

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

**Minute Entry**

**Hearing Information:**

**Debtor:** Mortgages Ltd.  
**Case Number:** 2:08-bk-07465-RJH                      **Chapter:** 11  
**Date / Time / Room:** WEDNESDAY, JANUARY 27, 2010 08:30 AM 6TH FLOOR #603  
**Bankruptcy Judge:** RANDOLPH J. HAINES  
**Courtroom Clerk:** JANET SMITH  
**Reporter / ECR:** SHERI FLETCHER

**Matters:**

- 1) EVIDENTIARY HEARING ON APPLICATION FOR COMPENSATION OF FTI CONSULTING AS FINANCIAL ADVISORS TO THE DEBTOR  
**R / M #:** 1,896 / 0
  
- 2) HEARING ON FTI CONSULTING'S PENDING MOTIONS CONCERNING PAYMENT & SEQUESTRATION OF ADMINISTRATIVE EXPENSES  
**R / M #:** 2,562 / 0

**Appearances:**

KEITH HENDRICKS, ATTORNEY FOR ML MANAGER  
SHELTON L. FREEMAN, ATTORNEY FOR RADICAL BUNNY  
DALE C. SCHIAN/MICHAEL WALKER, ATTORNEYS FOR FTI CONSULTING  
MICHAEL O'MARA, ATTORNEY FOR LIQUIDATING TRUSTEE

**Proceedings:**

EXHIBIT 1 MARKED FOR IDENTIFICATION. (filed in exhibit room)

Mr. Schian reviewed the terms of the settlement.

Mr. Hendricks clarified a few of the points.

Mr. O'Mara reviewed the one issue that has not been resolved because the trustee will need to take this to the board which cannot be accomplished until tomorrow.

Mr. Freeman requested future financial reporting.

Mr. Schian informed he will upload a form of order or request the Court reset this hearing.

COURT: THE COURT WILL AWAIT THE UPLOADING OF AN ORDER OR REQUEST FOR CONTINUED HEARING.

Mr. Schian addressed the pending Radical Bunny order for fee which FTI filed a motion to alter or amend. He advised parties will enter into an agreed modified form of final order.

Mr. Freeman agreed that an agreement has been reached in that any award to Radical Bunny would be subject to the similar treatment to any other administrative claimant if they're subjected to disgorgement.

Mr. Schian further informed there is a motion to set aside the amount of the FTI fee.

COURT: THAT MOTION WILL BE TAKEN OFF CALENDAR AND AWAIT APPROVAL OF A FINAL ORDER OR A REQUEST FOR A CONTINUED HEARING.

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