



September 9, 2009

Liz Frasier
U.S. Bankruptcy Court
230 N. First Ave.
Suite 101
Phoenix, AZ 85003

Re: Case # 2:08-bk-7465
Mortgages Limited

FILED

SEP 21 2009

**UNITED STATES
BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

Action Item: **File a Motion**

Dear Liz:

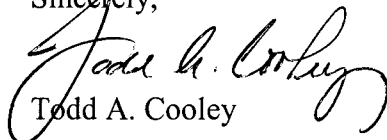
Attached please find the same documents that were previously filed with the Court on June 30, 2009. However at the time of filing, it was not stated that the claim was an Administrative Claim. This was done in error, as we were hired after the original bankruptcy date and were hired in normal course of business, post petition.

Unfortunately when I sent the original paperwork down, I did not realize that I needed to specify that it was an Administrative Claim. As I understand, the original paperwork was recorded as a regular creditor claim and is claim # 1843. This is an error.

Please consider this letter a "Motion" to properly record our administrative claim in the Mortgages Limited Case. Case # 2:08-bk-7465.

If there is anything further that I need to do, please don't hesitate to contact me at 602-230-2420.

Sincerely,


Todd A. Cooley



June 30, 2009

U.S. Bankruptcy Court
Phoenix Division
230 N. First Ave.
Suite 101
Phoenix, AZ 85003

Re: Case # 2:08-bk-7465
Case Name: Mortgages Limited

To Whom It May Concern:

Enclosed please find the outstanding invoices due to Cooley Enterprises, LLC. We worked on behalf of Mortgages Ltd for the past several months and have enclosed the invoices which are still outstanding for services rendered. We would appreciate your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd A. Cooley". The signature is fluid and cursive, with a large, sweeping initial "T".

Todd A. Cooley
President / CEO

Cc: Client File

Cooley Advertising & Public Relations
 4747 N. 7th Street
 Suite 407
 Phoenix, AZ 85014

STATEMENT

Page 1

MORTGAGES, LTD.
 CHRISTINE ZAHEDI
 4455 E. CAMELBACK ROAD
 PHOENIX, AZ 85018

Account No.
 MTGLTD
 Billing Date
 05/22/09

Inv. #	Date	Job ID	Job Desc.	Amount
3635	03/31/09	MTGLTD001	PUBLIC RELATIONS	6,000.00
3667	04/30/09	MTGLTD001	PUBLIC RELATIONS	12,600.00
3703	05/22/09	MTGLTD001	PUBLIC RELATIONS	2,275.00

Current	30 Days	60 Days	90 Days	Balance
14,875.00	6,000.00	0.00	0.00	20,875.00
Terms: NET 20 DAYS				



JOB INVOICE
#3635

CLIENT ID MTGLTD	CLIENT MORTGAGES, LTD. 4455 E. CAMELBACK ROAD PHOENIX, AZ 85018	DATE 03/31/09
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JOB ID MTGLTD001	JOB DESCRIPTION PUBLIC RELATIONS	PAGE 1
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DESCRIPTION	AMOUNT
PROJECT MANAGEMENT	2,230.10
COPYWRITING	1,274.33
PROJECT MANAGEMENT - PUBLIC RELATIONS	8,495.57

TOTAL THIS JOB: \$12,000.00

Terms: NET 10 DAYS

Advertising | Public Relations | Hispanic Marketing | Real Estate

P 602 230.2420 | F 602 230.2425 | 4747 N. 7th Street, Suite 407, Phoenix, AZ 85014 | cooleyenterprises.com

09/22/2009

Support Detail to Invoice # 3635 dated 03/31/09.

Total Hours – 68.5 Hours @ 175.00 = \$12,000.00 (capped)

- March 4, 2009 Craft response to article in AZ Republic written by Andrew Johnson
- March 5, 2009 Meeting with George Everette, re: Hearing regarding Employee Legal Expenses, ML's Plan of Re-org Filed and possibility of Banking License Revocation, New Board of Directors & challenges regarding late filings of K-1 Statements to Investors.
- March 6, 2009 Crafted Eblast and web posting re: "Additional Guidance Moving Forward"
- March 13, 2009 Crafted Email regarding AZDFI findings
- March 13, 2009 Review and discuss Business Journal article "AZ Corp. Commission issues cease & Desist against Radical Bunny".
- March 19, 2009 Meeting with Christine, George Everette and Sarah regarding changing of the guard from DiEsta to Sarah. Update and overview of all current activities
- March 19, 2009 Review ML Objections to OIC's Plan and crafted web posting
- March 19, 2009 Review OIC Newsletter and discuss statement of OIC's position
- March 19, 2009 Follow up reporters on TARP Press Release
- March 20, 2009 Review and discuss Sorensen Loan default and impact to investors
- March 21, 2009 Review and discuss proposed financing by Hillspoint Group Proposal
- March 23, 2009 Meeting at Jennings Strouss & Salmon regarding new Board of Directors, review banking license issues with Mary Leonard. Introduce PR team to new Board. Update from Christine Zahedi re: Trustee Sales / Auction
- March 23, 2009 Crafted Press Release regarding Peter Dunn & Steve Chanen

March 23, 2009 Review "Motion to Convert the case to Chapter 7 & follow up discussions regarding investor ramifications

March 25, 2009 Write up for Website regarding Judge Haines' sustaining of ML's objections to OIC Disclosure Statement.

March 26, 2009 Review and write Mary Leonard's Bio & Web posting and eblast.

March 27, 2009 Review resignation of Steve Chanen and craft eblast and web posting.

March 6, 2009 – Review of ML Weekly Update Newsletter

March 13, 2009 – Review of ML Weekly Update Newsletter

March 20, 2009 – Review of ML Weekly Update Newsletter

March 27, 2009 – Review of ML Weekly Update Newsletter

March 26, 2009 – Review of OIC Newsletter # 21

March 9, 2009 – Review of OIC Newsletter # 20

Provided discussions pertinent to strategy for upcoming newsletters.

The above does not include multiple telephone conversations through out the entire month with multiple members of Mortgages Ltd.s' personnel.



Cooley Advertising & Public Relations
4747 N. 7th Street
Suite 407
Phoenix, AZ 85014

Advertising | Public Relations | Hispanic Marketing | Real Estate

JOB INVOICE
#3667

CLIENT ID
MTGLTD

CLIENT
MORTGAGES, LTD.
CHRISTINE ZAHEDI
4455 E. CAMELBACK ROAD
PHOENIX, AZ 85018

DATE
04/30/09

JOB ID
MTGLTD001

JOB DESCRIPTION
PUBLIC RELATIONS

PAGE
1

DATE	DESCRIPTION	AMOUNT
03/19/09	PROJECT MANAGEMENT	5,288.87
04/16/09	QUALITY REVIEW	186.67
04/06/09	COPYWRITING	7,124.46

TOTAL THIS JOB: \$12,600.00

Terms: NET 10 DAYS

P: 602.230.2420
F: 602.230.2425

cooleyadvertising.com
4747 N. 7th Street | Suite 407 | Phoenix, AZ 85014

09/22/2009



Support Detail to Invoice # 3667 dated 4/30/09.

Total Hours – 72 Hours @ 175.00 = \$12,600.00

April 1st. 2009 Wrote Press Release regarding two new Board Members

April 1st. 2009 Had multiple discussions and crafted piece on AZDFI Audit

April 1st. 2009 Review Objections of “Unsecured Creditors to Debtors’ Disclosure Statement

April 1st. 2009 Review Objections by Robert Furst of Debtors’ Disclosure Statement

April 1st. 2009 Review OIC’s Objections to Debtors’ Disclosure Statement

April 1st. 2009 Wrote background piece on Dirck Iacobelli

April 6th. 2009 Reviewed OIC’s Approved Amended Disclosure Statement & Amended Plan.

April 6th. 2009 Crafted piece on “Filing Objections to OIC Plan is S.O.P.”

April 6th. 2009 Crafted piece on “More Insight from an Expert”

April 8th, 2009 – Meeting with Christine & George regarding OIC Analysis. Review, Discuss upcoming postings strategy, timing, etc.

Reviewed Letters to Judge Haines from Investors’ Barbara Porter & Paul Bruno. Discussed strategy of follow up (if any).

Researched information for posting of new Board Member Mary Leonard. Wrote Bio and posted.

April 8, 2009 – Crafted “Prelude to Analysis of OIC Plan” – Email & Web Posting

April 9, 2009 – Crafted “Critical Analysis of OIC Plan – Email & Web Posting

April 20th, 2009 – Meeting with George Everette & Christine regarding OIC Analysis

April 20th. 2009 – Crafted write up to Investors fro Eblast “The Real Cost of Financing”.

April 23rd, 2009 – Crafted Questions for Investors in preparation to educate investors before attending pending Town Hall Meetings with OIC

April 23rd, 2009 – Crafted Eblast regarding Questions to Investors

Review Weekly Newsletters and give feedback on April 9, April 13, April 17, & April 24th, 2009.

April 10th Crafted Holiday Email / Eblast

April 10th, Crafted Snail Mail Letter to Investors regarding Analysis of OIC Plan

April 21st. Crafted Eblast & Web Posting for Opt Out Provisions

April 28th. Crafted letter to investors regarding postponement of hearing of Approval of Disclosure Statement until 5/4/09.

April 7th, 2009 – Review of OIC Newsletter - #22

April 13th, 2009 – Review of OIC Newsletter - #23

April 15th, 2009 – Review of OIC Newsletter - #24

April 27th, 2009 – Review of OIC Newsletter - #25

April 29th, 2009 – Review of OIC Newsletter - #26

Provided discussions pertinent to strategy for upcoming newsletters.

The above does not include multiple telephone conversations through out the entire month with multiple members of Mortgages Ltd.s' personnel.



Cooley Advertising & Public Relations
 4747 N. 7th Street
 Suite 407
 Phoenix, AZ 85014

Advertising | Public Relations | Hispanic Marketing | Real Estate

JOB INVOICE
 #3703

CLIENT ID
 MTGLTD

CLIENT
 MORTGAGES, LTD.
 CHRISTINE ZAHEDI
 4455 E. CAMELBACK ROAD
 PHOENIX, AZ 85018

DATE
 05/22/09

JOB ID
 MTGLTD001

JOB DESCRIPTION
 PUBLIC RELATIONS

PAGE
 1

DATE	DESCRIPTION	AMOUNT
05/04/09	PROJECT MANAGEMENT	1,750.00
05/01/09	COPYWRITING	525.00

TOTAL THIS JOB: \$2,275.00

Terms: NET 10 DAYS

P: 602.230.2420
 F: 602.230.2425

cooleyadvertising.com
 4747 N. 7th Street | Suite 407 | Phoenix, AZ 85014

09/22/2009



Support Detail to Invoice # 3703 dated 5/22/09.

Total Hours – 13 Hours @ 175.00 = \$2,275.00

Review Weekly Updates – May 1st, May 8th & May 15th, 2009 and provide feedback to Management Team.

May 4 Review of OIC Postings & Follow Up discussions with Christine
May 4 Review OIC Newsletter # 27
May 22 Review OIC Newsletter # 28

May 8th Review, Discuss & write posting regarding George Everette's resignation

May 15th Conversation regarding George Everette's resignation

May 15th Research, Discussed, Wrote Posting regarding Adequacy of Disclosure Statement

Review Letter to Investors from Bickert regarding "Mahakian Parties" investors' perspective and discuss with ML Management



CONTRACT

Contract for marketing/communications services made between Cooley Enterprises, LLC ("Agency") and Mortgages, Ltd. (Client).

The effective date of this contract is October 21, 2008

(1) Appointment of Agency

1-1 Client hereby engages Agency to perform marketing/communications services of the type customarily rendered by advertising, marketing, research, public relations, and/or promotional agencies for their clients.

(2) Confidentiality

2-1 Client agrees to share with Agency such information about its business as is reasonably necessary for Agency to perform its duties hereunder, which information shall be held in confidence by Agency to the extent not public until Client authorizes its disclosure by Agency.

(3) Compensation and Billing

3-1 Agency shall receive compensations based upon services rendered for Client hereunder (e.g. the creation and placement of advertising, market planning, public relations and related activities).

3-2 Client shall pay Agency a commission of 20% on all external supplier charges (production) incurred by Agency on behalf of Client and a 15% commission on gross media placed (e.g. 17.647% of net).

3-3 Agency may bill Client during the next month for production activities in the month, and in the case of media buys sufficiently prior to when payment is due to the media so as to provide the resources necessary to make the payment. Large projects/commitments may be billed even earlier (e.g. wholly or partly in advance) by Agency. All bills are due and payable by Client within ten days after date of invoice.

3-4 Notwithstanding the above, incidental Agency cost for travel, telephone, shipping, postage, faxes and xerox type copying called for in the handling of Client's account will be billed to Client at net (with no mark-up).

3-5 Client understands that it may not use any materials created by Agency for it until it has paid Agency in full for the production cost thereof.

(4) Termination of Agreement

4-1 This contract may be terminated, with or without cause, by either party at any time by sending the other party, by certified mail, return receipt requested, at least thirty days advance written notice of termination, subject to Paragraphs 5 through 9 continuing to apply thereafter.

(5) Accounting Effect of Termination

5-1 Upon a termination of this contract by either party, Client shall pay Agency all Paragraph 3-2 and 3-4 amounts owed for work finished or in progress as of the date of termination which Client has previously authorized (which has yet to be paid). Agency shall also receive (monthly, within thirty days after each month) thereafter from Client Paragraph 3 compensation from Client for any Client authorized post-termination work Agency performs (if any) to assist in transitioning the work and Paragraph 3-2 commissions for ad placement during the subsequent one month period after termination of any materials that Agency has prepared for Client (regardless of whether Agency places the ad). Client shall assume all liability under all outstanding Client approved contracts made by Agency on behalf of Client and shall indemnify and hold Agency harmless therefrom.

(6) Responsibility

6-1 Client is solely responsible for the accuracy and completeness of information it supplies to Agency concerning Client's business for Client's trade designations, and for any complaints by customers of Client's products/services (e.g. product liability), and Client agrees to defend and hold Agency harmless from problems due to such matters.

(7) Payment of Media and Suppliers

7-1 All Client approved media and supplier charges ordered by Agency on behalf of Client shall be Client's responsibility, and Client shall indemnify and hold Agency harmless therefrom, unless Client has previously paid Agency for said media and supplies.

(8) Attorney's Fees

8-1 The parties hereto agree that in any dispute arising out of or in connection with this Agreement the successful party shall be awarded its reasonable attorney's fees and costs.

(9) Jurisdiction

9-1 This agreement shall be deemed to be made and executed in the State of Arizona and shall be construed under the laws of said State.

(10) Ownership of Project Components

10-1 Once Client has paid for a concept created by Agency, Client owns it in full. On Client's behalf, Agency will buy out photos and as many other project components as permitted. In some instances, Client ownership of a project component may not be possible. Film, blue lines and other printing materials remain property of the printer, for example. The Client does not own any concept or work product that has not been approved or purchased, even if these items have been part of a presentation.

(11) Notices

11-1 All notices provided for herein shall be delivered or mailed to the parties to the following attentions at the following addresses (which attentions and addresses may be changed at any time by the giving of an appropriate notice to such effect under this paragraph):

CLIENT:

Richard Feldheim
President
Mortgages, Ltd.
4455 E. Camelback Rd.
Phoenix, AZ 85018

AGENCY: Cooley Enterprises, LLC
4747 N. 7th Street
Suite 407
Phoenix, AZ 85014

ATTN: Todd A. Cooley, Member & President / CEO

"CLIENT"

Mortgages, Ltd.

By _____

Richard Feldheim
President

"AGENCY"

Cooley Enterprises, LLC

By _____

Todd A. Cooley
President/CEO & Member

1 **IN THE UNITED STATES BANKRUPTCY COURT**
2 **FOR THE DISTRICT OF ARIZONA**

3 In re:
4 Mortgages Ltd.,
5 Debtor.

Chapter 11 Proceedings
Case No. 2:08-bk-07465-RJH
AFFIDAVIT OF PROPOSED
ORDINARY COURSE PROFESSIONAL

7 STATE OF ARIZONA)
)ss
8 COUNTY OF MARICOPA)

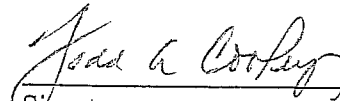
9
10 Todd A. Cooley, being duly sworn, says:

- 11 1. I am [state type of professional COMMUNICATIONS and nature of services
12 rendered] CONSULTANT.
- 13 2. I am employed by COOLEY ENTERPRISES, LLC with offices located at 4747 N.
14 7TH ST. SUITE 407, PHOENIX, AZ 85014.
- 15 3. My fee arrangement with Mortgages Ltd. (the "Debtor") is [a fixed fee arrange-
16 ment providing for a fee of _____ upon /an hourly arrangement at a rate of \$ 175.00
17 per hour plus reasonable and necessary expenses].
- 18 4. Neither I nor the firm represent or hold any interest adverse to the Debtor or its
19 estate with respect to the matters for which we have been engaged except as otherwise
20 disclosed herein.
- 21 5. As of the date the Debtor filed its bankruptcy petition, the Debtor was indebted to
22 my firm, for services rendered prior to the bankruptcy filing, in the amount of \$ 0
23 The existence of this debt will not affect my or my firm's provision of services to the
24
25
26

Debtor, and the services I and/or my firm will provide are otherwise unrelated to the Debtor's bankruptcy case.

6. Except for the continuing representation of the Debtor, neither I nor the firm has or will represent any other entity in connection with this case and neither I nor the firm will accept any fee from any other party or parties in this case, except the debtor-in-possession.

FURTHER AFFIANT SAYETH NAUGHT.


Signature

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