

1 **Myers & Jenkins, P.C.**

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9 Trustee of the ML Liquidating Trust

10 **IN THE UNITED STATES BANKRUPTCY COURT**
11 **FOR THE DISTRICT OF ARIZONA**

12 In re:

13 MORTGAGES, Ltd.,
14 Debtor.

15 In Proceedings Under Chapter 11
16 Case No.: 2:08-bk-07465-RJH

17 **NOTICE TO CLAIMANTS**
18 **LISTED ON EXHIBIT A TO ML**
19 **LIQUIDATING TRUST'S**
20 **OMNIBUS OBJECTION TO**
21 **CLAIMS AND MOTION TO**
22 **EXPUNGE, REDUCE OR**
23 **RECLASSIFY SUCH CLAIMS**
24 **AND**
25 **NOTICE OF BAR DATE TO**
26 **RESPOND TO OMNIBUS**
27 **OBJECTION**

28 **NOTICE IS HEREBY GIVEN** that Kevin T. O'Halloran, ("Liquidating Trustee"), as
29 Trustee of the ML Liquidating Trust, (the "ML Liquidating Trust"), has filed that certain "*ML*
30 *Liquidating Trust's Omnibus Objection To Claims And Motion To Expunge, Reduce Or Reclassify*
31 *Such Claims*" (the "Omnibus Objection") [Docket No. 2306]¹. **Your proof(s) of claim may be**

32 _____
33 ¹ All capitalized terms not defined herein shall have the meaning ascribed to them in the Omnibus
34 Objection.

1 **disallowed, reclassified, reduced and/or otherwise affected as a result of the Omnibus**
2 **Objection; therefore, you should read this Notice carefully.**

3
4 In the Omnibus Objection, the Liquidating Trustee objects to each of the Disputed Claims
5 listed on Exhibits A through K for one or more of the following reasons: (i) such Disputed Claim is
6 improperly classified, (ii) the amount of such Disputed Claim is overstated, (iii) such Disputed Claim
7 is a duplicate claim filed by the same Claimant in the same amount as another claim filed by that
8 Claimant, and/or (iv) Debtor has defenses to such Disputed Claim. Further, in the Omnibus
9 Objection, the Liquidating Trustee requests that the Court enter an Order (a) disallowing in their
10 entirety and expunging duplicative Claims, (b) reclassifying the status of those Disputed Claims that
11 were originally filed as either “secured” or “unknown” to the status of an Unsecured Claim, (c)
12 reducing the amount of those Disputed Claims believed to be overstated to the amount reflected on
13 the Debtor’s Books and Records, and (d) disallowing in their entirety and expunging those Disputed
14 Claims filed by insiders of Debtor, certain borrowers and other non-investors.

15
16 **The Disputed Claims listed on Exhibit A to the Omnibus Objection were filed by the**
17 **investors listed on Exhibit A. The Liquidating Trustee objects to the Disputed Claims listed on**
18 **Exhibit A because such Disputed Claims have been improperly classified as either “secured” or**
19 **“unknown.” The Liquidating Trustee requests in the Omnibus Objection that the Court enter**
20 **an Order reclassifying the status of each Disputed Claim listed on Exhibit A as an Unsecured**
21 **Claim. The amount of the Claims listed on Exhibit A is not disputed by the Liquidating**
22 **Trustee.**

23
24 **FURTHER NOTICE IS HEREBY GIVEN** pursuant to Local Rule 3007-1 that if you
25 disagree with the Omnibus Objection, you or your attorney **must** file a response (“Response”), in
26 writing, with the United States Bankruptcy Court for the District of Arizona, 230 North 1st Avenue,
27

1 Phoenix, Arizona, 85003, and serve a copy of your Response on counsel for the ML Liquidating Trust
2 named below, within fifteen (15) days from the date of service of this Notice (“Response Deadline”):

3
4 William Scott Jenkins
5 MYERS & JENKINS, P.C.
6 One East Camelback Road, Suite 500
7 Phoenix, AZ 85012
8 Email: wsj@mjlegal.com
9 Counsel for the Kevin T. O’Halloran,
10 Trustee of the ML Liquidating Trust

11 The ML Liquidating Trustee suggests that your Response contain the following:

- 12 (i) A caption setting forth the name of the Court, the name of the Debtors, the case
13 number and the title of the Omnibus Objection to which the Response is directed;
- 14 (ii) The name of the Claimant and description of the bases for the amount and status of the
15 proof of claim;
- 16 (iii) A concise statement setting forth the reasons why the Court should not sustain the
17 Omnibus Objection, including, but not limited to, the specific factual and/or legal bases upon which
18 the Claimant relies in opposing the Omnibus Objection;
- 19 (iv) Any documentation or other evidence of the claim upon which the claimant will rely in
20 opposing the Omnibus Objection at the Hearing;
- 21 (v) A declaration of a person with personal knowledge of the relevant facts that support
22 the Response to the extent the Response makes factual allegations;
- 23 (vi) The name(s), address(es), telephone number(s) and facsimile number(s) of the
24 person(s) (who may be the Claimant and/or the Claimant’s legal representative) to whom counsel for
25 the ML Liquidating Trust should serve any reply to the Response; and
- 26 (vii) To facilitate a resolution of the Omnibus Objection, the name(s), address(es),
27 telephone number(s) and facsimile number(s) of the person(s) (who may be the Claimant and/or the

1 Claimant’s legal representative) who possess the authority to reconcile, settle, or otherwise resolve
2 the Omnibus Objection on the Claimant’s behalf.

3 **FURTHER NOTICE IS HEREBY GIVEN** that if you file and serve a Response to the
4 Omnibus Objection on or prior to the Response Deadline, the Liquidating Trustee will request a date
5 from the Court on which a hearing (the “Hearing”) on the Omnibus Objection will be held in the
6 United States Bankruptcy Court for the District of Arizona, 230 North 1st Avenue, Phoenix, Arizona,
7 85003. The Liquidating Trustee will serve you with Notice of Hearing Date at least thirty (30) days
8 prior to such hearing date. Only those Responses timely filed and received by the Court and the ML
9 Liquidating Trust’s attorneys on or before the Response Deadline will be considered by the Court at
10 the Hearing.

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12 **If you fail to respond in accordance with this Notice, the Court may grant the relief**
13 **requested in the Omnibus Objection without further notice or hearing.**

14
15 If you agree with the Omnibus Objection to your claim(s), you do not need to take any action
16 or file a Response to the Omnibus Objection.

17 **PLEASE TAKE FURTHER NOTICE** that the ML Liquidating Trust’s personnel will be
18 available to discuss factual questions you may have regarding the ML Liquidating Trust’s objection
19 to your proof of claim. To facilitate such a discussion, you may call or email Erica Jacob at (623)
20 234-9569 or ejacob@mtgltd.com. Any legal questions, however, will be referred to the ML
21 Liquidating Trust’s attorneys. Be advised that ML Liquidating Trust’s counsel will not be able to
22 give you legal counsel or advice. In this regard, you are encouraged to consult with your own
23 personal counsel. When you contact the ML Liquidating Trust, please have your proof(s) of claim
24 available. **Speaking with ML Liquidating Trust’s personnel or the ML Liquidating Trust’s**
25 **attorneys regarding the Omnibus Objection will not satisfy or eliminate the requirement that**
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27

1 **you must file a Response before the Response Deadline if you disagree with the Omnibus**
2 **Objection.**

3 **PLEASE TAKE FURTHER NOTICE** that nothing in this Notice or the accompanying
4 Omnibus Objection constitutes a waiver of the ML Liquidating Trust's right to assert any claims,
5 counterclaims, rights of offset or recoupment, preference actions, fraudulent-transfer actions, or any
6 other bankruptcy claims against you. The ML Liquidating Trust also reserves the right to assert
7 additional objections to your proof(s) of claim.
8

9 If the Books and Records of the Debtor show you have more than one Claim, or if you filed
10 more than one proof of claim, you may receive separate Notices for different Claims.

11 A true and exact copy of the Omnibus Objection has been forwarded to each Claimant listed
12 on Exhibit A to the Omnibus Objection and/or to such Claimant's counsel on the date set forth below.
13

14 DATED: October 30, 2009.

15 **MYERS & JENKINS, P.C.**

16
17 By /s/ William Scott Jenkins
18 William Scott Jenkins
19 Jill M. Hulsizer
20 Attorneys for Kevin T. O'Halloran,
21 Trustee of the ML Liquidating Trust
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