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

In re:

Chapter 11

CONSECO INC., et al.,

Case No. 02-49672

Honorable Carol A. Doyle

Debtor.

#### NOTICE OF FILING

#### TO THE ATTACHED SERVICE LIST:

PLEASE TAKE NOTICE that, on October 9, 2003, counsel filed the attached Application of Sidley Austin Brown & Wood LLP For Allowance of and Payment of Final Compensation for Services Rendered from December 17, 2002 Through September 30, 2003 and for Reimbursement of Expenses with the clerk of the United States Bankruptcy Court, Everett McKinley Dirksen Building, 219 South Dearborn Street, Chicago, Illinois, a copy of which is attached and hereby served upon you.

Dated: October 9, 2003

SIDLEYY A/U\$TIN BROWN & WOOD LLP

One of Its Attorneys

Guy S. Neal, Esq.

Paul J. Stanukinas, Esq.

Bank One Plaza

10 South Dearborn Street L E D

Chicago, Illinois 60603
(312) 853-700 NORTHERN DISTRICT OF ILLINOIS

OCT 0 9 2003

KENNETH S. GARDNER, CLERK PS REP. - AI

#### **CERTIFICATE OF SERVICE**

I, Nancy Lusk a non-attorney, do hereby certify that I caused a true and correct copy of the attached Application of Sidley Austin Brown & Wood LLP For Allowance of and Payment of Final Compensation for Services Rendered from December 17, 2002 Through September 30, 2003 and for Reimbursement of Expenses to be served on the parties on the attached service list by first class mail proper postage affixed on this ninth day of October, 2003.

# SERVICE LIST

**Bankruptcy Counsel to the Debtors** 

Kirkland & Ellis
200 East Randolph Drive
Chicago, Illinois 60601
Attn: Anne Marrs Huber, Esq.
and Roger Higgins, Esq.

# Counsel to the Unsecured Creditors' Committee

Fried, Frank, Harris, Shriver & Jacobson One New York Plaza New York, New York 10004 Attn: Brad Eric Scheler, Esq. and Vivek Melwani, Esq.

# The Office of the United States Trustee

227 West Monroe St.
Suite 3350
Chicago, Illinois 60606
Attn: Richard Freedman, Esq.
and Gretchen Silver, Esq.

#### Counsel for the Official Committee of Trust Preferred Debt Holders

Jenner & Block, LLC
One IBM Plaza
Chicago, Illinois 60611
Attn: Daniel R. Murray, Esq.
and Catherine Steege, Esq.

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

In re:

Chapter 11

CONSECO INC., et al.,

Case No. 02-49672

Honorable Carol A. Doyle

Debtor.

## APPLICATION OF SIDLEY AUSTIN BROWN & WOOD LLP FOR ALLOWANCE OF AND PAYMENT OF FINAL COMPENSATION FOR SERVICES RENDERED FROM DECEMBER 17, 2002 THROUGH SEPTEMBER 30, 2003 AND FOR REIMBURSEMENT OF EXPENSES

Name of Applicant:

SIDLEY AUSTIN BROWN & WOOD LLP

Authorized to Provide Professional Services to: Debtor

Date of Retention:

December 17, 2002, by order dated January 14,

2003

Period for Which Approval for Final

Compensation and

December 17, 2002 through September 30,

Reimbursement Is Sought:

2003

Amount of Final Compensation For Which

Approval is Sought as

\$236,875.05

Actual, Necessary and Reasonable:

Amount of Final Expenses Reimbursement

\$9,131.00

Sought as Actual, Necessary and Reasonable:

This is a(n):

First and Final Application

Prior Applications:

N/A

FILED UNITED STATES BANKRUPTCY COURT.

UNITED STATES BACKMOPTOLISMS
UNITED STATES BACKMOPTOLISMS
The total time expended for fee application preparation after September 30, 2003 is 2.0
and the corresponding compensation requested is \$750.00 hours, and the corresponding compensation requested is \$750.00.

KENNETH S. GARDNER, CLERK PS REP. - Al

# IN RE CONSECO INC., ET AL.

# PROFESSIONALS RENDERING SERVICES FROM DECEMBER 17, 2002 THROUGH SEPTEMBER 30, 2003

NAME OF PROFESSIONAL PERSON	POSITION	STARTING DATE EMPLOYED AT SABW	YEAR ADMITTED TO BAR	HOURS BILLED	RATE	REQUESTED AMOUNT
Carter G. Phillips	Partner	10/16/1984	DC - 1979	99.70	\$652.50	\$65,054.50
David R. Kuney	Partner	10/01/1999	IL – 1977 MD – 1973	3.6	\$495.00	\$1,782.00
Joseph R. Guerra	Partner	10/17/1988	IL – 1976 DC – 1989	4,8	\$472.50 \$472.50	\$236,25 \$2268.00
Paul J. Zidlicky	Partner	09/11/1995	MD - 1994 DC - 1996	165.80 0.10	\$360.00 \$337.50	\$59,688.00 \$33.75
Steven Kinnaird	Partner	09/09/1996	DC - 1997	10.10	\$360,00	\$3636.00
C. Kevin Marshall	Associate	11/27/2000	IN - 2001 DC - 2002	168.20	\$279.00	\$46,927.80
V. Vander Jagt	Associate	10/01/2002	IL – 2001 DC – 2002	196.90	\$225.00	\$44,302.50
Randall Luce	Legal Assistant	10/12/1998	N/A	78.30	\$121.50	\$9,513.45
Ingrid Hung	Legal Assistant	09/09/2002	N/A	30.80	\$103.50	\$3,187.80
James Wedeking	Legal Assistant	06/03/2002	N/A	1.00	\$103.50	\$103.50

NAME OF PROFESSIONAL PERSON	POSITION	STARTING DATE EMPLOYED <u>AT SABW</u>	YEAR ADMITTED TO BAR	HOURS BILLED	<u>RATE</u>	REQUESTED <u>AMOUNT</u>
Sabrina Pacifici	Legal Assistant	11/11/1985	N/A	0.80	\$67.50	\$54.00
Carol Morrissey	Legal Assistant	02/17/1986	N/A	1,00	\$58.50	\$58.50
Jeffrey Bosh	Legal Assistant	04/12/1985	N/A	0,50	\$58.50	\$29.25
TOTAL FEES REQUESTED			Total <u>Hours</u> :	762.10	Total <u>Fees</u> :	\$236,875.05

## TOTAL EXPENSE SUMMARY

(DECEMBER 17, 2002 THROUGH SEPTEMBER 30, 2003)

Expense Category	Total Expenses		
Duplicating Charges	\$94.16 +216.04 + 3.60		
Facsimile Charges	44.00 + 238.00		
Document Delivery Services	24.54 + 91.00		
Ground Transportation	9.75 + 136.00		
Lexis Research Service	935.17 + 2,283.50		
Meals	100.20		
Search Services	232,27 + 179.56		
Travel/Lodging	25.44 + 275.76		
Westlaw Research Service	603.38 + 2,728.73		
Air Transportation	674.76		
Meals – Out of Town	14,24		
Messenger Services	66.60		
Overtime Services	70.86		
Document Production	75.00		
Telephone Tolls	8.44		
TOTAL:	\$9,131,00		

Dated: October 9, 2003

Applicant: SIDLEY AUSTIN BROWN & WOOD LLP

One of its Attorneys

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

In re:

Chapter 11

CONSECO INC., et al.,

Case No. 02-49672 Honorable Carol A. Doyle

Debtor.

# APPLICATION OF SIDLEY AUSTIN BROWN & WOOD LLP FOR ALLOWANCE AND PAYMENT OF FINAL COMPENSATION FOR SERVICES RENDERED FROM DECEMBER 17, 2002 THROUGH SEPTEMBER 30, 2003 AND FOR REIMBURSEMENT OF EXPENSES

Sidley Austin Brown & Wood LLP ("Sidley"), an ordinary course professional for Conseco, Inc. (the "Debtor") during the course of its chapter 11 case, hereby applies for final compensation for professional services charged for the period from December 17, 2002 through September 30, 2003 and reimbursement of expenses incurred in connection therewith. In support of this Application, Sidley respectfully states:

## FEES AND EXPENSES FOR WHICH ALLOWANCE IS SOUGHT

1. Sidley makes this Application pursuant to sections 330 and 331 of title 11 of the United States Code (the "Bankruptcy Code"), and the Court's administrative order ("Administrative Order") dated January 14, 2003, establishing procedures for interim compensation and reimbursement of expenses of professionals employed in the Debtor's chapter 11 case. Sidley seeks approval for allowance of final compensation for professional services charged to the Debtor during the period from December 17, 2002, through September 30, 2003 (the "Compensation Period"), in the amount of \$236,875.05. Sidley also requests reimbursement

of actual and necessary out-of-pocket expenses incurred in connection with its representation of the Debtor during the Compensation Period in the amount of \$9,131.00. Copies of Sidley's contemporaneous time records in these categories during the Compensation Period are attached hereto as **Exhibit A**.<sup>1</sup>

2. There is no agreement or understanding between Sidley and any other person, other than partners of the firm, for the sharing of compensation to be received for services rendered in this case.

# COMPLIANCE WITH THE U.S. TRUSTEE'S GUIDELINES AND LOCAL RULE 5082-1

Pursuant to section 586(a)(3)(A) of title 28 of the United States Code, the Executive Office for United States Trustees promulgated certain procedural guidelines governing review by the Offices of the United States Trustee of applications for compensation and reimbursement of expenses under section 330 of the Bankruptcy Code (the "Guidelines"). The Guidelines became effective on May 1, 1995. Except as set forth herein, this Application materially complies with the Guidelines. This Application also materially complies with Rule 5082-1 of the Local Rules of Bankruptcy Practice and Procedure of this Court (the "Local Rules").

## GENERAL BACKGROUND

4. In connection with its business, in 1995, the Debtor became involved in litigation in South Carolina relating to certain retail installment contracts and security agreements under which consumers obtained funds to finance home improvements and to purchase manufactured

[Footnote continued on next page]

<sup>1</sup> Some entries in the time records attached hereto contain privileged information and have been redacted to prevent disclosure of such sensitive information. Sidley is prepared to produce

homes. That litigation was initiated by consumers in the South Carolina state-court system, but was transferred to an arbitral forum in accordance with an arbitration agreement in the underlying loan documents. Ultimately, in July 2000, the arbitrator ruled adversely to the Debtor, and the Debtor sought to vacate the arbitrator's awards which required the Debtor to pay nearly \$27 million in statutory damages, attorney's fees and costs to classes of consumers consisting of more than 3,700 individuals. On August 26, 2002, the South Carolina Supreme Court confirmed the arbitral awards and denied the Debtor's request that the awards be vacated.

- The Debtor sought further review of the decision of the South Carolina Supreme Court before the United States Supreme Court under the Federal Arbitration Act. To do so, the Debtor retained Sidley to represent its interests before the United States Supreme Court in connection with the South Carolina litigation. See Green Tree Financial Corp. v. Bazzle, No. 02-634 (U.S).
- 6. On December 17, 2002 (the "Petition Date") the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtor filed its chapter 11 petition with the intent to reorganize its business.

<sup>[</sup>Footnote continued from previous page] such unredacted time records if requested to do so by the Debtor or by the Court.

#### RETENTION OF SIDLEY

- 7. Since at least December 1999, the Debtor has employed Sidley as its counsel for issues relating to litigation before the United States Supreme Court. By order dated January 14, 2003, this Court approved, under sections 327(a) and 328(a) of the Bankruptcy Code, the Debtor's employment of Sidley as an ordinary course professional for the Debtor as of the Petition Date, pursuant to section 327(e) of the Bankruptcy Code, to represent the Debtor in connection with pending litigation involving the Debtor before the United States Supreme Court.
- 8. Pursuant to section 327(e) of the Bankruptcy Code, the Court may approve a trustee's employment of attorneys for "a specified special purpose other than to represent the trustee in conducting the [debtor's chapter 11] case" so long as (i) the proposed retention is in the best interests of the debtor's estate, and (ii) the attorneys to be retained do not hold or represent any interest adverse to the debtor or its estate with respect to the specific matters for which such attorneys are to be employed. 11 U.S.C. § 327(e). Under section 328(a) of the Bankruptcy Code, an attorney retained under section 327 may be employed "on any reasonable terms and conditions." 11 U.S.C. § 328(a).
- 9. This Court found that the retention of Sidley met the four prerequisites for retention of special counsel under section 327(e) of the Bankruptcy Code: (a) the retention is for a specified special purpose to represent the Debtor in matters concerning bank regulatory law; (b) the proposed retention does not involve conducting the bankruptcy case; (c) the retention is in the best interests of the Debtor's estate; and (d) Sidley does not hold or represent any interest adverse to the Debtor or its estate with respect to the specific matters for which retention was sought herein.

- 10. As mentioned previously, historically, the business of the Debtor included the provision of consumer loan contracts. Prior to the commencement of this case, the Debtor retained and utilized Sidley for counsel on issues involving litigation before the United States Supreme Court, and, more generally, to address issues that arose in litigation in connection with the Federal Arbitration Act. Sidley has extensive expertise and experience in the field of litigation before the United States Supreme Court and with the Federal Arbitration Act.
- The Debtor retained Kirkland & Ellis as its general bankruptcy counsel for the prosecution of this chapter 11 case pursuant to section 327(a) of the Bankruptcy Code. The matters for which the Debtor retained Sidley are matters which generally were unrelated to the administration of the Debtor's chapter 11 case. Sidley was not involved in conducting the bankruptcy case of the Debtor, or, in interacting, on behalf of the Debtor, with the Court or with the official committee of unsecured creditors appointed in the Debtor's case.
- In connection with its retention pursuant to the Court's order dated January 14, 2003, on June 18, 2003, Sidley has received \$109,826.81 in response to its invoice dated June 13, 2003.<sup>2</sup> Sidley has not received any payment in connection with its invoice dated April 29, 2003, which sought \$136,179.24 in fees and expenses.
- 13. The hourly rates charged to the Debtor are the standard hourly rates that Sidley bills its clients for work of this nature, minus a 10 percent discount agreed to between Sidley and the Debtor. These rates are designed to fairly compensate Sidley for the work of its attorneys and paralegals and to cover fixed overhead expenses. These rates do not include charges for expenses directly incurred in connection with services to a particular client, such as telephone

charges, duplicating, travel, working meals where a client is in attendance, computerized research, postage, messengers, couriers, document processing, corporate filing and document retrieval services. Sidley, as a policy, bills all such charges to the particular client for whom the related services are performed or other expenses incurred.

#### ALLOWANCE OF COMPENSATION

- 14. Sidley is cognizant of the factors considered by the courts in determining allowances of compensation under section 331 of the Bankruptcy Code. Consideration of those factors to this Application more than justifies the compensation requested.
- 15. The Time And Labor Required. The professional services rendered by Sidley required substantial time and effort. Specifically, Sidley responded to efforts by Debtor's opponent to deny review of the South Carolina Supreme Court's case, drafted briefs in support of Debtor's position before the United States Supreme Court, and prepared for and presented oral argument before the United States Supreme Court. Ultimately, the United States Supreme Court issued a decision on June 23, 2003, that vacated the South Carolina Supreme Court's confirmation of the adverse arbitral awards, and remanded the case for further proceedings before the arbitrator. During the compensation period, 762.10 recorded hours were expended by Sidley partners, counsel, associates, staff attorneys and legal assistants in providing the professional services described in this Application.
- 16. The Rates Charged For Such Services. During the compensation period,
  Sidley's hourly billing rates ranged from \$375 to \$725 per hour for partners and \$250-\$310 for

<sup>[</sup>Footnote continued from previous page]

<sup>&</sup>lt;sup>2</sup> Sidley will promptly disgorge any or all of this \$109,826.81 payment to the extent its fees are [Footnote continued on next page]

associates, and from \$65 to 135 for legal assistants. These billing rates represent customary rates that are routinely billed to the firm's many clients. As discussed, Sidley has agreed to discount its above-stated rates by 10%.

- 17. The Necessity of the Services and Benefit to the Estate. As detailed above, the services Sidley provided were necessary to preserve the Debtor's assets and conferred substantial benefit on the Debtor's estate. Sidley's services have furthered the Debtor's ultimate objective of an orderly liquidation of its business, thus advancing the policy reflected in the Bankruptcy Code.
- Addressed. The complexity, importance and nature of the matters Sidley has addressed during the Compensation Period justify the compensation sought by Sidley in this Application. As is more fully detailed above, Sidley believes that it has been able to resolve several difficult and complex questions as they have arisen in an expeditious and efficient manner.
- 19. Customary Compensation. Sidley relies on the Court's experience and knowledge with respect to the compensation awards in similar cases. Given that frame of reference, Sidley submits that, in light of the circumstances of the case and the substantial benefits derived from Sidley's assistance, compensation in the amount requested is fair and reasonable.
- 20. Time Constraints Required by the Exigencies of the Case. On many occasions, Sidley attorneys rendered services on behalf of the Debtor under time constraints.

  Moreover, during the Compensation Period, Sidley attorneys frequently undertook matters on

<sup>[</sup>Footnote continued from previous page] disallowed by this Court.

behalf of the Debtor, to the preclusion of other firm matters and clients. Often, the services were performed after regular business hours.

- 21. Experience, Reputation and Ability of the Attorneys Rendering Services.

  Sidley's services have been rendered in a highly efficient manner by attorneys who have achieved a high degree of expertise in the field of bank regulatory law. The skill and competency of the Sidley attorneys who have represented the Debtor are unquestionable.

  Sidley's highly professional group of attorneys has helped to ensure that this case was administered in the most efficient and expeditious manner under the circumstances.
- December 1999 the Debtor has employed Sidley as its counsel for issues before the Supreme Court, and, in particular, legal issues involving the Federal Arbitration Act. Sidley's experience with the Debtor and its understanding of the Debtor's business and the legal issues affecting Debtor's business assisted the Debtor's in its efforts to achieve an orderly liquidation.
- Based on the factors to be considered under section 331 of the Bankruptcy Code, the full allowance of Sidley's compensation and reimbursement request is justified.

#### **DISBURSEMENTS**

- 24. For the Compensation Period, Sidley requests reimbursement of \$9,131.00 for reasonable and necessary out-of-pocket expenses incurred on behalf of the Debtor.
- 25. Sidley has not sought reimbursement for proofreading services, luxury accommodations or deluxe meals. Sidley does not seek compensation for first-class airfare.

  Rather, Sidley attorneys travel by coach for domestic air travel, with any upgrade being at the attorney's own expense. Sidley charges its clients \$0.11 per page for photocopying.

- Any services billed by a third party vendor, with the exception of certain computerized research charges, are charged to the Debtor in the precise amount billed to and paid by Sidley. Like many large law firms, Sidley has negotiated a special arrangement with one computerized research company under which Sidley pays a flat rate monthly fee for computerized research services. To pass through Sidley's cost savings resulting from its special arrangement, Sidley charges clients for whom such services are required eighty percent of the rates charged by the computerized research company to the general public for these same services. These charges are intended to cover Sidley's direct costs for computerized research. A determination of Sidley's actual direct cost for computerized research, however, is dependent upon both the volume of the research performed and the total expenses attributable to such research on an annual basis. As a result, it is possible that Sidley will ultimately realize a discount greater than the twenty percent passed on to the client.
- 27. Sidley has made every effort to minimize its disbursements in this case. Each of the expenses incurred by Sidley in providing professional services to the Debtor was necessary, reasonable and justified under the circumstances to serve the needs of the Debtor, its estate and creditors.

#### **CONCLUSION**

28. Sidley's services have resulted in significant benefits to the Debtor and its estate. Accordingly, Sidley respectfully submits that its request for compensation and reimbursement of expenses is reasonable and is more than justified by the benefits received by the Debtor and its estate and that Sidley's request for professional compensation and expense reimbursement set forth herein, therefore, should be allowed and paid in full.

WHEREFORE Sidley respectfully requests entry of an order substantially in the form attached hereto as Exhibit B granting (a) the allowance of final compensation for professional services rendered during the Compensation Period in the amount of \$236,875.05 and reimbursement of expenses in the amount of \$9,131.00; (b) the Debtor the authority to remit to Sidley any amounts due and owing; and (c) such other and further relief as is just and proper.

Dated: Washington, D.C. October 9, 2003

MOLEX AUSTIN BROWN & WOOD LLP

Guy S. Neal

Matthew A. Clemente (IL Bar No.6255757) Paul J. Stanukinas (IL Bar No. 6275979)

1501 K Street N.W.

Washington, D.C. 20005

Tel: (202) 736-8000 Fax: (202) 736-8711

# **EXHIBIT A**

Time Records

PRICAGO DAULAS LOS ANGELES NEW YORK

SAN FRANCISCO

WASHINGTON, D.C.

BANK ONE PLAZA 10 SOUTH DEARBORN STREET CHICAGO, ILLINOIS 60603 TELEPHONE 312 853 7000 FACSIMILE 312 853 7036

FOUNDED 1866

521057  $G \otimes N \otimes V A$ 

HONG RONG

LONDON SHANGHAL

SINGAPORE

TOKYO

FEDERAL ID 36-4474078

June 13, 2003

Brian F. Corev Conseco, Incorporated 345 St. Peter Street 1100 Landmark Towers St. Paul, MN 55102-1639

PLEASE INDICATE INVOICE NUMBER ON REMITTANCE Invoice Number 23030951 Client Matter 06364-40250

For legal services rendered through April 30, 2003 in connection with the following:

	Fees	Expenses	Total
Bazzle v. Green Tree Financial Corp.	\$119,731.00	\$2,068.91	\$121,799.91
Less 10% Discount	<u>-11,973.10</u>		
Totals After Discount	\$107,757.90	\$2,068.91	\$109,826.81
Total Due This Bill			\$109,826,81

	Billed To Date: (Inclusive of Current Invoice)	Fees	Expenses	Total
7	Fotal Billed Current Year	\$236,875.05	\$9,131.00	\$246,006.05
7	Cotal Billed From Inception of Matter	324,459.00	14,501.43	338,960.43

Remit Check Payments To: Sidley Austin Brown & Wood Bank One Plaza 10 S. Dearborn Street Chicago, Illinois 60603

Remit Wire Payments To: Sidley Austin Brown & Wood Bank One, NA Account Number: 5519624

ABA Number: 071000013

Bazzle v. Green Tree Financial Corp.

#### TIME DETAIL

Date	Name	Hours	Narrative	Value
04/01/03	CK Marshail	3.30	Read briefs of respondents and amici in support of respondents	\$1,023.00
04/01/03	CG Phillips	.50	Telephone call with B. Corey	362.50
04/01/03	CG Phillips	1.00	Review respondents' brief & amici briefs	725.00
04/01/03	CG Phillips	.50	Outline response points	362.50
04/01/03	G Vander Jagt	3.50	Review and outline Respondents' and amici briefs for new arguments, caselaw	875.00
04/02/03	CK Marshall	4.40	Read briefs of respondents and amici in support of respondents, and begin preparing for drafting reply brief	1,364.00
04/02/03	CK Marshali	.30	Prepare outline for reply brief	93.00
04/02/03	CK Marshall	1.00	Meet with Ginny Vander Jagt to discuss outline and drafting of reply brief	310.00
04/02/03	CG Phillips	.50	Study briefs	362.50
04/02/03	CG Phillips	.50	E-mail with Marshall	362.50
04/02/03	CG Phillips	.50	Review outline of reply	362.50
04/02/03	G Vander Jagt	1.00	Draft list of Respondents' arguments	250.00
04/02/03	G Vander Jagt	.80	Meet with C. Marshall	200,00
04/03/03	CK Marshall	1.10	Revise outline for reply brief	341.00
04/03/03	CK Marshall	- ,50	Discuss with V. Vander Jagt	155.00
04/03/03	CK Marshall	.70	Prepare revised outline	217.00
04/03/03	CK Marshall	.20	Meet with C. Phillips to discuss draft outline for reply brief	62.00
04/03/03	CK Marshall	.50	Prepare outline for reply brief	155.00
04/03/03	CG Phillips	2.50	Outline reply points	1,812.50
04/03/03	CG Phillips	.20	Meeting with K. Marshall & G. Vander Jagt	145.00
04/03/03	G Vander Jagt	1.80	Draft outline	450.00
04/03/03	G Vander Jagt	.20	Meet with C. Phillips, C. Marshall regarding reply brief	50.00
04/03/03	G Vander Jagt	1,50	Review Respondent amici briefs	375.00
04/03/03	PJ Zidlicky	.50	Review respondents' brief	200.00
04/04/03	CK Marshali	.30	Revise outline for reply brief, and discuss with P.	93.00

Date	Name	Hours	Narrative	Value
			Zidlicky	
04/04/03	CK Marshall	1.30	Begin drafting portion of reply brief	403,00
04/04/03	CG Phillips	.70	Draft reply arguments	507,50
04/04/03	G Vander Jagt	1.00	Review Petitioner amici briefs	250.00
04/04/03	G Vander Jagt	3.00	Draft reply brief	750.00
04/04/03	PJ Zidlicky	1.00	Discuss reply brief with K. Marshall and G. Vander Jagt	400.00
04/05/03	G Vander Jagt	2.80	Draft reply brief	700.00
04/06/03	G Vander Jagt	4.00	Draft reply brief	1,000.00
04/07/03	CK Marshall	12.80	Draft reply brief	3,968.00
04/07/03	CG Phillips	.50	Draft argument sections	362.50
04/07/03	CG Phillips	.50	E-mails with A. Kaplinsky	362.50
04/07/03	G Vander Jagt	1.00	Meet with C. Marshall	250.00
04/07/03	G Vander Jagt	6.00	Draft reply brief	1,500.00
04/07/03	PJ Zidlicky	.30	Discuss same with K. Marshall	120,00
04/07/03	PJ Zidlicky	3.70	Review respondents' brief	1,480.00
04/08/03	CK Marshall	13.80	Draft and edit reply brief	4,278.00
04/08/03	CG Phillips	.50	Office conference with P. Zidlicky	362.50
04/08/03	CG Phillips	1,00	Research & review draft reply section	725.00
04/08/03	G Vander Jagt	12.50	Revise reply brief	3,125.00
04/08/03	G Vander Jagt	.50	Meet with P. Zidlicky	125.00
04/08/03	PJ Zidlicky	1.30	Review amicus briefs in support of respondent	520.00
04/08/03	PJ Zidlicky	,50	Discuss issues with C. Phillips	200.00
04/08/03	PJ Zidlicky	.50	Discuss reply with G. Vander Jagt	200,00
04/08/03	PJ Zidlicky	.50	Discuss reply with K. Marshall	200.00
04/08/03	PJ Zidlicky	.20	Discuss issues with C. Lipsett from Wilmer Cutler & Pickering	80.00
04/08/03	PJ Zidlicky	1.00	Review respondents' brief	400,00
04/09/03	RC Luce	4.80	Assemble and organize materials for oral argument binder for C. Phillips	648.00
04/09/03	CK Marshall	7.40	Revise and edit reply brief	2,294.00

Date	Name	Hours	Narrative	Value
04/09/03	CK Marshall	1.00	Meet with P. Zidlicky to discuss revisions of reply brief	310.00
04/09/03	CK Marshall	1.10	Review portion of reply brief drafted by G. Vander Jagt	341.00
04/09/03	CG Phillips	,20	Office conference with P. Zidlicky	145.00
04/09/03	CG Phillips	1.00	Draft inserts to reply	725,00
04/09/03	G Vander Jagt	1,00	Meet with P. Zidlicky, C. Marshall	250.00
04/09/03	G Vander Jagt	7.00	Revise reply brief draft	1,750.00
04/09/03	PJ Zidlicky	8.50	Review draft sections of reply brief	3,400.00
04/09/03	PJ Zidlicky	1,00	Discuss revisions to same with K. Marshall and G. Vander Jagt	400.00
04/10/03	I Hung	2.00	Assemble oral argument binder	230.00
04/10/03	RC Luce	.10	Email briefs to P. Zidlicky and V. Barnes	13.50
04/10/03	RC Luce	1.20	Complete oral argument binder for C. Phillips	162.00
04/10/03	CK Marshall	1.10	Revise and edit reply brief	341.00
04/10/03	CK Marshall	3.40	Review and edit portions of reply brief revised by G. Vander Jagt and P. Zidlicky, including discussions with P. Zidlicky	1,054.00
04/10/03	G Vander Jagt	2.00	Research contract law	500.00
04/10/03	G Vander Jagt	3.30	Cut, revise reply brief	825.00
04/10/03	PJ Zidlicky	9.00	Draft reply brief	3,600.00
04/10/03	PJ Zidlicky	1.00	Discuss with C. Marshall and G. Vander Jagt	400.00
04/11/03	RC Luce	.30	Coordinate cite checking schedule for reply brief	40.50
04/11/03	CK Marshall	1.90	Edit draft of reply brief, including discussions with P. Zidlicky	589.00
04/11/03	G Vander Jagt	2.50	Review, edit revised brief, review Respondents' brief	625.00
04/11/03	PJ Zidlicky	.50	Discuss draft with K. Marshall	200.00
04/11/03	PJ Zidlicky	2.00	Incorporate changes suggested by C. Phillips	800.00
04/11/03	PJ Zidlicky	7.30	Draft reply brief	2,920.00
04/11/03	PJ Zidlicky	.20	Discuss same with C. Phillips	80.00
04/12/03	CG Phillips	.50	Revise draft brief	362.50
04/12/03	CG Phillips	.20	Telephone call with P. Zidlicky	145.00
04/12/03	PJ Zidlicky	.10	Telephone conference with C. Phillips regarding reply	40.00

Invoice Number: 23030951 Conseco Services, L.L.C

Date	Name	Hours	Narrative	Value
			brief	
04/13/03	I Hung	3.80	Cite check reply brief	437.00
04/13/03	RC Luce	.50	Create and edit table of authorities for reply brief	67,50
04/13/03	RC Luce	3.30	Cite check brief	445.50
<b>04/13/0</b> 3	CG Phillips	3,00	Prepare for oral argument	2,175.00
04/13/00	CG Phillips	.50	Review & revise briefs	362.50
04/13/03	PJ Zidlicky	2.50	Revise reply brief	1,000.00
04/13/00	PJ Zidlicky	.50	Discuss same with C. Phillips	200.00
04/14/03	I Hung	5,50	Cite check reply brief	632.50
04/14/03	RC Luce	3.80	Cite check brief	513,00
<b>04/14/0</b> 3	RC Luce	1.00	Format table of authorities	135.00
04/14/03	RC Luce	1,00	Edit filing documents	135.00
04/14/03	RC Luce	1.00	Create and edit cover and table of contents for reply brief	135,00
04/14/03	CK Marshall	4.10	Review and edit draft reply brief	1,271.00
04/14/03	CG Phillips	.50	Office conference with P. Zidlicky	362.50
04/14/03	CG Phillips	1.00	Revise reply brief	725.00
<b>04/14/0</b> 3	CG Phillips	2.00	Prepare for oral argument	1,450.00
04/14/03	PJ Zidlicky	1.00	Discuss research issues with G. Vander Jagt and K. Marshall	400.00
04/14/ <b>0</b> 3	PJ Zidlicky -	9,00	Revise reply brief in response to comments by C. Phillips and A. Kaplinsky	3,600.00
04/14/0፡፡	PJ Zidlicky	.50	Telephone conference with B. Corey	200.00
04/15/03	I Hung	.50	Prepare service mailings	57.50
04/15/03	I Hung	,50	Mail out service briefs	5 <b>7.5</b> 0
04/15/03	I Hung	,50	File reply brief to Supreme Court	57.50
04/15/03	I Hung	.50	Distribute briefs in office	57.50
04/15/0%	I Hung	2.00	Paginate Table of Authorities	230.00
04/15/0÷	RC Luce	3,00	Proofread and edit reply brief	405.00
04/15/03	RC Luce	.60	Prepare brief for filing	81.00

Invoice Number: 23030951 Consect Services, L.L.C

Date	Name	Hours	Narrative	Value
04/15/03	RC Luce	.20	Email PDF copy of brief to clerk of the Supreme Court	27,00
04/15/03	CK Marshall	.60	Review final version of reply brief	186.00
04/15/03	CK Marshall	1.00	Review and edit draft reply brief	310.0 <b>0</b>
04/15/03	CG Phillips	4.00	Prepare for oral argument	2,900.00
04/15/03	CG Phillips	.50	Office conference with P. Zidlicky	3 <del>6</del> 2.50
04/15/03	CG Phillips	1.00	Finalize brief for filing	725.00
04/15/03	PJ Zidlicky	4.50	Finalize reply brief	1,800.00
04/15/03	PJ Zidlicky	.50		200.00
04/16/03	SB Kinnaird	2.00	Begin reading briefs	800,00
04/16/03	CG Phillips	5.50	Prepare for oral argument	_ 3,987.50
04/17/03	JR Guerra	4.80	Prepare for and participate in moot court	2,520.00
04/17/03	SB Kinnaird	.50	Research state arbitration acts	200,00
04/17/03	SB Kinnaird	5.00	Read briefs and FAA cases	2,000.00
04/17/03	SB Kinnaird	2.00	Participate in prep session	800.00
04/17/03	RC Luce	.30	Obtain copies of statutes for P. Zidlicky and C. Phillips	40.50
04/17/03	CK Marshall	2.00	Preparation session for oral argument	620.00
04/17/03	CK Marshall	.20	Discussions with P. Zidlicky	62.00
<b>04/17/0</b> 3	CG Phillips	,50	Office conference with J. Guerra	362.50
04/17/03	CG Phillips	2.00	Moot court with amici & others	1,450.00
04/17/03	CG Phillips	.50	Office conference with P. Zidlicky	362,50
04/17/03	CG Phillips	3.00	Prepare for oral argument	2,175.00
04/17/03	PJ Zidlicky	4.00	Prepare for and attend moot court	1,600.00
04/17/03	PJ Zidlicky	.50	Discuss issues with C. Phillips	200,00
04/17/03	PJ Židlicky	1.50	Prepare questions and answers for oral argument	600.00
04/18/03	SB Kinnaird	.30	Emails with C. Phillips regarding FAA preemption	120,00
04/18/03	CK Marshall	. <del>9</del> 0	In preparation for oral argument, review briefs to S.C. Supreme Court and draft e-mail to P. Zidlicky on findings	279.00
04/18/03	CG Phillips	.30	Office conference with P. Zidlicky	217.50
04/18/03	CG Phillips	6.00	Prepare for oral argument	4,350.00
04/18/03	CG Phillips	.20	Telephone call with B. Corey	145.00

Date	Name	Hours	Narrative	Value
04/18/07	PJ Zidlicky	2.00	Draft possible questions and answers in preparation for oral argument	800.00
04/18/07	PJ Zidlicky	.50	Review pleadings	200.00
04/18/03	PJ Zidlicky	.50	Discuss same with C. Phillips	200.00
04/19/03	CG Phillips	3.50	Prepare for oral argument	2,537.50
04/20/03	CG Phillips	2,00	Prepare for oral argument	1,450.00
04/21/03	SB Kinnaird	.30	Discuss oral argument strategy with C. Phillips	120.00
04/21/03	CK Marshall	.40	Discussion with P. Zidlicky of possible questions and answers for oral argument	124,00
04/21/03	CG Phillips	.20	Telephone call with A. Kaplinsky	<b>=</b> 145.00
04/21/03	CG Phillips	.50	Office conference with P. Zidlicky	362.50
04/21/03	CG Phillips	4.80	Final preparation for argument	3,480.00
04/21/03	PJ Zidlicky	3.00	Prepare possible questions and answers for Supreme Court argument	1,200.00
04/21/03	PJ Zidlicky	.50	Review various legal issues and factual issues in preparation for oral argument	200.00
04/21/03	PJ Zidlicky	.30	Review and provide comment on draft oral argument prepared by C. Phillips	120.00
04/21/03	PJ Zidlicky	.50	Discuss same with C. Phillips	200.00
04/21/03	PJ Zidlicky	.20	Discuss : with B. Corey and R. Byrd	80.00
04/22/03	CK Marshall	3.00	Oral argument	930.00
04/22/03	CG Phillips	,20	Office conference with P. Zidlicky	145,00
04/22/03	CG Phillips	1.00	Post-argument meeting with client & co-counsel	725,00
04/22/03	CG Phillips	5.50	Prepare for & present oral argument	3,987.50
04/22/03	PJ Zidlicky	3.00	Prepare for and attend oral argument	1,200.00
04/22/03	PJ Zidlicky	,80	Discuss legal issues with C. Phillips and K. Marshall	320.00
04/23/03	CG Phillips	.20	Telephone call with A. Kaplinsky re: oral argument	145.00
04/23/03	PJ Zidlicky	.20	Conference call with C. Phillips, A. Kaplinsky and M. Levin regarding oral argument	80,00
05/28/03	CG Phillips	.30	E-mail from B. Burkett	217.50

CHICAGO

Invoice Number: 23030951 Conseco Services, L.L.C

Date Name	Hours Narrative	Value
Totals	310.10	\$119,731.00
Less 10% Discount		<u>-11.973.10</u>
Adjusted Fees	•	\$107,757.90

Invoice Number: 23030951 Conseco Services, L.L.C

Bazzle v. Green Tree Financial Corp.

#### TIME SUMMARY

Name	Title	Rate	Hours	Value
CG Phillips	Partner	\$725.00	60.00	\$43,500.00
JR Guerra	Partner	525,00	4.80	2,520.00
SB Kinnaird	Partner	400.00	10.10	4,040.00
PJ Zidlicky	Partner	400,00	<b>75</b> ,10	30,040.00
CK Marshall	Associate	310.00	68.30	21,173.00
G Vander Jagt	Associate	250.00	55.40	13,850.00
RC Luce	Legal Assistant	135.00	21.10	2,848.50
I Hung	Legal Assistant	115.00 .	15.30	1,759.50
Totals			310,10	\$119,731.00
Less 10% Discount				<u>-11.973.10</u>
Adjusted Fees				\$107,757.90

DALLAS

LOS ANGELES

NEW YORK

SAN FRANCISCO

BANK ONE PLAZA 10 SOUTH DEARBORN STREET CHICAGO, ILLINOIS 60603 TELEPHONE 312 853 7000 FACSIMILE 312 853 7036 BEILING
GENEVA
HONG KONG
LONDON
SHANGHAL
SINGAPORE

WASHINGTON, D.C.

FOUNDED 1866

FEDERAL ID 36-4474078

April 29, 2003

Brian F. Corey Conseco, Incorporated 345 St. Peter Street 1100 Landmark Towers St. Paul, MN 55102-1639

PLEASE INDICATE INVOICE NUMBER ON REMITTANCE Invoice Number 23021182 Client Matter 06364-40250

For legal services rendered through March 31, 2003 in connection with the following:

	Fees	Expenses	Total
Bazzie v. Green Tree Financial Corp.	\$143,463.50	\$7,062.09	\$150,525.59
Less 10% Discount	<u>-14,346.35</u>		
Totals After Discount	\$129,117.15	\$7,062.09	\$136,179.24
Total Due This Bill			\$136.179.24

Billed To Date: (Inclusive of Current Invoice)	Fees	Expenses	Total
Total Billed Current Year	\$129,117.15	\$7,062.09	\$136,179.24
Total Billed From Inception of Matter	216,701.10	12,432.52	229,133.62

Remit Check Payments To: Sidley Austin Brown & Wood Bank One Plaza 10 S. Dearborn Street Chicago, Illinois 60603 Remit Wire Payments To: Sidley Austin Brown & Wood Bank One, NA

Account Number: 5519624 ABA Number: 071000013

Bazzle v. Green Tree Financial Corp.

#### TIME DETAIL

Date	Name	Hours	Narrative	Value
12/24/02	DR Kuney	.50	Telephone conference re bankruptcy issues	\$262.50
12/24/02	PJ Zidlicky	.10	Telephone conference with B. Corey and D. Kuney regarding bankruptcy issues relating to prosecution of Bazzle case	37.50
01/02/03	CG Phillips	.50	Telephone calls with P. Zidlicky re: stay issues	362.50
01/06/03	CG Phillips	.20	Office conference with P. Zidlicky	145,00
01/06/03	PJ Zidlicky	1.00	Conduct research based upon caselaw identified by D. Kuney on issue of automatic stay; discuss issues with C. Phillips.	400.00
01/10/03	CG Phillips	.50	Telephone conference re; office conference with P. Zidlicky	362.50 ;∓
01/10/03	PJ Zidlicky	2.00	Telephone conference with B. Corey recentiorari; discuss same with C. Phillips and K. Marshall	800.00
01/13/03	PJ Zidlicky	1.50	Telephone conference with T. Ryan re	600.00
01/14/03	PJ Zidlicky	.30	Office conference with K. Marshall regarding arguments for merits brief	120.00
01/15/03	DR Kuney	1.50	Draft letter to Supreme Court	825.00
01/15/03	CK Marshali	.20	Discussions with Sidley attorney regarding work on merits brief	62.00
01/15/03	CK Marshall	.20	Research jurisdictional question relating to Green Tree's bond	62.00
01/15/03	CG Phillips	1.20	review respondents' letter to chent; telephone conference with P. Zidlicky; telephone conference with Kuney	870.00
01/15/03	PJ Zidlicky	.20	Telephone conference with C. Phillips and D. Kuney regarding Respondents' letter to Supreme Court	80.00
01/16/03	DR Kuney	1.50	Work on issues involving relief from stay; calls to C. Phillips and P. Zidlicky	<b>825</b> .0 <b>0</b>
01/16/03	RC Luce	4.30	Obtain Supreme Court briefs for D. Brown; file and	580.50

Invoice Number: 23021182 Conseco Services, L.L.C

Date	Name	Hours	Narrative	Value
			serve letter to Supreme Court	
01/16/03	CK Marshall	.70	Research jurisdictional question relating to Green Tree's bond	217.00
01/16/03	CK Marshall	3.40	Assist with response to Bazzle's letter to court regarding bankruptcy stay, including legal research	1,054.00
01/16/03	CG Phillips	2.00	Telephone conference with C. Vasil; telephone conference with D. Kuney and P. Zidlicky; revise draft letter; review motions for bankruptcy court	1,450.00
01/16/03	PJ Zidlicky	6.50	Draft response to letter by respondents' counsel regarding impact of bankruptcy on Supreme Court's decision to grant certiorari;  review and revise draft pleadings to bankruptcy court asking that automatic stay be lifted immediately	2,600.00
01/17/03	RC Luce	.50	Mail courtesy copies of letter to respondents' co-counsel	67.50
01/17/03	PJ Zidlicky	1.00	Telephone conference with B. Corev	, 400,00
01/18/03	G Vander Jagt	.50	Meet with P. Zidlicky re brief and background	125.00
01/18/03	PJ Zidlicky	.50	Collect and forward relevant materials to bankruptcy counsel in preparation for emergency hearing; discuss case with V, Vander Jagt	200.00
01/20/03	G Vander Jagt	3.00	Read filings in Green Tree v. Bazzle; review FAA cases	750.00
01/20/03	PJ Zidlicky	2,20	Travel to Chicago in connection with emergency hearing before the bankruptcy court; provide comments on pleadings to be filed with bankruptcy court	880.00
01/21/03	CG Phillips	.70	Telephone call with P. Zidlicky; draft letter to clerk; telephone call with C. Vasil at Supreme Court	507.50
01/21/03	PJ Zidlicky	6.00	Discuss strategy for bankruptcy hearing with A. Huber; attend bankruptcy hearing; telephone conference with C. Phillips regarding same; review letter filed with Supreme Court regarding result of emergency bankruptcy hearing; travel to D.C. from bankruptcy hearing; discuss same with A. Kaplinsky	2,400.00
01/22/03	CG Phillips	.50	Review letter from respondents; office conference with P. Zidlicky	362.50
01/22/03	PJ Zidlicky	1,00	Review letter from respondents' counsel to Clerk of	400.00

CHICAGO

Invoice Number: 23021182 Conseco Services, L.L.C

		V*	NT	Value
Date	Name	Hours	Narrative  Court regarding bankruptcy's impact on Supreme Court review; discuss same with C. Phillips; telephone conference with potential amicus curiae	
01/23/03	RC Luce	3,30	File letter with Supreme Court; send PDF version of letter to clerk of Supreme Court; serve letter by mail; fax letter to opposing counsel; send courtesy copies of letter to opposing co-counsel.	445.50
01/23/03	CK Marshall	.30	Edit draft letter to Court regarding bankruptcy stay	93.00
01/23/03	CG Phillips	.70	. ; office conference with P. Zidlicky; e-mails re: amici	507.50
01/23/03	PJ Zídlicky	4.50	Draft letter in response to respondents' letter regarding effect of bankruptcy court action on Supreme Court appeal	1,800.00
01/24/03	CK Marshall	1.30	Prepare for and attend meeting with P. Zidlicky regarding drafting of merits brief	403.00
01/24/03	CG Phillips	.50	Telephone call with P. Zidlicky re: clerk's call; review respondent's letter	362.50
01/24/03	G Vander Jagt	2.50	Meet with P. Zidlicky, K. Marshall; review state court opinions	625.00
01/24/03	PJ Zidlicky	2.50	Office conference with K. Marshall and G. Vander Jagt regarding brief on the merits; telephone conference with clerk of Supreme Court regarding Court action on respondent's letter; telephone conference with R. Samp regarding amicus support	1,000.00
01/25/03	G Vander Jagt	8,80	Research class actions and class-wide arbitration issues	2,200.00
01/26/03	G Vander Jagt	6.00	Research class actions and class-wide arbitration issues; FAA cases	1,500.00
01/27/03	RC Luce	.30	Conduct research on dockets for court of appeals and district court cases below	40.50
01/27/03	CG Phillips	1.00	Review joint appendix materials; office conference with P. Zidlicky	<i>7</i> 25.00
01/27/03	PI Zidlicky	.10	Telephone conference with counsel for Respondent regarding Joint Appendix	40.00
01/28/03	JV Bosh	.50	Research re: Obtain a copy of three docket sheets from South Carolina Courts	32.50
01/28/03	RC Luce	1.00	Complete request for dockets through library; create	135.00

- 4

# SIDLEY AUSTIN BROWN & WOOD

Invoice Number: 23021182 Conseco Services, L.L.C

		- U	<b>N1</b>	Value
Date	Name	Hours		T MUC
			PDF file from respondents' merits brief	070.00
01/28/03	CG Phillips	1,20	Outline argument points for Bazzle brief, review e-mail from Debtor's counsel	870.00
01/28/03	PJ Zidlicky	.20	Review documents	<b>80.00</b>
01/29/03	RC Luce	2.30	Create and edit cover and table of contents for Joint Appendix	310.50
01/29/03	CK Marshall	2.30	Gather and review materials in preparation for drafting merits brief	713.00
01/29/03	PJ Zidlicky	4.00	Review record in connection with designation of materials for joint appendix; correspond with potential amici curiae	1,600.00
01/30/03	RC Luce	.80	Assemble materials for Joint Appendix; deliver materials to printer	108.00
01/30/03	CK Marshall	7.60	Research case law and review cases on Federal Arbitration Act and other matters, in preparation for drafting merits brief	2,356.00
01/30/03	G Vander Jagt	2.70	Research class action opinions; draft outline	675,00
01/31/03	CK Marshall	6.30	Research case law and review cases on Federal Arbitration Act and other matters, in preparation for drafting merits brief	1,953,00
01/31/03	CK Marshall	1.50	Meeting with P. Zidlicky and G. Vander Jagt regarding drafting merits briefs	465.00
01/31/03	CM Morrissey	1.00	Research re: Obtain pieces of the legislative history for the Federal Arbitration Act	65.00
01/31/03	CG Phillips	2.20	Research & outline argument points; telephone call with	1,595.00
01/31/03	G Vander Jagt	4.50	Meet with P. Zidlicky, K. Marshall; draft outline; research FAA cases	1,125.00
01/31/03	PJ Zidlicky	2.50	Telephone conference regarding amicus curiae participation; discuss merits brief with V. Vander Jagt and K. Marshall	1,000.00
02/01/03	G Vander Jagt	6,00	Draft Dean Witter analysis, research analogous cases	1,500.00
02/02/03	G Vander Jagt	7.00	Draft Dean Witter analysis, research class action cases	1,750.00
02/03/03	SI Pacifici	.80	Research re: Obtain a copy of an article entitled "Of Legalized Blackmail and Legalized Theft: Consumer	60.00

Invoice Number: 23021182 Conscco Services, L.L.C

Date	Name	Hours	Narrative	Value
			Class Actions and the Substance-Procedure Dilemma" in 47 Southern California Law Review 842 (1974)	
02/03/03	PJ Zidlicky	.70	Discuss amicus support issues with Drew Paris from Kirkland & Ellis	280.00
02/04/03	CK Marshall	.30	Discussion with P. Zidlicky	93.00
02/04/03	CG Phillips	1.50	Research & outline argument; office conference with P. Zidlicky; review Joint Appendix materials; telephone call with P. Zidlicky	1,087.50
02/04/03	G Vander Jagt	3.80	Draft Part II of brief	950.00
02/04/03	PJ Zidlicky	1.50	Discuss merits brief with K. Marshall; same with V. Vander Jagt; same with C. Phillips	600,00
02/05/03	CK Marshall	.50	Research case law and review cases on Federal Arbitration Act and other matters, in preparation for drafting merits brief	155.00
02/05/03	CG Phillips	2,20	Office conference with P. Zidlicky; draft introduction to brief; research	1,595.00
02/05/03	G Vander Jagt	7.00	Draft Part II of brief	1,750.00
02/06/03	CK Marshall	6.10	Draft portion of merits brief	1,891.00
02/06/03	CG Phillips	1,50	Research and outline argument points and draft potential inserts	1,087.50
02/06/03	G Vander Jagt	4.00	Review record excerpts	1,000,00
02/07/03	DR Kuney	.20	Telephone conference with J. Sable	110.00
02/07/03	CK Marshall	5.60	Draft portion of merits brief	1,736.00
02/07/03	CG Phillips	.80	Telephone call with Amici counsel	580.00
02/07/03	G Vander Jagt	5.20	Meet with K. Marshall re brief; research judicial estoppel and draft Part II of brief	1,300.00
02/07/03	PJ Zidlicky	.50	Discuss FAA arguments with K. Marshall	200.00
02/08/03	CK Marshall	3.50	Draft portion of merits brief	1,085,00
02/08/03	G Vander Jagt	10.00	Research and draft Part II of brief	2,500.00
02/09/03	G Vander Jagt	11.00	Research and draft Part II of brief	2,750.00
02/10/03	RC Luce	.30	Telephone printer to check on status of joint appendix	40.50
02/10/03	CK Marshall	9.10	Draft and edit portions of merits brief	2,821.00

Invoice Number: 23021182 Conseco Services, L.L.C

Date	Name	Hours	Narrative	Value
02/10/03	G Vander Jagt	3.00	Draft Part II of brief	750.00
02/10/03	PJ Zidlicky	.50	Review petition for certiorari and draft opening statement	200.00
02/11/03	DR Kuney	.40	Memorandum on 327(I)	220.00
02/11/03	RC Luce	2.00	Gather and organize materials for joint appendix; send materials to printer	270.00
02/11/03	CK Marshall	8.30	Edit portions of merits brief and forward to P. Zidlicky	2,573.00
02/11/03	CG Phillips	3,50	Telephone call with Higgins; review motion and objections; telephone call with Higgins; review stipulation; email Zidlicky; review draft sections of brief; research state law class action issues	2,537.50
02/11/03	G Vander Jagt	14.50	Draft Part II of brief; emails with K. Marshall	3,625.00
02/11/03	J Wedeking	1.00	Add pin cites to brief for J. Vander Jagt	115.00
02/12/03	I Hung	1.00	Proofread appendix	115.00
<b>02</b> /12/03	RC Luce	4.50	Gather and organize materials for joint appendix; create docket entries for joint appendix	607.50
02/12/03	CK Marshall	.30	Discussion with P. Zidlicky re: merits brief	93,00
02/12/03	CK Marshall	.10	Work on preparing Joint Appendix	31,00
02/12/03	CG Phillips	1.00	Review designated materials for joint appendix; office conference with P. Zidlicky	725.00
02/12/03	PJ Zidlicky	2.00	Review drafts of merits arguments prepared by V. Vander Jagt and C. Kevin Marshall; begin drafting background sections	800.00
02/13/03	CK Marshall	.40	Discussion with P. Zidlicky re: merits brief	124,00
02/13/03	PJ Zidlicky	2.00	Draft statement of case to merits brief	800.00
02/14/03	RC Luce	.50	Attend meeting with K. Marshall for status report on joint appendix	67.50
02/14/03	CK Marshall	.90	Work on preparing Joint Appendix, including trial court dockets	279.00
02/14/03	CK Marshall	1.00	Read respondents' additions to Joint Appendix and provide comments on these	310,00
02/14/03	CK Marshall	.50	Discussions with P. Zidlicky re: merits brief	155,00
02/14/03	CK Marshail	3.50	Read and respond to various outside comments and suggestions re: merits brief, including reviewing certain	1,085.00

Invoice Number: 23021182 Conseco Services, L.L.C

Date	Name	Hours	Narrative	Value
			caselaw	
02/14/03	CG Phillips	2.00	Read cases; outline argument points	1,450.00
02/14/03	G Vander Jagt	9.00	Research South Carolina law; rewrite brief section; emails with P. Zidlicky and K. Marshall; meet with P. Zidlicky	2,250.00
02/14/03	PJ Zidlicky	4,00	Revise and draft merits brief, review comments by C. Phillips with respect to class action component of case	1,600.00
02/15/03	G Vander Jagt	1.00	Draft brief inserts	250.00
02/15/03	PJ Zidlicky	1.50	Review and revise draft of merits brief	600.00
02/17/03	CK Marshall	1,50	Review drafts of portions of merits brief and re-read respondents' brief in opposition	465.00
02/18/03	CK Marshall	1.00	Discussions with P. Zidlicky re: merits brief	310.00
02/18/03	CK Marshall	2.70	Review and edit draft of merits brief	837.00
02/18/03	CG Phillips	.20	Office conference with P. Zidlicky	145.00
02/18/03	G Vander Jagt	1.30	Review, edit brief	325.00
02/18/03	PJ Zidlicky	12.50	Draft and revise introduction and statement of case; review and revise discussion of Sections 2, 3 and 4 of the FAA; draft illegality and contract interpretation sections	5,000.00
02/19/03	I Hung	3.00	Proofread appendix	345.00
<b>02/19/</b> 03	RC Luce	4.50	Review and proofread page proofs for joint appendix; consolidate edits; return corrected page proofs to printer	607.50
02/19/03	CK Marshall	.20	Discussion with P. Zidlicky re: merits brief	62.00
02/19/03	CK Marshali	3.20	Review and edit draft of merits brief and prepare written comments on draft	992.00
02/19/03	CG Phillips	3.50	Review & revise brief; office conference with P. Zidlicky	2,537.50
02/19/03	G Vander Jagt	5.20	Proofread, edit brief; meet with P. Zidlicky and C. Marshall; draft inserts	1,300.00
02/19/03	PJ Zidlicky	10.00	Revise and draft brief on the merits; discuss outstanding legal issues with V. Vander Jagt and C. Marshall; discuss draft brief with C. Phillips; revise brief and circulate to B. Corey and A. Kaplinsky	4,000.00
02/20/03	RC Luce	4.00	Proofread page proofs for Joint Appendix; create Joint Appendix docket entry; return corrected page proofs to	540.00

: 1

# SIDLEY AUSTIN BROWN & WOOD

Invoice Number: 23021182 Conseco Services, L.L.C

Date	Name	Hours	Natrative	Value
DAG	, terre		printer	
02/20/03	CK Marshall	6.10	Edit drafts of merits brief and joint appendix and conduct additional research for merits brief	1,891.00
02/20/03	CG Phillips	1.00	Review revisions to brief	725.00
02/20/03	G Vander Jagt	10.00	Research standard of review; review, edit current draft of brief; research preclusion of class actions; review, enter edits	2,500.00
02/20/03	PJ Zidlicky	1.00	Review and revise brief on the merits	400.00
02/21/03	I Hung	7.00	Cite check merits brief	805.00
02/21/03	RC Luce	13.80	Fax Joint Appendix materials to opposing counsel; create and edit table of authorities for merits brief, cite check brief	1,863.00
02/21/03	CK Marshall	8.60	Edit drafts of merits brief, conduct additional research for merits brief, and draft insert for merits brief	2,666.00
02/21/03	CG Phillips	2.00	Review edits; office conference with P. Zidlicky; draft inserts	1,450.00
02/21/03	G Vander Jagt	7.00	Proofread, edit, revise brief drafts; email with P. Zidlicky; draft Champ insert; research contract law	1,750.00
02/21/03	PJ Zidlicky	8.00	Review and revise merits brief	3,200.00
02/22/03	CK Marshall	4.60	Review cite check and revise merits brief accordingly	1,426.00
02/22/03	G Vander Jagt	1,00	Review, edit brief draft	250.00
02/22/03	PJ Zidlicky	5.50	Review and revise merits brief; incorporate suggested changes of A. Kaplinsky	2,200.00
02/23/03	I Hung	4.50	Create merits brief cover; cite check brief; proofread brief	517.50
02/23/03	RC Luce	6,00	Create table of contents of merits brief; proofread, edit, and format brief, edit addenda; edit Joint Appendix; take Joint Appendix materials to printer	810.00
02/23/03	G Vander Jagt	1.00	Review, edit brief draft	250.00
02/23/03	PJ Zidlicky	1.20	Review and revise morits brief	480.00
02/24/03	RC Luce	6.50	Edit merits brief, create filing documents; file brief and joint appendix with Supreme Court; serve brief and joint appendix by mail	877.50

Invoice Number: 23021182 Conseco Services, L.L.C

Date	Name	Hours	Narrative	Value
02/24/03	CK Marshall	.70	Review and organize materials from drafting merits brief, in preparation for drafting reply brief	217.00
02/24/03	CK Marshall	4.50	Edit and proofread draft of merits brief	1,395.00
02/24/03	CG Phillips	1.20	Final review of brief	870.00
02/24/03	G Vander Jagt	3.50	Proofread two drafts of brief	<b>87</b> 5.00
02/24/03	PJ Zidlicky	2.50	Finalize merits brief and J.A. for filing; telephone conference with B. Corey regarding same	1,000.00
02/25/03	RC Luce	.30	Distribute merits brief and joint appendix	40.50
02/25/03	CK Marshall	2.20	Read final version of merits brief and conduct research on related case before Supreme Court	682.00
02/25/03	CG Phillips	.50	Read amici briefs	362,50
02/25/03	PJ Zidlicky	.20	Discuss Supreme Court's decision to deny cert. in Szetala with C. Phillips and A. Kaplinsky	80.00
02/26/03	CK Marshall	.40	Discussion with P. Zidlicky re: amicus brief and issues regarding merits brief	124.00
02/26/03	PJ Zidlicky	1.00	Review amicus briefs; discuss standard for determining whether parties submitted issue to arbitrator with C. Marshall; review Supreme Court's decision in First Options regarding same	400.00
03/03/03	PJ Zidlicky	.10	Telephone conference with N. Pillard regarding service of brief	40.00
03/13/03	RC Luce	2.00	Prepare statement of costs, file statement of costs with Supreme Court; serve statement by mail	270.00
03/13/03	CK Marshall	<u>.</u> 30	Respond to requests from Alan Kaplinsky re: amici	93.00
03/17/03	RC Luce	.30	Create PDF file for appendix to petition for certiorari; email file to opposing counsel	40.50
03/25/03	CG Phillips	.70	Review petitioner side briefs in preparation for respondents' filing	507.50
03/26/03	CG Phillips	1.20	Read amicus briefs	870.00
03/28/03	CG Phillips	2.00	Read amici briefs	1,450.00
03/30/03	CG Phillips	1.20	Read respondent's amici briefs	870.00
03/31/03	CG Phillips	2.50	Telephones with B. Corey; P. Zidlicky; read briefs	1,812.50
03/31/03	G Vander Jagt	3.00	Read respondent's and amici briefs	750.00

CHICAGO

Invoice Number: 23021182 Conseco Services, L.L.C

Date Name	Hours Narrative	Value
Totals	452,00	\$143,463.50
Less 10% Discount		<u>-14,346.35</u>
Adjusted Fees		\$129,117.15

Invoice Number: 23021182 Conseco Services, L.L.C

Bazzle v. Green Tree Financial Corp.

#### TIME SUMMARY

Name	Title	Rate	Hours	Value
CG Phillips	Partner	\$725.00	39.70	\$28,782.50
DR Kuney	Partner	550.00	. 3.60	1,980.00
DR Kuney	Partner	525,00	.50	262.50
PJ Zidlicky	Partner	400.00	90.70	36,280.00
PJ Zidlicky	Partner	375.00	.10	37.50
CK Marshall	Associate	310.00	99.90	30,969.00
G Vander Jagt	Associate	250.00	141,50	35,375.00
RC Luce	Legal Assistant	135,00	57.20	7,722.00
I Hung	Legal Assistant	115,00	15.50	1,782.50
J Wedeking	Legal Assistant	115.00	1.00	115.00
SI Pacifici	Legal Assistant	75.00	.80	60.00
JV Bosh	Legal Assistant	65.00	.50	32.50
CM Morrissey	Legal Assistant	65.00	1.00	65.00
Totals	-		452.00	\$143,463.50
Less 10% Discount				<u>-14,346.35</u>
Adjusted Fees				\$129,117.15

# **EXHIBIT B**

Proposed Order

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

-			
1	77	TA.	

Chapter 11

CONSECO INC., et al.,

Case No. 02-49672

Debtor.

Honorable Carol A. Doyle

ORDER GRANTING APPLICATION OF SIDLEY AUSTIN BROWN & WOOD LLP FOR ALLOWANCE AND PAYMENT OF FINAL COMPENSATION FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL TO THE DEBTOR FROM DECEMBER 17, 2002 THROUGH SEPTEMBER 30, 2003 AND FOR REIMBURSEMENT OF EXPENSES

Sidley Austin Brown & Wood LLP ("Sidley"), an ordinary course professional for Conseco, Inc. (the "Debtor") during the course of its chapter 11 case, filed an application for allowance and payment of compensation and reimbursement of expenses incurred in connection with Sidley's representation of the Debtor (the "Application"). The Court has reviewed the Application and it is hereby:

ORDERED that the Application is granted and Sidley is awarded \$236,875.05 as compensation and \$9,131.00 as reimbursement of expenses for a total of \$246,006.05 for services rendered and costs incurred by Sidley as an ordinary course professional of the Debtor for the period of December 17, 2002 through and including September 30, 2003.

Dated:	Chicago, Illinois	2002		
		, 2003		
			TI II	
			The Honorable Carol A. Doyle United States Bankruptcy Judge	