussion with Gene Bullis	0.3	10
23-Dec-02	Ratings Agency Treatment Discussion	0.8	1
	<b>TOTAL</b>	<u><u>11.8</u></u>	
<b>January</b>			
14-Jan-03	Term Sheet Discussions with K & E and Conseco	5.0	10
15-Jan-03	Term Sheet Discussions with K & E and Conseco	1.0	10
17-Jan-03	Meetings at Davis Polk	8.0	1
21-Jan-03	Term Sheet Discussions with David Trucano	0.5	10
22-Jan-03	Term Sheet Discussion with Gene Bullis	0.5	10
	<b>TOTAL</b>	<u><u>15.0</u></u>	
<b>February</b>			
12-Feb-03	Case Preparation with Kirkland & Ellis	1.0	11
18-Feb-03	Review of covenants with Houlihan	1.0	11
19-Feb-03	Review of covenants with Houlihan	3.0	11
	<b>TOTAL</b>	<u><u>5.0</u></u>	

**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Justin Millberg - Managing Director

Date:	Description of Work:	Hours:	Code
<b>March</b>			
4-Mar-03	Term Sheet Negotiations with Dan Murphy	0.5	7
5-Mar-03	Term Sheet Negotiations with Houlihan/Company	2.0	7
6-Mar-03	Creditor Negotiations: Houlihan/Greennhill/Company	1.0	1
12-Mar-03	Meeting with advisors and TOPRs	2.0	1
26-Mar-03	Preparation of materials on SPI	4.0	2
28-Mar-03	Disclosure Statement Issues - Conference Call	1.0	1
	<b>TOTAL</b>	<b>10.5</b>	
<b>April</b>			
15-Apr-03	Deposition & Testimony Prep w/ Kirkland & Ellis	14.0	5
21-Apr-03	Valuation Report / Testimony Prep	2.0	5
22-Apr-03	Visit to Conseco, Indianapolis, IN	13.0	1
25-Apr-03	Conseco Meeting w/ Arthur Bruhmuller	1.0	1
28-Apr-03	Valuation Report	2.5	6
29-Apr-03	Valuation Report & Testimony Prep - Conference Call	2.0	6
	<b>TOTAL</b>	<b>34.5</b>	
<b>May</b>			
2-May-03	Due-diligence planning for SPI	1.0	2
5-May-03	Calls to potential interested parties on SPI	1.0	2
6-May-03	Calls to potential interested parties on SPI	1.0	2
8-May-03	Calls to potential interested parties on SPI	1.0	2
9-May-03	Calls to potential interested parties on SPI	2.0	2
14-May-03	Calls to potential interested parties on SPI	1.0	2
16-May-03	Calls to potential interested parties on SPI	2.0	2
20-May-03	Calls to potential interested parties on SPI	1.0	2
22-May-03	Calls to potential interested parties on SPI	1.0	2
27-May-03	Calls to potential interested parties on SPI	1.0	2
29-May-03	Calls to potential interested parties on SPI	1.0	2
30-May-03	Calls to potential interested parties on SPI	3.0	2
	<b>TOTAL</b>	<b>16.0</b>	



**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Justin Millberg - Managing Director

Date:	Description of Work:	Hours:	Code
<b>June</b>			
9-Jun-03	Discussion with Conseco Management regarding SPI	1.0	8
16-Jun-03	Discussion with LTC Global Solutions regarding SPI	1.0	8
	<b>TOTAL</b>	<u>2.0</u>	
<b>July</b>			
15-Jul-03	SPI contract negotiations	1.0	8
31-Jul-03	SPI contract negotiations	1.0	8
	<b>TOTAL</b>	<u>2.0</u>	
<b>August</b>			
20-Aug-03	Preparation for SPI sale proceedings hearing	1.0	8
21-Aug-03	Hearing on SPI sale proceedings	2.0	8
22-Aug-03	Preparation for SPI sale auction	2.0	8
29-Aug-03	Preparation for SPI sale auction	2.0	8
	<b>TOTAL</b>	<u>7.0</u>	
<b>September</b>			
2-Sep-03	SPI auction in Chicago, IL	12.0	8
3-Sep-03	Hearing to confirm sale	1.0	8
	<b>TOTAL</b>	<u>13.0</u>	

**Conseco, Inc.**  
 -Time Sheet  
 Lazard Frères & Co. LLC  
 Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
<b>December</b>			
18-Dec-02	Review and negotiation of APA with stalking horse bidder	8.0	9
18-Dec-02	Negotiation of DIP agreement with counsel and stalking horse bidder	7.0	10
19-Dec-02	Review of draft motion on interim MH servicing	2.0	4
19-Dec-02	Review and negotiation of APA with stalking horse bidder	4.0	9
19-Dec-02	Negotiation of DIP agreement with counsel and stalking horse bidder	3.0	10
20-Dec-02	Attendance at Court Hearing re: DIP and APA	3.0	10
20-Dec-02	Preparation for Court Hearing re: DIP and APA	5.0	10
23-Dec-02	Term Sheet discussions with Gene Bullis	0.5	10
23-Dec-02	Review of latest term sheet re: CNC restructuring	1.5	10
23-Dec-02	Calls with stalking horse bidder re: DIP and APA approval	1.5	10
	<b>TOTAL</b>	<b>35.5</b>	
<b>January</b>			
05-Jan-03	Call with CFC mgt re: DIP and APA approvals	0.5	9
05-Jan-03	Review of draft DIP budget, including discussions with mgmt	1.0	10
05-Jan-03	Prepare for court hearing on MH Servicing and DIP	2.0	10
06-Jan-03	Preparation for and attendance at court hearing on approval of DIP and MH Servicing	7.0	10
09-Jan-03	Review of bid procedures order	3.0	9
09-Jan-03	Calls with interested buyers re: sales process	2.0	9
09-Jan-03	Calls with mgt re: sales process and due diligence	1.5	9
10-Jan-03	Calls with interested buyers re: sales process	2.5	9
10-Jan-03	Call with mgmt re: DIP reporting	0.5	10
10-Jan-03	Review of latest CNC bank and pref term sheets	2.5	10
10-Jan-03	Calls with counsel re: status of CNC negotiations	1.0	1
12-Jan-03	Discussions with CFC mgmt re: bank liquidation analysis	0.5	9
12-Jan-03	Review of MH blue book outline	1.5	9
12-Jan-03	Discussions with CFC mgmt re: MH servicing negotiations	1.0	9
12-Jan-03	Calls with interested buyers re: sales process	2.5	9
13-Jan-03	Review of bank debt pricing issues for CNC term sheet, including discussions with mgmt	2.0	10
13-Jan-03	Review of plan and disclosure statement issues	3.0	10
13-Jan-03	Review of CNC/CFC intercompany issues, including discussions with mgmt	1.0	9
13-Jan-03	Review of chart of key CFC sale dates	0.5	9
13-Jan-03	Review preferred stock term sheet, including discussions with CNC mgmt	1.0	10
13-Jan-03	Preparation of materials in support of Lazard's retention, including discussions with counsel	2.5	12
13-Jan-03	Participation in call with CNC mgmt and unsecured creditors comm.	1.5	1
14-Jan-03	Preparation of materials in support of Lazard's retention, including discussions with counsel	4.0	12
14-Jan-03	Participation in hearing on Lazard's retention	1.0	5
14-Jan-03	Discussion of key open items on CNC term sheets with advisors to banks and bonds	1.0	10
14-Jan-03	Review of draft presentation on MH servicing	1.0	3
14-Jan-03	Discussions with key parties in interest re: MH servicing restructuring	1.5	9
14-Jan-03	Conference call to prepare for meetings with CNC creditors	1.0	1
15-Jan-03	Review of recoveries for exchanged vs. unexchanged bonds	1.0	11
15-Jan-03	Review of liquidation analysis for Mill Creek Bank	1.0	9
15-Jan-03	Preparation and distribution of due diligence materials for CNC creditors	1.5	11
15-Jan-03	Discussions with key parties in interest re: MH servicing restructuring	1.0	9
15-Jan-03	Review of MH blue book draft	2.0	9
15-Jan-03	Calls with interested buyers re: sales process	1.5	9
16-Jan-03	Call with US Bank re: MH servicing issues	1.5	11
16-Jan-03	Calls with interested buyers re: sales process	0.5	9

**Conseco, Inc.**  
Time Sheet  
Lazard Frères & Co. LLC  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
16-Jan-03	Review of MH blue book draft	1.5	9
16-Jan-03	Review of open issues list for meeting with CNC creditors	1.0	10
16-Jan-03	Review of latest DIP budget	0.5	10
17-Jan-03	Participation in conference call re: term sheets	2.0	1
17-Jan-03	Calls with CFC mgmt re: sales process	1.0	9
17-Jan-03	Calls with interested buyers re: sales process	2.5	9
17-Jan-03	Discussions with key parties in interest re: MH servicing restructuring	1.0	1
21-Jan-03	Calls with management regarding sale process	0.5	9
21-Jan-03	Calls with US Bank regarding servicing fee issues and meeting on 1/22/03	0.5	1
21-Jan-03	Review of latest CFC DIP forecast and debt levels	1.0	10
21-Jan-03	Conference calls with CNC negotiating group regarding bank end preferred term sheet negotiations	2.5	10
21-Jan-03	Calls with counsel regarding update of case issues	0.5	1
21-Jan-03	Calls with interested buyers for CFC regarding sales process	0.5	9
21-Jan-03	Review of proposed pricing grid for bank debt including calls with CNC management	1.0	11
22-Jan-03	Meeting with CFC management regarding prep for meeting with MH certificate holders	2.0	1
22-Jan-03	Meeting with MH certificate holders regarding servicing fee settlement	3.5	1
22-Jan-03	Review of MII servicing issues	0.5	3
23-Jan-03	CNC subcommittee call to update creditors on CFC sale process	1.0	9
23-Jan-03	Meeting with interested buyer regarding CFC sale	1.0	9
23-Jan-03	Calls with interested buyers for CFC	1.5	9
23-Jan-03	Calls with Fortress regarding MH servicing fee	0.5	9
23-Jan-03	Review of MII servicing issues	0.5	3
26-Jan-03	Call with counsel regarding sales process	0.5	9
26-Jan-03	Call with buyers regarding due diligence	1.5	9
26-Jan-03	Call with US Bank regarding MH restructuring	0.5	9
26-Jan-03	Call with management regarding sales process	1.0	9
26-Jan-03	Review of DIP process	0.5	10
27-Jan-03	Participation in BOD call	1.0	1
27-Jan-03	Call with management regarding MII servicing issues	0.5	3
27-Jan-03	Review of exchange vs. unexchange bond allocations, including discussions with counsel	1.5	11
28-Jan-03	Call with counsel and advisors to bonds regarding exchange vs. unexchanged bond allocations	1.0	1
28-Jan-03	Review of objections to MH Servicing settlement	1.0	4
28-Jan-03	Review of MII blue book financials	1.5	9
28-Jan-03	Calls with interested buyers regarding sale process	1.5	9
29-Jan-03	Meetings with certificate holders regarding MH Servicing settlement	2.0	9
29-Jan-03	Meetings with management and counsel regarding MH Servicing settlement	1.5	9
29-Jan-03	Meetings with certificate holder advisors regarding MH Servicing protocols	1.0	9
30-Jan-03	Call with management regarding Servicing protocols and sale process	1.5	9
30-Jan-03	Calls with interested buyers regarding sales process	2.0	9
31-Jan-03	Review and preparation of recovery analysis for creditors in support of Disclosure Statement	2.5	10
31-Jan-03	Calls with counsel regarding creditor recovery matrix	1.0	10
31-Jan-03	Calls with US Bank, Fannie Mae, and TIAA regarding MH restructuring	2.0	1
31-Jan-03	Calls with counsel and management regarding MH restructuring and sales process	0.5	9
31-Jan-03	Call with Savage re: CFC update	0.5	1
31-Jan-03	Review of creditor recovery analysis	0.5	11
31-Jan-03	Meeting with Berkadia and Goldman	1.0	1
<b>TOTAL</b>		<b>114.5</b>	

Conseco, Inc.  
Time Sheet  
Lazard Frères & Co. J.J.C  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
<b>February</b>			
02-Feb-03	Call with management and counsel regarding MH restructuring	1.0	9
03-Feb-03	Calls with management, US Bank, CFN and TIAA regarding MH restructuring	1.5	9
03-Feb-03	Calls with interested buyers regarding sale process	1.5	9
03-Feb-03	Review of latest debt level with CFC Management regarding sales due diligence	0.5	9
03-Feb-03	Review of draft servicing protocols	0.5	9
04-Feb-03	Meeting with CIBC regarding CFC sales process	2.0	9
04-Feb-03	Calls with interested buyers regarding due diligence and sale process	2.5	9
04-Feb-03	Call with counsel, CFC management and counsel to US Bank regarding MH restructuring	1.0	9
04-Feb-03	Review of draft covenant proposal from CNC banks	1.0	7
05-Feb-03	Calls with US Bank and CFN regarding MII restructuring negotiations	1.0	9
05-Feb-03	Calls with interested parties regarding sale process and due diligence	1.5	9
05-Feb-03	Review of due diligence schedule	0.5	11
06-Feb-03	Calls with CFC management regarding MH restructuring	1.0	9
06-Feb-03	Calls with counsel regarding MH restructuring proposals	0.5	9
06-Feb-03	Calls with interested parties regarding sales process	0.5	9
06-Feb-03	Review of servicing protocols regarding MII Servicing restructuring	0.5	9
07-Feb-03	Review of response letter to Adhoc Committee of certificate holders	1.0	1
07-Feb-03	Review of Servicing fee proposal from Adhoc Committee of certificate holders	0.5	9
07-Feb-03	Participation in court hearing on CFC discovery issues	1.0	5
09-Feb-03	Calls with CNC mgmt. and counsel to review agenda and key open issues in prep. for meeting with banks/bonds	1.5	1
09-Feb-03	Call with CFC management and counsel regarding intercompany issues	1.0	9
09-Feb-03	Review and editing of draft affidavit	1.0	4
10-Feb-03	Review of final bid procedures order and key issues in final APA	2.0	9
10-Feb-03	Meeting with financial advisors to an interested bidder regarding sales process	2.0	9
10-Feb-03	Review of CFC creditor committee motion to extend objection deadline	1.0	4
10-Feb-03	Calls with US Bank, Fannie Mac, and CFC management regarding MH restructuring	1.0	9
10-Feb-03	Calls with counsel regarding MH restructuring	0.5	9
10-Feb-03	Review of banks proposal on covenant levels as well as open issues list in bank/bond negotiation	1.0	7
11-Feb-03	Conference call with CFC management and Fortress regarding MH restructuring issues	1.0	9
11-Feb-03	Review of latest DIP forecast and liquidity	0.5	10
11-Feb-03	Calls with counsel regarding MII restructuring issues	0.5	9
11-Feb-03	Calls with interested buyers regarding due diligence and sales process	1.5	9
12-Feb-03	Participation in court hearing regarding MH restructuring negotiation	5.0	5
12-Feb-03	Meetings with management and counsel to prepare for MH restructuring negotiations	3.5	9
12-Feb-03	Calls with interested buyers	0.5	9
13-Feb-03	Meetings with CNC bank and bond advisers and principals regarding update on CNC/CFC bankruptcy issues	4.0	1
13-Feb-03	Conference call with CNC management and HL regarding review of bank covenant issues	1.0	7
13-Feb-03	Review of bank covenant sensitivity analysis	1.0	7
13-Feb-03	Calls with CFC management regarding restructuring and sale process	0.5	9
13-Feb-03	Calls with interested buyers regarding MH restructuring	0.5	9
14-Feb-03	Calls with management and counsel regarding MII restructuring process	0.5	9
14-Feb-03	Calls with parties in interest regarding bidding process	1.0	9
14-Feb-03	Calls with interested party regarding MH restructuring	1.5	9
16-Feb-03	Call with counsel and management to review Goldman term sheet	1.5	1
16-Feb-03	Review of Goldman term sheet	1.5	9
17-Feb-03	Calls with counsel regarding status of Goldman offer	1.0	1
17-Feb-03	Calls with CFC management regarding Goldman offer	1.0	9
18-Feb-03	Calls with counsel regarding Goldman offer	1.0	1
18-Feb-03	Calls with CFC management regarding sales process and due diligence	0.5	9
19-Feb-03	Calls with interested bidders regarding sales process	1.5	9

Conseco, Inc.  
Time Sheet  
Lazard Frères & Co. LLC  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
19-Feb-03	Update Lazard team regarding Goldman proposal	1.0	9
21-Feb-03	Calls with interested buyers regarding review of bid procedures	3.5	9
21-Feb-03	Call with CFC management regarding sales process and strategy	1.5	9
21-Feb-03	Calls with Stalking horse bidder regarding auction process	0.5	9
21-Feb-03	Calls with counsel and management regarding Goldman negotiations	2.5	9
21-Feb-03	Call with Unsecured Committee representatives regarding Goldman deal	0.5	9
21-Feb-03	Calls with management regarding negotiation of Goldman deal	2.5	9
21-Feb-03	Call with counsel regarding negotiation of Goldman deal	0.5	9
22-Feb-03	Call with counsel regarding Goldman negotiations	0.5	9
22-Feb-03	Preparation of counter offer terms for Goldman deal	1.5	9
23-Feb-03	Review of Goldman's counter offer	0.5	9
23-Feb-03	Call with CFC management and counsel to review Goldman's counter offer	1.5	9
23-Feb-03	Call with counsel and CFC management regarding Goldman deal and update on status of likely bidding	1.5	9
23-Feb-03	Call with Goldman and its advisors and counsel regarding counter offer to Goldman	0.5	9
24-Feb-03	Calls with CFC management and counsel regarding sales process	1.0	9
24-Feb-03	Call with counsel regarding preparation for testimony in CFC sale hearing	1.0	9
24-Feb-03	Calls with interested bidders regarding final classification of bid requirements	3.5	9
24-Feb-03	Calls with Stalking horse bidder regarding sales process	0.5	9
24-Feb-03	Calls with counsel regarding Goldman negotiation	2.0	9
25-Feb-03	Review of bid analysis	1.5	9
25-Feb-03	Discussions with counsel and CFC management regarding bid strategy and process	1.0	9
25-Feb-03	Discussions with bidders regarding auction process	2.0	9
26-Feb-03	Call with counsel and CFC management regarding review of bids and sales process	1.5	9
26-Feb-03	Call with CFC management regarding bid strategies and Goldman deal	1.0	9
26-Feb-03	Calls with Lazard team regarding communications with bidders	1.0	9
27-Feb-03	Review and analysis of bids, including discussion with bidders	4.5	9
27-Feb-03	Discussions with Goldman regarding alternative bid structure	1.0	9
27-Feb-03	Discussions with counsel regarding bid procedures	1.5	9
27-Feb-03	Discussion of bid logistics with counsel	1.0	9
27-Feb-03	Discussion of auction strategy with CFC management	1.5	9
27-Feb-03	Discussion of Pannic Mae issues with management and counsel	0.5	9
28-Feb-03	Review and analysis of bids, including discussion with bidders	2.5	9
28-Feb-03	Discussions with bidders to review auction guidelines	2.0	9
28-Feb-03	Calls with management regarding auction process and bids	1.5	9
28-Feb-03	Review of legal summary of bids	2.5	9
28-Feb-03	Discussions with creditors committee regarding analysis of bids	1.5	9
28-Feb-03	Review of liquidity requirements for CFC	0.5	9
<b>TOTAL</b>		<b>116.0</b>	

Conseco, Inc.  
Time Sheet  
Lazard Frères & Co. LLC  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
<b>March</b>			
02-Mar-03	Call with counsel and management regarding auction process	1.5	9
02-Mar-03	Calls with bidders regarding bidding process	1.5	9
03-Mar-03	Review and analysis of bids	3.5	9
03-Mar-03	Meeting with counsel and CFC management regarding auction process	2.5	9
03-Mar-03	Meeting with Fannie Mae and Unsecured Committee regarding auction process	1.5	9
03-Mar-03	Review of Goldman bid analysis	1.0	9
03-Mar-03	Discussions with Adhoc Committee regarding auction process	1.0	9
03-Mar-03	Discussions with bidders regarding auction process	2.5	9
03-Mar-03	Preparation for sale hearing testimony	1.5	5
04-Mar-03	Preparation for and participation in CFC auction	15.0	9
05-Mar-03	Participation in CFC auction	6.5	9
05-Mar-03	Negotiation of sale of Mill Green Bank to GE Capital	2.0	9
05-Mar-03	Meetings with unsecured creditors regarding auction process	1.5	9
05-Mar-03	Meetings with CFN	1.0	1
05-Mar-03	Call with Savage re: CFC update	0.5	1
05-Mar-03	Review of creditor recovery analysis	0.5	11
05-Mar-03	Meeting with Berkadia and Goldman	1.0	1
06-Mar-03	Meetings with unsecured committee regarding Fortress and Berkadia	2.0	1
06-Mar-03	Discussions with counsel and CFC management regarding Fortress and Berkadia	1.0	1
06-Mar-03	Negotiation of APA with GE Capital	2.0	9
06-Mar-03	Review of liquidity needs for CFC	0.5	11
06-Mar-03	Preparation of summary of auction bids in response to Berkadia objection	3.0	9
06-Mar-03	Review Berkadia sale objection motion	1.0	4
06-Mar-03	Preparation for testimony for sale hearing	2.5	5
06-Mar-03	Review of latest analysis of bids and recoveries to creditors	1.0	11
06-Mar-03	Meetings with Houlihan regarding CNC term sheet issues	1.5	1
07-Mar-03	Preparation for sale hearing testimony	2.5	5
07-Mar-03	Discussion with unsecured creditors regarding sale hearing	1.0	9
07-Mar-03	Review of latest draft consent agreement for 9019 settlement	1.5	9
07-Mar-03	Discussion with unsecured creditors regarding sale hearing	1.0	9
07-Mar-03	Attendance at court hearing	1.5	5
07-Mar-03	Meetings with counsel and parties in interest regarding results of hearing and next steps	0.5	9
08-Mar-03	Call with counsel regarding preparation for 3/14 sale hearing	1.5	5
09-Mar-03	Call with CFC management regarding 2/14 sale hearing and next steps	1.0	1
09-Mar-03	Call with Greenhill regarding CNC term sheet issues	1.0	1
09-Mar-03	Preparation of memo to CNC and counsel regarding term sheet issues	1.5	4
10-Mar-03	Calls with management and counsel regarding update and strategy review	2.0	1
10-Mar-03	Calls with CFN regarding sales process	1.0	9
10-Mar-03	Calls with Goldman regarding sales process and DIP structure	1.0	10
10-Mar-03	Review of latest recovery analysis	0.5	11
10-Mar-03	Preparation of pricing analysis for CNC management	1.5	11
10-Mar-03	Discussions with Houlihan and Greenhill regarding open term sheet issues	1.0	1
10-Mar-03	Participation on CNC BOD call	2.5	1
11-Mar-03	Review of Berkadia/Fannie Mae consent agreement	2.5	9
11-Mar-03	Discussions with management regarding sale hearing, Berkadia, GE contact and other sale issues	2.0	9
11-Mar-03	Conference call with counsel and management regarding update and strategy session	1.5	9
11-Mar-03	Call with counsel to prepare for 3/12 depositions	0.5	1
11-Mar-03	Call with CNC management regarding open term sheet issues	0.5	1
11-Mar-03	Call with Greenhill regarding open term sheet issues	0.5	1
12-Mar-03	Meeting with CNC bank and bond creditors	3.5	1
13-Mar-03	Review of CNC credit agreement	1.5	11
13-Mar-03	Preparation of revised recovery analyses for CNC plan	1.5	11
13-Mar-03	Discussion of open issues on CNC plan with HLHZ	1.0	1

**Conseco, Inc.**  
 Time Sheet  
 Lazard Frères & Co. LLC  
 Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
13-Mar-03	Negotiation with bidders and interested parties on terms of winning bid	10.0	1
14-Mar-03	Preparation for and attendance at sale hearing	7.0	5
15-Mar-03	Review of final consent agreement	1.5	9
15-Mar-03	Review of final APA with CFN	1.5	9
15-Mar-03	Review of final APA with GE Capital	1.0	9
18-Mar-03	Discussions with mgmt and counsel re: back up bidders	2.5	11
18-Mar-03	Preparation of revised recovery analyses for CNC plan	1.0	11
20-Mar-03	Discussions with mgmt and counsel re: back up bidders	1.0	1
20-Mar-03	Review of revised DIP forecast	1.5	11
20-Mar-03	Analysis of admin claims at CFC	2.5	11
20-Mar-03	Review of Disclosure Statement exhibits for CNC	3.5	4
25-Mar-03	Discussion of CFN purchase price issue with mgmt and counsel	1.5	9
25-Mar-03	Review of latest recovery estimates	1.5	11
25-Mar-03	Discussion of CNC plan issues with mgmt	1.0	1
27-Mar-03	Review of CFC draft plan of reorganization	3.5	4
27-Mar-03	Review of CFC draft disclosure statement	4.0	4
27-Mar-03	Discussion of Brickyard Trust issues with CNC mgmt	1.0	1
28-Mar-03	Conference call with CFC re: review of plan and disclosure statement	3.0	4
28-Mar-03	Conference call with CNC mgmt re: Brickyard Trust and GM building	1.5	1
31-Mar-03	Conference call with CNC re: GM building	1.0	1
31-Mar-03	Calls with CNC mgmt re: status of Brickyard analysis	1.5	1
31-Mar-03	Call with CFC management regarding bid strategies and Goldman deal	1.0	9
31-Mar-03	Call with Savage re: CFC update	0.5	1
31-Mar-03	Calls with Lazard team regarding communications with bidders	1.0	9
<b>TOTAL</b>		<u><u>151.5</u></u>	

Conseco, Inc.  
Time Sheet  
Lazard Frères & Co. LLC  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
<b>April</b>			
01-Apr-03	Review of Brickyard Trust issues and draft presentation	1.5	9
01-Apr-03	Review CFC POR and DS	2.0	9
01-Apr-03	Review of B-2 claim issues including calls with mgmt	0.5	9
02-Apr-03	Review of CFC POR and DS	2.0	9
02-Apr-03	Preparation of draft language for CFC DS re: liquidation analysis	1.5	9
02-Apr-03	Planning for meeting with CNC re: capital market issues	0.5	2
03-Apr-03	Conference call with creditors re: Brickyard Trust	1.0	9
03-Apr-03	Review of covenant levels re: Brickyard Trust	0.5	9
03-Apr-03	Calls with creditor professionals re: Brickyard Trust and other issues	0.5	9
04-Apr-03	Analysis of CNC capitalization table and warrant/option values	6.0	11
07-Apr-03	Call with CNC mgmt re: update on restr issues	0.5	1
07-Apr-03	Review CFC POR and DS	2.5	9
07-Apr-03	Review and revision of cap table and warrant valuation analysis	4.0	11
08-Apr-03	Call to review CFC POR and DS	6.0	9
08-Apr-03	Review and revision of cap table and warrant valuation analysis	2.0	11
08-Apr-03	Conf call with creditors re: GM building and other issues	1.0	1
09-Apr-03	Conf call to review interco claim issues	1.0	1
09-Apr-03	Call with counsel to review cap table and warrant/option valuation	0.5	1
09-Apr-03	Follow up issues re: CFC POR and DS	1.5	9
10-Apr-03	Review and revision of cap table and warrant valuation analysis based on comments of counsel	3.5	9
10-Apr-03	Review of Brickyard Trust issues	1.0	9
10-Apr-03	Preparation for meeting with CNC re: capital market ideas	1.5	2
11-Apr-03	Review of intercompany claim issues	1.5	11
11-Apr-03	Calls with CFC mgmt re: cash flow performance and closing issues	1.0	9
12-Apr-03	Discussions with CFC mgmt and counsel re: settlement issues	1.0	9
14-Apr-03	Preparation of CFC settlement analysis	2.5	9
14-Apr-03	Call with counsel re: capitalization table for CNC	1.0	7
14-Apr-03	Review of latest CFC Disclosure Statement	2.0	9
15-Apr-03	Preparation of capitalization analysis	2.5	11
15-Apr-03	Preparation of valuation analysis for lender and mgmt warrants/options	2.0	11
15-Apr-03	Calls with ILLHZ re: update	1.0	1
22-Apr-03	Participation in meeting in Carmel with sr mgmt re: bankruptcy update and capital market strategies	8.5	1
23-Apr-03	Preparation of valuation analysis for lender and mgmt warrants/options	3.0	11
23-Apr-03	Preparation of key issues list re: settlement issues	2.0	11
24-Apr-03	Calls with CFC mgt and counsel re: settlement issues	1.5	9
24-Apr-03	Review of draft settlement term sheets	2.0	11
25-Apr-03	Call with counsel re: capitalization table for CNC	1.0	7
25-Apr-03	Calls with ILLHZ re: update	0.5	1
27-Apr-03	Call with CFC mgmt and counsel to review settlement issues	1.5	9
28-Apr-03	Review of CNC Disclosure Statement distribution formulas	4.0	10
<b>TOTAL</b>		<b>79.5</b>	



**Conseco, Inc.**  
Time Sheet  
Lazard Frères & Co. LLC  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
<b>May</b>			
01-May-03	Review of CNC Plan formulas including discussions with counsel	4.0	10
01-May-03	Preparation of CFC/CNC settlement proposal, including calls with counsel and CFC	3.5	9
02-May-03	Preparation of CNC Plan formulas calculations	2.5	10
02-May-03	Preparation of CFC/CNC settlement proposal, including calls with counsel and CFC	2.0	9
05-May-03	Conference call with creditors re: Update on CFC/CNC settlement proposal	1.0	10
05-May-03	Review of Amended CFC Plan and DS	0.5	9
06-May-03	Analysis of CNC capitalization table and warrant/option values	1.0	11
06-May-03	Review of TOPRs expert reports	5.0	4
06-May-03	Review of final CFC/CNC term sheet	1.0	10
06-May-03	Discussion of TOPRs discovery with counsel	0.5	1
07-May-03	Review of TOPRs expert reports	3.0	4
07-May-03	Update call with CNC creditor committee	2.5	10
07-May-03	Review of CNC plan formulas analysis	2.0	10
08-May-03	Preparation of draft of NYSE presentation	3.5	11
08-May-03	Calls with counsel re: NYSE and NASDAQ listing requirements	1.5	1
08-May-03	Review of TOPRs expert reports	3.0	4
09-May-03	Discussion of settlement terms with counsel	0.5	10
09-May-03	Review of mark-up of CFC/CNC settlement term sheet	1.5	9
09-May-03	Discussions with CFC re: mark-up of settlement term sheet	0.5	9
10-May-03	Conference call with counsel re: preparation for NYSE meeting	0.5	1
10-May-03	Preparation of draft rebuttal to TOPRs expert	7.0	4
10-May-03	Discussions with in-house counsel and counsel re: rebuttal report	1.5	1
11-May-03	Preparation of draft rebuttal to TOPRs expert	4.0	4
12-May-03	Preparation of draft rebuttal to TOPRs expert	6.5	4
12-May-03	Discussions with in-house counsel and counsel re: rebuttal report	2.0	1
13-May-03	Preparation of draft of NYSE presentation	4.5	11
13-May-03	Calls with counsel re: CFC sale closings	0.5	9
13-May-03	Calls with CFC re: open settlement issues	0.5	9
13-May-03	Calls with CFC and counsel re: CFN purchase price issues	1.5	9
14-May-03	Review of CFC DIP and APA re: CFN purchase price issues	1.0	9
14-May-03	Calls with CFC and counsel re: CFN purchase price issues	0.5	9
15-May-03	Analysis of CNC capitalization table and warrant/option values	1.0	7
16-May-03	Calls with CFC and counsel re: CFN purchase price issues	2.0	9
16-May-03	Calls with CFN re: purchase price issues	1.0	9
19-May-03	Preparation of draft of NYSE presentation	3.0	11
19-May-03	Preparation of draft of NASDAQ presentation	3.5	11
20-May-03	Calls with counsel re: CFC sale closings	0.5	9
20-May-03	Review of CFC tax issues	1.0	9
20-May-03	Discussion of Lehman forbearance	1.0	9
20-May-03	Discussion with counsel re: settlement of Lehman litigation	0.5	9
21-May-03	Preparation of draft of NYSE presentation	3.5	11
21-May-03	Preparation of draft of NASDAQ presentation	2.5	11
21-May-03	Discussions with HLHZ re: NYSE and NASDAQ	0.5	1
22-May-03	Meeting with NASDAQ, counsel and CNC mgmt	2.5	1
22-May-03	Meeting with NYSE, counsel and CNC mgmt	2.0	1
23-May-03	Discussions with HLHZ re: NYSE and NASDAQ	0.5	1
27-May-03	Preparation for deposition re: TOPRs litigation	3.5	5
27-May-03	Discussion with counsel re: settlement of Lehman litigation	0.5	1
27-May-03	Discussion with counsel: timing of sale closings	0.5	9
27-May-03	Preparation of CNC recovery analysis	2.5	11
27-May-03	Review of CNC confirmation brief	2.5	10
28-May-03	Review of CNC confirmation brief, including discussions with counsel	3.0	10
28-May-03	Preparation for and participation in TOPRs deposition	6.0	5

**Conseco, Inc.**  
Time Sheet  
Lazard Frères & Co. J.J.C  
Andrew Yearley - Director

Date:	Description of Work:	Hours:	Code
29-May-03	Discussion with counsel and CFC mgmt re: CFN sale issues	2.0	9
29-May-03	Discussion with CFC mgmt re: DIP	0.5	9
<b>TOTAL</b>		<b>115.0</b>	
<b>June</b>			
02-Jun-03	Review of CFC claim issues, including discussions with counsel	1.0	11
02-Jun-03	Review of CFC DIP pay down issues with CFC mgmt	1.5	10
02-Jun-03	Review and revision of CFC/CNC settlement term sheet, including discussions with counsel and CFC mgmt	2.5	11
03-Jun-03	Review of CFC confirmation brief including discussions with counsel	2.5	11
03-Jun-03	Review of potential B-2 guarantee liabilities	0.5	7
03-Jun-03	Discussions with CFN re: purchase price adjustments	1.0	9
04-Jun-03	Discussions with CFC mgmt and CFN re: purchase price adjustments	1.5	9
04-Jun-03	Preparation for TOPRS trial including preparation of analysis on preferred securities	3.5	5
04-Jun-03	Review of final CFC/CNC settlement term sheet	1.0	11
04-Jun-03	Discussion of TOPRS discovery with counsel	0.5	11
05-Jun-03	Preparation of revised CNC plan recovery analyses	2.0	11
05-Jun-03	Discussions with NASDAQ re: listing issues	1.5	10
05-Jun-03	Preparation of revised cap table analyses for CNC equity	1.5	7
06-Jun-03	Discussions with CNC mgmt and Lazard team re: AM Best action	1.5	7
06-Jun-03	Discussions with counsel re: AM Best action	0.5	7
06-Jun-03	Review of draft presentation for AM Best	2.0	7
06-Jun-03	Review of NASDAQ listing issues, including discussions with counsel	1.5	10
08-Jun-03	Conference call with CNC mgmt, professionals, and creditors committee re: AM Best issues	1.5	7
09-Jun-03	Conference call with CFC mgmt and counsel re: preparation for meeting with CFN on purchase price	2.0	9
09-Jun-03	Review of APA and CFN allegations on purchase price, including discussions with counsel	3.5	9
09-Jun-03	Discussions with CFN re: agenda for meeting	1.0	9
09-Jun-03	Discussions with CNC mgmt and Lazard team re: AM Best action	0.5	7
10-Jun-03	Meeting with CFC mgmt and counsel re: preparation for meeting with CFN	2.5	9
10-Jun-03	Meeting with CFN and CFC mgmt to discuss alleged purchase price adjustments	3.0	9
10-Jun-03	Review of presentation to AM Best	1.0	7
10-Jun-03	Review of CNC POR formulas and definitions, including discussions with counsel	1.5	11
10-Jun-03	Review of revised CFC confirmation brief	1.5	9
10-Jun-03	Review of draft closing statement for CFC sale closings	0.5	9
11-Jun-03	Preparation of various settlement proposals with TOPRS, including discussions with counsel	1.5	11
11-Jun-03	Preparation for trial with TOPRS, including analysis of pricing of preferred securities	3.0	5
11-Jun-03	Discussion of CFN purchase price issues with CFC mgmt	1.0	9
12-Jun-03	Preparation of various settlement proposals with TOPRS, including discussions with counsel	2.5	11
12-Jun-03	Preparation for trial with TOPRS, including analysis of pricing of preferred securities	2.5	5
12-Jun-03	Discussion of AM Best issues with counsel	0.5	7
12-Jun-03	Discussion of CFN purchase price issues with CFC mgmt	0.5	9
13-Jun-03	Review of tax planning issues for CNC	2.0	11
13-Jun-03	Discussion of tax strategies with counsel and advisors to the CNC committee	0.5	11
13-Jun-03	Discussion of CFN purchase price issues with CFC mgmt	0.5	9
13-Jun-03	Preparation of various settlement proposals with TOPRS, including discussions with counsel	2.5	11
16-Jun-03	Review of deposition transcripts in preparation for TOPRS trial	3.0	5
16-Jun-03	Discussions with counsel re: TOPRS trial	0.5	5
16-Jun-03	Preparation for trial with TOPRS, including analysis of pricing of preferred securities	2.5	5
16-Jun-03	Discussion of tax strategies with counsel and CNC mgmt	0.5	11
17-Jun-03	Meeting with counsel to prepare for testimony	4.0	5
17-Jun-03	Preparation for TOPRS trial, including preparation of trial exhibits	2.0	5