

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

2 One East Camelback Road
3 Suite 500
4 Phoenix, Arizona 85012

5 (602) 200-7900

6 William Scott Jenkins (#005896)
7 wsj@mjlegal.com
8 Jill M. Hulsizer (#023282)
9 jmh@mjlegal.com
10 Attorneys for Matt Hartley,
11 Trustee of the ML Liquidating Trust

12 **IN THE UNITED STATES BANKRUPTCY COURT**
13 **FOR THE DISTRICT OF ARIZONA**

14 In re:

15 MORTGAGES, Ltd.,
16 Debtor.

17 Chapter 11

18 Case No.: 2:08-bk-07465-RJH

19 **CERTIFICATE OF SERVICE AND**
20 **SUMMARY OF RESPONSES**
21 **RECEIVED AS TO CLAIMANTS**
22 **LISTED ON EXHIBIT B TO ML**
23 **LIQUIDATING TRUST'S**
24 **OMNIBUS OBJECTION TO**
25 **CLAIMS AND MOTION TO**
26 **EXPUNGE, REDUCE OR**
27 **RECLASSIFY SUCH CLAIMS**

28 Matt Hartley, as the Liquidating Trustee of the ML Liquidating Trust, ("ML Liquidating
29 Trust"), by and through undersigned counsel, certifies the following:

30 1. On October 13, 2009, the Liquidating Trustee filed the "*ML Liquidating Trust's*
31 *Omnibus Objection To Claims And Motion To Expunge, Reduce Or Reclassify Such Claims*"
32 ("**Omnibus Objection**") [Docket No. 2306]¹. The Omnibus Objection, as it relates to the Claims of

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

1 Claimants listed on Exhibit B, requests that the Court reclassify as “unsecured” such Claims which
2 were improperly classified as either secured or unknown and reduce the amount of certain Claims.²

3 2. On October 30, 2009, the Liquidating Trustee filed that certain “*Notice To Claimants*
4 *Listed On Exhibit B To ML Liquidating Trust’s Omnibus Objection To Claims and Motion To*
5 *Expunge, Reduce Or Reclassify Such Claims and Notice Of Bar Date To Respond To Omnibus*
6 *Objection*” (“**Notice of Bar Date**”) [Docket No. 2351], and served copies of the Notice of Bar Date
7 and the Omnibus Objection by US Mail, in accordance with applicable Bankruptcy Rules, to all
8 Claimants listed on Exhibit B to the Omnibus Objection and electronically upon all parties in interest
9 listed on the Court’s ECF system. That certain “*Affidavit Of Service Of Notice To Claimants Listed*
10 *on Exhibit B To ML Liquidating Trust’s Omnibus Objection To Claims And Motion To Expunge,*
11 *Reduce or Reclassify Such Claims and Notice Of Bar Date To Respond To Omnibus Objection*” was
12 filed with the Court on November 19, 2009 [Docket No. 2420].

13 3. As set forth in the Notice of Bar Date, any Claimant wishing to object to the Omnibus
14 Objection was advised that it was required to file a Response, in writing, with the United States
15 Bankruptcy Court for the District of Arizona, 230 N. First Avenue, Phoenix, Arizona 85003, and
16 serve a copy of the Response on counsel for the ML Liquidating Trust, within 15 days from the date
17 of service of the Notice of Bar Date. Claimants were further advised in the Notice of Bar Date that if
18 they failed to file and serve a Response within the response deadline, that the Court may grant the
19 relief requested in the Omnibus Objection without further notice or hearing.

20 4. Based on the October 30, 2009 service date of the Notice of Bar Date, Responses to
21 the Omnibus Objection were required to be filed and served by November 16, 2009.

22 5. Only one (1) Response was filed and served on or before November 16, 2009 in
23 connection with the Claims listed on Exhibit B to the Omnibus Objection. Such Response was filed
24 on November 9, 2009 [Docket No. 2380] by Brien H. Butler, Trustee of the Brien H. Butler Living

25 ² On November 6, 2009, the Liquidating Trustee filed the “*First Amendment To The ML Liquidating*
26 *Trust’s Omnibus Objection To Claims And Motion To Expunge, Reduce or Reclassify Such Claims*”
27 filed (“**First Amendment**”) [Docket No. 2375] to correct nine (9) Claims relating to Exhibits I and J.
Because the First Amendment did not affect the Claims listed on Exhibit B, notice of the First
Amendment was not mailed to the individual Claimants listed on Exhibit B.

1 Trust in connection with Claim #135. By email dated December 21, 2009, a copy of which is
2 attached hereto as Exhibit 1, such Claimant agreed to withdraw his Response and challenge to the
3 Omnibus Objection and allow the Liquidating Trustee to reclassify Claim #135 as “unsecured.”

4 6. As of the date of filing this Certificate, with the exception of the one (1) Response
5 described in Paragraph 5 above, no other Responses as to Claims listed on Exhibit B to the Omnibus
6 Objection have been received by the Liquidating Trustee, or its counsel, or filed with the Court based
7 on the undersigned’s review of the docket in the above-captioned case.

8 7. In addition, as a result of further review and analysis of Debtor’s books and records
9 and proofs of claim filed in these proceedings, the Liquidating Trust hereby withdraws its objections
10 to the amount of the following Claims:

- 11 a. Claim #1094 – Deborah Ann Greiff
- 12 b. Claim #167 – Penny Hardaway Investments, LLC
- 13 c. Claim #1026 – Scott and Palma Horsely³
- 14 d. Claim #821 – Shawn Marion
- 15 e. Claim #1284 – Donna J. McGregor
- 16 f. Claim #43 – Robert V. Russo and Kathleen A. Russo, Trustees of the Robert
17 V. Russo and Kathleen A. Russo Living Trust
- 18 g. Claim #135 – Brien H. Butler, Trustee of the Brien H. Butler Living Trust
- 19 h. Claim #850 – Robert M. Adams, Custodian FBO Justin M. Adams UGMA
- 20 i. Claim 1243 – John B. Fox, husband of Joyce A. Fox, as his sole and separate
21 property
- 22 j. Claim # 1340 – John B. Fox, Trustee of the Jon B. Fox, M.D., P.C. Profit
23 Sharing Plan & Trust
- 24 k. Claim #122 - Jeffrey G. Gierhahn and Alice Gierhahn, husband and wife, as
25 joint tenants with right of survivorship

26 ³ Exhibit B incorrectly identified the Claimant for Claim 1026; however, the Notice of Bar Date and
27 copy of Omnibus Objection was served to the correct Claimants, Scott and Palma Horsely, as
evidenced by a telephone call placed by Mr. Horsely to a representative of Debtor after receiving the
Notice of Bar Date to discuss the Claim.

- 1 l. Claim #65 – Glen Hait, M. D., Trustee of the Glen Hait, M. D., Ltd. Defined
2 Benefit Pension Plan
- 3 m. Claim #133 – Kenneth P. Johnson, Trustee of The Kenneth P. Johnson Family
4 Trust
- 5 n. Claim #280 – Jon F. Keller and Lanora A. Keller, Trutsees of the Keller Living
6 Trust
- 7 o. Claim #660 – Aaron D. Levine, Trustee of the Aaron D. Levine Revocable
8 Trust
- 9 p. Claim #1665 – Eric L. Meurer
- 10 q. Claim #778 – Ben C. Pearson, Trustee of The Rittenhouse Family Trust
11 Agreement
- 12 r. Claim #1324 - Litchfield Road Associates Ltd.

13 8. Further, by email dated November 25, 2009, a copy of which is attached hereto as
14 Exhibit 2, the Liquidating Trustee has been authorized to reclassify Claim #1095 as “Unsecured”,
15 notwithstanding the fact that such Claim was inadvertently omitted in the Omnibus Objection.

16 9. The Liquidating Trustee is lodging contemporaneously herewith an “*Order Granting*
17 *ML Liquidating Trust’s Omnibus Objection To Claims As It Relates To Exhibit B and Reclassifying*
18 *and Reducing Certain Claims of Claimants Listed On Exhibit B To Omnibus Objection.*”

19 DATED: April 11th, 2011.

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

21 By /s/ William Scott Jenkins
22 William Scott Jenkins
23 Jill M. Hulsizer
24 Attorneys for Matt Hartley,
25 Trustee of the ML Liquidating Trust

26 COPY of the foregoing transmitted
27 electronically using the Court’s ECF system
this 11th day of April 2011.

/s/ Rima L. Rhodey

EXHIBIT “1”

Jill Hulsizer

From: Brien Butler [bbutler@andiamotelecom.com]
Sent: Monday, December 21, 2009 2:33 PM
To: Jill M. Hulsizer
Subject: RE: Response to ML Liquidating Trust Omnibus Objection

Jill M. Hulsizer, Myers & Jenkins, P.C. I hereby authorize your firm to withdraw my Response and challenge to the omnibus objection as it relates to claim # 135.

Sincerely, Brien H. Butler

From: Jill M. Hulsizer [mailto:jmh@mjlegal.com]
Sent: Monday, December 21, 2009 1:49 PM
To: Brien Butler; Brien Butler
Cc: Scott Jenkins
Subject: Response to ML Liquidating Trust Omnibus Objection

Mr. Butler,

Our firm represents the ML Liquidating Trust. As you know, the Liquidating Trust filed an Omnibus Objection objecting to your claim #135 disputing the amount of your claim as well as seeking to reclassify your claim as Unsecured. Jeffrey Kaufman filed a Response on your behalf requesting a hearing. I contacted Mr. Kaufman regarding the Objection and his Response and he followed up with an email this morning instructing me to contact you directly.

It is my understanding that you previously spoke with Erica at Mortgages Ltd about the objection to your claim. Erica forwarded an email to me wherein she informed you that Mortgages Ltd would withdraw the objection to the amount of your claim as filed; however, they would still be seeking to reclassify your claim as Unsecured.

This email is to follow up with you regarding the Response filed on your behalf by Mr. Kaufman. If you are in agreement that your claim should be reclassified as Unsecured and that ML will allow claim #135 in the amount claimed, please send me an email authorizing us to withdraw your Response and challenge to the Omnibus Objection as it relates to claim #135. If you so authorize, I will advise the Court when we file our final pleadings and proposed order that we are withdrawing the objection to the amount of claim #135 but that you have provided authorization that the objection can be sustained as to the classification of the claim and that the claim can be reclassified as Unsecured.

Please contact me regarding this matter at your earliest convenience.

Thank you.

Jill M. Hulsizer
Email: jmh@mjlegal.com

Myers & Jenkins, P.C.

One East Camelback Road
Suite 500
Phoenix, AZ 85012
Phone: 602-200-7900
Facsimile: 602-200-7910

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EXHIBIT “2”

Jill Hulsizer

From: Dan Collins [dcollins@cmpbglaw.com]
Sent: Wednesday, November 25, 2009 6:58 PM
To: Jill M. Hulsizer
Subject: RE: Proofs of Claim #1094 and #1095

Jill:

I spoke with Debbie Greiff. She agrees that both #1094 and #1095 may be reclassified as unsecured claims. Since I understand you are no longer challenging the claim amount asserted in #1094 (and never challenged the amount stated in #1095), then I believe we are in agreement with your e-mail. Will you be submitting an order to this effect?

Have a nice Thanksgiving. Dan

Daniel P. Collins
 Chase Tower
 Collins, May, Potenza, Baran & Gillespie, P.C.
 201 N. Central Avenue, Suite 2200
 Phoenix, Arizona 85004-0022
 (602) 261-7111 (Direct)
 (602) 252-1114 (Fax)
DCollins@cmpbglaw.com
www.cmpbglaw.com

From: Jill M. Hulsizer [mailto:jmh@mjlegal.com]
Sent: Wednesday, November 25, 2009 2:09 PM
To: Dan Collins
Subject: FW: Proofs of Claim #1094 and #1095

Dan, I'm having difficulty getting this email to go through. Please confirm receipt. Thank you, Jill

From: Jill M. Hulsizer
Sent: Wednesday, November 25, 2009 12:52 PM
To: Dan Collins
Subject: Proofs of Claim #1094 and #1095

Dan,

It is my hope that we can resolve the issues regarding these claims today; however, if your client still disagrees with the objection and we cannot reach a resolution, I will grant you an extension to file your Response until Monday, November 30, 2009.

As we discussed, POC #1095 was filed for the limited partnership ("GILP") in the amount of \$189,319.66 as a "secured" claim. This claim was inadvertently omitted from the Omnibus Objection; however, we do object to it being filed as a "secured" claim and would like to receive written acknowledgment that it is in fact an "unsecured" claim. If your client is unwilling to agree that the classification of the claim should be changed to "unsecured" then it may be necessary for us to ask the court to allow us to object to and reclassify the claim.

In June of this year, ML was provided with instructions and executed assignments of interest instructing that the GILP account (GR-06) be divided into 3 separate shares; one for Debbie, Vickie and Robert. ML recorded the transfers on their books and records (although I don't believe GILP filed a transfer of claim with the Court).

Although Debbie, Vickie and Robert stepped into the shoes of GILP as it relates to POC #1095, and the claimant contact listed on the POC should be able to give binding instructions as to the reclassification of POC #1095, it would be my preference to have a written acknowledgment from each of Debbie, Vickie and Robert stating that they acknowledge the GILP claim #1095 was an unsecured claim and that they each received a 1/3rd share transferred from the GILP GR-06 account. (Robert actually just sent an email confirming his understanding of this.)

POC #1094 was filed as a "secured" claim and in the amount of \$334,110.38. It is our understanding that #1094 included Debbie's IRA account and her individual account. Assuming this is the case, the variance as to the amount of the claim versus the amount on the books and records of ML is so small that we are not objecting to the amount of POC #1094. We are objecting to the status of the claim and believe it should be reclassified as "unsecured". If your client is in agreement with ML's assertion regarding claim #1094, we would like to receive written acknowledgment that she agrees the claim is "unsecured" and that POC #1094, filed in the amount of #1094, is comprised of two accounts of which she is the creditor; specifically, her IRA account GR-02 (an MP 11 investment) and her individual account GR-24 (an investment in MP 11 and MP 09).

Thank you for your assistance in resolving these issues. Please let me know how you will proceed.

Jill M. Hulsizer
Email: jmh@mjlegal.com

Myers & Jenkins, P.C.

One East Camelback Road
Suite 500
Phoenix, AZ 85012
Phone: 602-200-7900
Facsimile: 602-200-7910

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