

Date	Atty		Hours
06/12/03	EDS	Review and revise May attorney fee petition	1.00
06/12/03	REF	Office conference with Ed Shapiro re: possible settlement and advising Huron, temp agency (.2); Telephone calls to Marelle at Strategic re: same (.3); Telephone call from Buddy Menton (CFN attorney) re: scheduling depositions (.2).	0.70
06/12/03	MXO	Read case law re: state fraudulent conveyance claim.	0.30
06/12/03	CRO	Calculating and separating fees for the purpose of preparing Fee Application to be submitted to the court.	5.00
06/13/03	ACV	Review settlement agreement and work on related issues, including emails and phone calls with counsel	1.00
06/13/03	EDS	Revise and revise fee petition; Several conferences with A. Valiulis regarding final fee petition and success fee issues	1.50
06/13/03	CRO	Calculating and separating fees for the purpose of preparing Fee Application to be submitted to the court; Calculating and verifying expenses for the purpose of preparing Fee Application to be submitted to the court; Drafting Fee Petition; E-mail to Ed Shapiro submitting draft of fee petition for approval.	3.00
06/16/03	ACV	Discussions re status of possible settlement (.3); work on discovery issues (.5); work on response to motion to dismiss, including review and analysis of legal issues (4.0)	4.80
06/16/03	JAS	Work on Preference by Possession issues with Valiulis (1.5). Research issues regarding constructive possession on behalf of another (.9). Draft response to Motion to Dismiss regarding perfection by possession issues (1.3).	3.70
06/16/03	EDS	Conference with A. Valiulis regarding settlement status and instructions to proceed with response to Lehment Motion to Dismiss	0.30
06/16/03	EDS	Revise response to motion to dismiss	1.50
06/16/03	EDS	Revise fee petition	0.50
06/16/03	HMS	Undertake additional research, examine cases, and continue to draft excerpts for opposition to Lehman's motion to dismiss Counts II through IV	5.80
06/16/03	REF	Telephone calls from/to Michael Chernis re: document production/settlement (.9) and email to/from Nancy Peterman re: same/handling vis a vis settlement (.4); Revised section of response brief re: sale v. loan (.8) and office conferences with Tony Valiulis re: same (.6).	2.70
06/16/03	MXO	Draft fraudulent conveyance section of response to motion to dismiss.	6.00
06/16/03	CRO	Revising Fee Petition for May.	2.00
06/17/03	ACV	Work on response to motion to dismiss, including integrating and editing various sections (5.0)	5.00
06/17/03	EDS	Telephone call with K. Carlson regarding Certificate of No Objection; Prepare Certificate of No Objection; Prepare for filing	0.70

Date	Atty		Hours
06/17/03	HMS	Continue to undertake additional research, examine cases, and continue to draft excerpts for opposition to Lehman's motion to dismiss Counts II through IV	12.80
06/17/03	REF	Telephone call and email from Michael Chernis re: settlement/court hearing today and emails to/from Tony Valiulis re: same (.5).	0.50
06/17/03	KAJ	Research regarding case law stating that under Rule 9(b) must be read in light of Rule 8's notice requirement and does not require the pleading of evidence for Tony Valiulis.	0.50
06/18/03	ACV	Review and revise response (6); telephone conference with Nancy Peterman and then with Nancy Peterman and Nancy Mitchell re status of cases and settlement discussions (.3)	6.30
06/18/03	EDS	Receive and review e-mails from A. Arnett regarding advances and paydown of warehouse and residual lines and discussion with A. Valiulis regarding same	0.80
06/18/03	EDS	Review and revise response to Lehman's Motion to Dismiss	1.00
06/18/03	HMS	Complete research, examination of cases, and draft of excerpts for opposition to Lehman's motion to dismiss Counts II through IV	5.80
06/18/03	REF	Telephone call from/to Michael Chernis re: document production and settlement (.4); Emails from/to Tony Valiulis re: same/confirmation hearing today and settlement (.5).	0.90
06/18/03	MXO	Attention to revisions to response to motion to dismiss (.60); conference with Tony Valiulis re: same (.10).	0.70
06/19/03	ACV	Review and revise fee petition for May (.5); work on brief (3.0)	3.50
06/19/03	JAS	Review and Revise response to motion to dismiss. Conference with Valiulis regarding same.	1.70
06/19/03	EDS	Continue review of response to Lehman's motion to dismiss	0.50
06/19/03	EDS	Communication with J. Brandt regarding extension of time to file response brief; Messages from A. Valiulis regarding same	0.30
06/19/03	LBI	Review and revise response to motion to dismiss. Conference with Tony Valiulis.	0.80
06/19/03	MXO	Review complaint for cite for response to motion to dismiss.	0.20
06/19/03	CRO	Revising Fee Application for May fees and expenses.	0.30
06/19/03	CRO	Updating pleadings binder.	0.10
06/20/03	ACV	Follow up re status, including briefing schedule on motion and telephone conference with Nancy Peterman (.5); review and analyze conditional plan for CFC (.5); miscellaneous re brief and order continuing due date (.5)	1.50
06/20/03	HJB	Telephone call with Tony Valiulis re strategy and review brief re motion to dismiss.	2.00

Date	Atty		Hours
06/20/03	EDS	Draft stipulation to extend briefing schedule on Lehman's motion to dismiss;E-mails with J. Brandt regarding same;Telephone call with Tina Devine regarding same	0.80
06/20/03	EDS	Review Corrected Interlocutory and Conditional Order Approving Finance Company Debtors' Third Amended Joint Liquidating Plan of Reorganization and discussions with A. Valiulis regarding impact on settlement	1.20
06/23/03	CRO	Reviewing Fee Petition; Brief meeting with accounting department regarding invoice to attach to Fee Petition for May.	0.70
06/23/03	CRO	Research per ACV regarding Altheimer and Gray.	1.00
06/25/03	ACV	Review plan documents and telephone conference with Nancy Peterman re status	0.50
06/25/03	CRO	Compiling exhibits and reviewing final draft of fee petition to be filed for May fees and expenses.	0.50
06/26/03	EDS	Conference with A. Valiulis on latest developments in case	0.20
<b>Total Hours</b>			<b>285.40</b>

**Professional Services** \$ **86,229.50**

**Timekeeper Summary:**

Timekeeper	Hours	Rate
Anthony C. Valiulis	27.10 at \$	450.00
Harvey J. Barnett	13.50 at \$	450.00
Joanne A. Sarasin	16.90 at \$	325.00
Edward D. Shapiro	35.20 at \$	375.00
Hillard M. Sterling	67.10 at \$	325.00
Rachel E. Feldstein	42.10 at \$	290.00
Lisa H Ben-Isvy	7.20 at \$	320.00
Megan C. Oliver	25.70 at \$	195.00
Sara Rodriguez	2.50 at \$	150.00
Carmen R Ortiz	41.20 at \$	150.00
Kendalle A Jacobson	6.90 at \$	200.00
<b>Total Hours</b>	<b>285.40</b>	

**Disbursements**

<b>Date</b>	<b>Description</b>		<b>Total</b>
06/30/03	Cab Fare	\$	11.00
06/30/03	LD Telephone		3.74
06/30/03	Outside Photocopying		2,837.78
06/30/03	Photocopying		1,322.30
06/30/03	Secretarial Overtime		81.16
06/30/03	Westlaw Legal Research		4,409.57
	<b>Disbursements</b>	<b>\$</b>	<b>8,665.55</b>

**Invoice Summary**

Professional Services	\$	86,229.50
Disbursements	\$	<u>8,665.55</u>
<b>Current Invoice</b>	<b>\$</b>	<b>94,895.05</b>
Prior Balance Due	\$	<u>188,709.12</u>
<b>Net Amount Due on Current Invoice</b>	<b>\$</b>	<b>283,604.17</b>

**Accounts Receivable Summary**

<b>Date</b>	<b>Invoice No.</b>	<b>Amount</b>	<b>Credits</b>	<b>Balance Due</b>
05/01/03	210760	274,105.87	(248,614.37)	25,491.50
06/01/03	211152	163,217.62	0.00	163,217.62
		<u>\$ 437,323.49</u>	<u>(248,614.37)</u>	<u>188,709.12</u>

**Total Balance Due:**

Current Invoice	\$ 94,895.05
Prior Balance	\$ 188,709.12
<b>Total Balance Due Upon Receipt</b>	<b>\$ 283,604.17</b>

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

AUG 26 2003

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

**KENNETH S. GARDNER, CLERK  
PUBLIC SERVICE COUNTER**

In re: ) Chapter 11  
Conseco, Inc, et al. )  
Debtors. ) Case No. 02-49672  
) (Jointly Administered)  
) The Honorable Carol A. Doyle  
)  
) Docket under 02 B 49672  
)  
) Hearing Date: Negative Notice  
) **Objection Deadline: September 15, 2003**

**NOTICE OF FILING**

**TO: SEE ATTACHED SERVICE LIST**

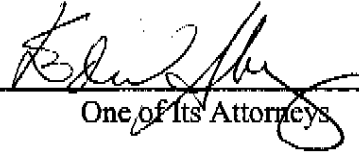
PLEASE TAKE NOTICE that on August 26, 2003, we caused to be filed with the Clerk of the United States Bankruptcy Court for the Northern District of Illinois, 219 South Dearborn Street, Chicago, Illinois 60604, **THIS NOTICE OF FILING FOR THE FOURTH MONTHLY APPLICATION OF MUCH SHELIST, P.C. FOR ALLOWANCE OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES** (the "Application"). The Application seeks an interim allowance of \$4,585.05 (representing 90% of the actual fees incurred in the amount of \$5,094.50) as compensation and \$988.10 for reimbursement of 100% of the actual and necessary expenses incurred for a total of \$5,573.15. The Fourth Application covers the time period beginning July 1, 2003 and ending July 31, 2003.

Copies of the Application are available on the Northern District of Illinois Bankruptcy Court's website ([www.ilnb.uscourts.gov](http://www.ilnb.uscourts.gov)), or by contacting Much Shelist at the contact information below.

Dated: August 26, 2003

**THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF CONSECO FINANCE CORP. AND  
CONSECO FINANCE SERVICING CORP.**

By



One of Its Attorneys

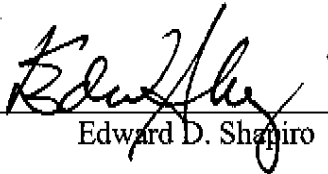
Harvey J. Barnett  
Anthony C. Valiulis  
Edward D. Shapiro  
MUCH SHELIST FREED DENENBERG  
AMENT & RUBENSTEIN, PC  
191 North Wacker Drive, Suite 1800  
Chicago, Illinois 60606-1615  
Telephone: (312) 521-2000  
Facsimile: (312) 521-2100

**Counsel to the Official Committee of  
Unsecured Creditors of the CFC Debtors**

**CERTIFICATE OF SERVICE**

I, Edward D. Shapiro, an attorney, hereby certify that on August 26, 2003, I caused a complete and accurate copy of the **FOREGOING NOTICE OF FILING FOR FOURTH MONTHLY APPLICATION OF MUCH SHELIST, P.C. FOR ALLOWANCE OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**, to be served via facsimile and first class mail upon each of the parties identified as "Core Group" on the attached Service List.

I further certify that I caused a complete and accurate copy of the foregoing **NOTICE OF FOURTH MONTHLY APPLICATION OF MUCH SHELIST, P.C. FOR ALLOWANCE OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**, to be served via first class mail upon all parties identified as "2002 List" on the attached Service List.

  
\_\_\_\_\_  
Edward D. Shapiro

SUBSCRIBED AND SWORN to  
before me this 26<sup>th</sup> day of AUGUST, 2003

  
\_\_\_\_\_  
Notary Public





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

AUG 26 2003

KENNETH S. GARDNER, CLERK  
PUBLIC SERVICE COUNTER

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

In re:

Conseco, Inc., et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 02B49672

Jointly Administered

Honorable Carol A. Doyle

**FOURTH MONTHLY APPLICATION OF MUCH SHELIST, P.C. FOR  
ALLOWANCE OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Much Shelist Freed Denenberg Ament & Rubenstein, P.C. ("**Applicant**"), as counsel to the Official Committee of Unsecured Creditors of CFC and CFSC ("**the CFC Committee**"), presents its fourth monthly application (the "**Fourth Application**") pursuant to sections 330 and 331 of title 11 of the United States Code (the "**Bankruptcy Code**"), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and the Court's Amended Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members, entered on January 2, 2003 (the "**Administrative Order**"). By this Fourth Application, Applicant seeks a monthly interim allowance of \$4,585.05 (representing 90% of the actual fees incurred in the amount of \$5,094.50) as compensation and \$988.10 for reimbursement of 100% of the actual and necessary expenses incurred for a total of \$5,573.15. The Fourth Application covers the time period beginning July 1, 2003 and ending July 31, 2003 (the "**Interim Period**"). In support of the Fourth Application, Applicant respectfully states as follows:

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<sup>1</sup> The above-captioned Debtors are the following entities: (i) Conseco, Inc., CIHC, Incorporated, CTIHC, Inc., and Partners Health Group, Inc. (collectively, the "**Parent Company Debtors**"); (ii) Conseco Finance Corp. ("**CFC**") and Conseco Finance Servicing Corp. ("**CFSC**"); and (iii) Conseco Finance Corp. - Alabama, Conseco Finance Credit Corp., Conseco Finance Credit Consumer Discount Company, Conseco Finance Canada Holding Company, Conseco Finance Canada Company, Conseco Finance Loan Company, Rice Park Properties Corporation, Landmark Manufactured Housing, Inc., Conseco Finance Net Interest Margin Finance Corp. I, Conseco Finance Net Interest Margin Finance Corp. II, Green Tree Financial Corp. - Two, Conseco Agency of Nevada, Inc., Conseco Agency of New York, Inc., Green Tree Floorplan Funding Corp., Conseco Agency, Inc., Conseco Agency of Alabama, Inc., Conseco Agency of Kentucky, Inc., and Crum-Reed General Agency, Inc. (the "**CFC Subsidiary Debtors**" and collectively with CFC and CFSC, the "**CFC Debtors**").

## JURISDICTION AND VENUE

1. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§ 157 and 1334 (b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409(a).

2. This action is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (B), (C), (F), (H), (K) and (O).

3. Pursuant to Rules 3007 and 7001 (1), (2) and (9) of the Bankruptcy Rules, this proceeding is governed by the Rules set forth in Part VII of the Bankruptcy Rules.

## BACKGROUND

4. On December 17, 2002 (the "**Petition Date**"), the Parent Company Debtors, CFC, and CFSC each filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. On February 3, 2003, the CFC Subsidiary Debtors also filed voluntary Chapter 11 petitions. The Parent Company Debtors and CFC Debtors continue to operate their businesses as debtors in possession pursuant to §1107 and §1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 cases.

5. On January 3, 2003, the United States Trustee for the Northern District of Illinois, Eastern Division, pursuant to §1102 of the Bankruptcy Code, duly appointed the CFC Committee to represent the interests of all unsecured creditors in the CFC Debtors' Chapter 11 cases.

6. On April 14, 2003, an order was entered authorizing the retention and employment of Applicant as special conflicts counsel to pursue all claims against certain Lehman entities on behalf of the CFC Committee, effective as of April 17, 2003. A copy of the order is attached as Exhibit A.

7. On April 16, 2003, Applicant filed a complaint for declaratory relief to

substantively consolidate certain estates, to avoid and recover preferential and fraudulent transfers, to avoid and recover unperfected security interests, to equitably subordinate certain claims, and for objection to claims (the "Adversary Complaint") against Lehman Brothers, Inc., Lehman Commercial Paper, Inc. and Lehman ALI, Inc. (the "Lehman Defendants") and Green Tree Finance Corp.-Five, Green Tree Residual Finance Corp. I (the "Green Tree Defendants"). The Adversary Complaint seeks to equitably subordinate between \$21 million and \$700 million of Lehman's purported secured debt. Several of the other claims seek to avoid \$410 million of Lehman secured debt on various fraudulent conveyance and preference grounds. Still other claims seek declaratory relief refuting the nature of the transactions at issue.

**RELIEF REQUESTED**

8. This is Applicant's fourth monthly interim application. The chairman of the CFC Committee, Walter Morales, has reviewed and authorized the filing of this Fourth Application.

9. As further detailed in the invoice attached hereto as Exhibit B, Applicant requests compensation for the professionals and paraprofessionals who have provided services to the CFC Committee in connection with the Adversary Proceeding during the Interim Period. A summary of the professionals who have provided services during the Interim Period is summarized as follows:

<u>ATTORNEY</u>	<u>HOURS</u>	<u>RATE</u>	<u>AMOUNT</u>
Anthony Valiulis	1.70	\$450.00	\$765.00
Edward Shapiro	1.90	\$375.00	\$712.50
Rachel Feldstein	2.80	\$290.00	\$812.00
SUBTOTAL:	6.40		\$ 2,289.50
 <u>PARALEGALS</u>	 <u>HOURS</u>	 <u>RATE</u>	 <u>AMOUNT</u>
Carmen Ortiz	18.70	\$150.00	\$2,805.00
SUBTOTAL:	18.70		\$2,805.00
 <b>TOTAL:</b>	 <b>25.10</b>		 <b>\$5,094.50</b>

10. The services performed by Applicant during the Interim Period have been categorized into project summaries which are described below. Each project summary refers to Exhibit B, which is attached to the Second Application and incorporated herein by reference. Exhibit B includes detailed time entries showing the services provided in the category, the attorney providing the service, the date the service was provided, the time incurred and the value of such time.

### **SUMMARY OF SERVICES RENDERED**

#### **A. General Case Administration**

11. During the Interim Period, Applicant rendered various general legal services to the CFC Committee. These services are grouped in this category because they are not readily susceptible to being placed in any of the more specific categories established in the Fourth Application. Some of the services detailed in Exhibit B and summarized below involve minimal amounts of time and did not warrant the creation of a separate category. The general administrative services in this category include, but are not limited to obtaining, organizing and maintaining pleadings, correspondence, agreements and other documents relating to the Chapter 11 Case and the Adversary Proceeding.

12. Applicant expended 2.00 hours with a value of \$367.00 in this category during the Interim Period.

#### **B. Investigation**

13. During the Interim Period, Applicant continued to investigate the facts and reviewed and analyzed the pleadings and issues related to the Chapter 11 Case and the Adversary Proceeding filed by the CFC Committee.

14. In addition, Applicant coordinated and participated in conferences with counsel to the Debtors, committee members, consultants and other parties in interest regarding the general status of the case and legal strategy.

15. Applicant also participated in regular office conferences with its team members to discuss the status of discovery efforts, review of documents, staffing issues and formulating legal strategy.

16. Applicant expended 2.2 hours with a value of \$750.00 in this category during the Interim Period.

**C. Drafting and Related Work**

17. Applicant expended 19.6 hours with a value of \$3,600.00 drafting and work on the June 2003 Fee Application filed on July 25, 2003.

**E. Discovery**

18. During the interim period, applicant participated in office conferences with its team members to discuss the status of its discovery efforts, and formulating going-forward discovery strategy.

19. Applicant expended 1.3 hours with a value of \$377.00 in this category during the Interim Period.

**EXPENSES**

20. During the Interim Period, Applicant expended the sum of \$988.10 for reasonable and necessary out-of-pocket expenses incurred in connection with its representation of the CFC Committee. The expenses incurred by Applicant during the Interim Period as summarized as follows:

EXPENSE	AMOUNT
Photocopying Charges	\$988.10
TOTAL:	\$988.10

21. In accordance with the Administrative Order and this Court's Standing Order Number 10, Applicant represents the following with regard to its charges for actual and necessary costs and expenses during the Interim Period:

- (a) copy charges are \$.10 per page, which charge is reasonable, represents the cost of copy material, acquisition, maintenance, storage and operation of copy machines, together with a margin for recovery of cost expenditures.
- (b) Incoming facsimiles are not billed.
- (c) Outgoing facsimiles are not billed. However, the telephone connection charges for each facsimile are billed.
- (d) Applicant has charged for local travel which includes cab fares and parking fees for attorneys, paralegals and staff.

#### SUMMARY

22. During the Interim Period, Applicant expended a total of 25.10 hours rendering professional services to the CFC Committee. Based upon the total number of hours spent in connection with Applicant's representation of the CFC Committee, the gross amount of fees incurred during the Interim Period is \$5,094.50. Applicant requests approval and payment of the professional fees incurred during the Interim Period in the amount of \$4,585.05 representing 90% of the actual fees incurred.

23. As counsel to the CFC Committee, Applicant incurred a total of \$988.10 in out-of-pocket expenses during the Interim Period. Applicant requests approval and payment of 100% of the actual and necessary expenses incurred during the Interim Period.

24. Applicant has diligently represented the CFC Committee in the Chapter 11 Cases. Based upon the circumstances, the fair value of the professional services rendered by Applicant

to the CFC Committee, the skill required, the nature of services rendered and the results obtained, the fees charged by Applicant for its services in these cases are reasonable.

25. All services for which Applicant requests compensation were performed for and on behalf of the CFC Committee, and not on behalf of any other entity.

26. No agreement or understanding exists between Applicant and any other person for sharing compensation which has been or will be received, except such sharing as is customary and generally accepted among lawyers within a law firm.

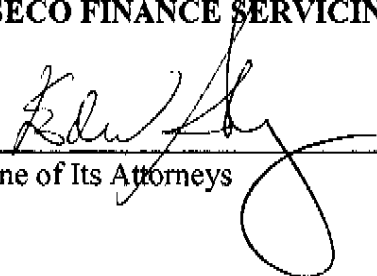
27. No agreement or understanding, express or implied, has been or will be entered into for the purpose of fixing the fees or other compensation to be paid to any other attorney for any party in interest, to any other party in interest, or to any person for services rendered in connection with the Chapter 11 Cases.

**WHEREFORE**, Harvey J. Barnett, Anthony C. Valiulis, Edward D. Shapiro and the law firm of Much Shelist Freed Denenberg Ament & Rubenstein, P.C. respectfully request that it be allowed reimbursement for its fees and expenses incurred during the Interim Period, described as follows:

- (i) interim compensation for services rendered as counsel to the CFC Committee in the amount of \$4,585.05 (representing 90% of the actual fees incurred during the Interim Period in the amount of \$5,094.50);
- (ii) interim allowance for reimbursement of expenses incurred on behalf of the CFC Committee in the amount of \$988.10 (representing 100% of the out-of-pocket expenses incurred during the Interim Period); and
- (iii) granting such other and further relief deemed appropriate under the circumstances.

Dated: August 26, 2003

**THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF CONSECO FINANCE CORP. AND  
CONSECO FINANCE SERVICING CORP.**

By   
One of Its Attorneys

Harvey J. Barnett  
Anthony C. Valiulis  
Edward D. Shapiro  
MUCH SHELIST FREED DENENBERG  
AMENT & RUBENSTEIN, PC  
191 North Wacker Drive, Suite 1800  
Chicago, Illinois 60606-1615  
Telephone: (312) 521-2000  
Facsimile: (312) 521-2100

**Counsel to the Official Committee of  
Unsecured Creditors of the CFC Debtors**



JOB APR 1 4 2003

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

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

**ORDER AUTHORIZING RETENTION AND EMPLOYMENT OF  
HARVEY J. BARNETT, ANTHONY VALUILIS AND MUCH SHELIST  
FREED DENENBERG AMENT & RUBENSTEIN, P.C. AS CONFLICTS  
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF THE CFC DEBTORS EFFECTIVE AS OF APRIL 7, 2003**

Upon the emergency application (the "Application") of the Official Committee of Unsecured Creditors (the "CFC Committee") of the CFC Debtors for entry of an Order (A) authorizing the retention and employment of Harvey J. Barnett, Anthony Valuilis and Much Shelist Freed Denenberg Ament & Rubenstein, P.C. ("Much Shelist") as conflicts counsel effective as of April 7, 2003; and (B) approving the hourly and contingent fee arrangement (the "Application"); and upon the Valuilis Affidavit<sup>2</sup>; and it appearing that the Court has jurisdiction over the Application pursuant to 28 U.S.C. § 157(b)(2)(A) and (O); and it appearing that Much Shelist does not hold or represent any interest materially adverse to the CFC Debtors, any creditors of the CFC Debtors, the United States Trustee for the Northern District of Illinois or any person employed in the United States Trustee's office, or any other party-in-interest with respect to the matters upon which said firm is to be engaged; and it appearing that Much Shelist

<sup>1</sup> The Debtors are the following entities: (i) Conseco, Inc., CHHC, Incorporated, CTHC, Inc., Partners Health Group, Inc. (the "Holding Company Debtors"), (ii) Conseco Finance Corp. and Conseco Finance Servicing Corp. (the "CFC Debtors"), and (iii) Conseco Finance Corp. - Alabama, Conseco Finance Credit Corp., Conseco Finance Credit Consumer Discount Company, Conseco Finance Canada Holding Company, Conseco Finance Canada Company, Conseco Finance Loan Company, Rice Park Properties Corporation, Landmark Manufactured Housing, Inc., Conseco Finance Net Interest Margin Finance Corp. I, Conseco Finance Net Interest Margin Finance Corp. II, Green Tree Financial Corp. - Two, Conseco Agency of Nevada, Inc., Conseco Agency of New York, Inc., Green Tree Floorplan Funding Corp., Conseco Agency, Inc., Conseco Agency of Alabama, Inc., Conseco Agency of Kentucky, Inc., and Crum-Reed General Agency, Inc. (the "CFC Subsidiary Debtors" and, collectively with the Holding Company Debtors and the CFC Debtors, the "Debtors").

<sup>2</sup> Capitalized terms used herein but not defined herein shall have the meanings given them in the Supplement.

2550

is a "disinterested person" as described by section 327(a) of the Bankruptcy Code; and it appearing that due and adequate notice of the Application has been given; and it appearing that no other or further notice need be given; and this Court having determined that granting the relief requested in the Application is in the best interest of the CFC Committee and the CFC Debtors' estates; and after due deliberation and sufficient cause appearing therefore:

IT IS HEREBY ORDERED THAT:

1. The Application is granted.
2. Pursuant to section 327(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, the Debtors are hereby authorized to employ Much Shelist as its conflicts counsel to perform the services set forth in the Application as of April 7, 2003.
3. Much Shelist shall be compensated in accordance with the procedures set forth in Application and consistent with sections 327, 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court.
4. Furthermore, subject to <sup>the terms and conditions of a</sup> further order of this Court, Much Shelist shall be paid fifteen percent (15%) of the gross recovery, if any, whether by settlement, judgment, or otherwise, attributable to the Claims without further application to this Court.
5. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: April 14, 2003

  
HONORABLE CAROL A. DOYLE  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT B**

# M U C H S H E L I S T

191 N. Wacker Drive, Suite 1800, Chicago, IL 60606  
Telephone 312-521-2000 FEIN 36-2757501

Invoice No. 214559  
Invoice Date 8/1/03

Client/Matter No. 0002728.0001  
HJB 0338



Conseco Creditors Committee  
c/o Walter A. Morales  
247 Florida Street  
Baton Rouge, LA 70821

Re: 03 - Lehman Brothers

## Professional Services Rendered Through July 31, 2003

Professional Services	\$	5,094.50
Disbursements	\$	<u>988.10</u>
<b>Current Invoice</b>	\$	<b>6,082.60</b>
Prior Balance Due	\$	<u>135,263.80</u>
<b>Total Balance Due Upon Receipt</b>	\$	<b>141,346.40</b>

# REMITTANCE

**Invoice Is Payable Upon Receipt**

**Please Return This Copy With Your Payment**

**M U C H S H E L I S T**

191 N. Wacker Drive, Suite 1800, Chicago, IL 60606  
Telephone 312-521-2000 FEIN 36-2757501

Invoice No. 214559  
Invoice Date 8/1/03

Client/Matter No. 0002728.0001  
HJB 0338

Conseco Creditors Committee  
c/o Walter A. Morales  
247 Florida Street  
Baton Rouge, LA 70821

Re: 03 - Lehman Brothers

**Professional Services Rendered Through July 31, 2003**

<b>Date</b>	<b>Atty</b>		<b>Hours</b>
07/07/03	REF	Telephone call from and review of letter from Michael Chernis re: settlement and no obligation to produce documents on behalf of Cerberus (.5); Email to/from and office conference with Tony Valiulis re: same/status hearing for July 10th (.5);	1.00
07/08/03	ACV	Review status	0.30
07/08/03	REF	Office conference with Ed Shapiro re: status hearing scheduled for July 9th (.2); Telephone call to/from Brendan Beasley (Lehman) re: same/continuance (.4); Email and telephone call to/from Nancy Peterman re: same (.4); Telephone call to Michael Chernis re: document subpoena to Cerberus/extension in light of potential settlement (.3).	1.30
07/09/03	REF	Telephone calls from/to Brendan Beasley re: status/hearing on motion to dismiss and telephone conference to minute clerk re: same (.5).	0.50
07/09/03	CRO	Beginning to separate time entries for the purpose of preparing Fee Petition for June fees and expenses.	2.00
07/10/03	ACV	Work on fee petition	0.50
07/11/03	EDS	Review attorneys fees and disbursement owed and e-mail to C. Peterson at Bridge LLC	0.50
07/15/03	CRO	Segregating attorney and paralegal time spent on work done in June for the purpose of preparing June Fee Petition.	1.00
07/16/03	CRO	Segregating time spent on work done in June for the purpose of preparing fee petition.	3.00
07/17/03	CRO	Calculating fees and expenses for June fee petition.	7.00
07/18/03	ACV	Check on status; email to/from Nancy	0.40
07/18/03	EDS	Prepare Certificate of No Objection for Second Fee Application and letter to Conseco Finance regarding payment of same	0.60

Date	Atty		Hours
07/18/03	CRO	Calculating and separating fees and expenses incurred in June for the purpose of preparing June fee petition.	4.00
07/21/03	EDS	Revise third fee application	0.50
07/24/03	ACV	Work on monthly fee petition	0.50
07/28/03	CRO	Updating pleading and correspondence files.	1.00
07/30/03	CRO	Following up with Stephanie Lohman on payment.	0.40
07/31/03	EDS	Followup with C. Ortiz on status of fee petition and call to C. Peterson regarding same	0.30
07/31/03	CRO	Telephone call to Kerry Carlson to determine status of pending payments; Followup e-mail and telephone calls to Consecro regarding pending payments.	0.30

**Total Hours** 25.10

**Professional Services** \$ 5,094.50

**Timekeeper Summary:**

Timekeeper	Hours	Rate
Anthony C. Valiulis	1.70 at \$	450.00
Edward D. Shapiro	1.90 at \$	375.00
Rachel E. Feldstein	2.80 at \$	290.00
Carmen R Ortiz	18.70 at \$	150.00
<b>Total Hours</b>	<b>25.10</b>	

**Disbursements**

Date	Description	Total
07/31/03	Photocopying	\$ 988.10
	<b>Disbursements</b>	<b>\$ 988.10</b>

**Invoice Summary**

Professional Services	\$	5,094.50
Disbursements	\$	<u>988.10</u>
<b>Current Invoice</b>	\$	<b>6,082.60</b>
Prior Balance Due	\$	<u>135,263.80</u>
<b>Net Amount Due on Current Invoice</b>	\$	<b>141,346.40</b>

**Accounts Receivable Summary**

<b>Date</b>	<b>Invoice No.</b>	<b>Amount</b>	<b>Credits</b>	<b>Balance Due</b>
06/01/03	211152	163,217.62	(122,848.87)	40,368.75
07/01/03	212656	94,895.05	0.00	94,895.05
		<u>\$ 258,112.67</u>	<u>(122,848.87)</u>	<u>135,263.80</u>

**Total Balance Due:**

Current Invoice	\$ 6,082.60
Prior Balance	\$ 135,263.80
<b>Total Balance Due Upon Receipt</b>	<u>\$ 141,346.40</u>