

**IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

**IN RE:** )  
 )  
**SENTINEL TRUST COMPANY** ) **NO. 4781**  
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 )

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**MOTION FOR APPROVAL OF RECEIVER,  
OUTSIDE COUNSEL AND THIRD PARTY CONTRACTORS FEES**

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Kevin P. Lavender, Commissioner of the Department of Financial Institutions for the State of Tennessee, and Jeanne Barnes Bryant, Receiver of Sentinel Trust Company, move this Court for an Order approving the fees presented for payment by the Receiver, outside counsel and third party contractors. Pursuant to the attached Order of this Court, all Receiver, counsel fees and fees for third party litigation support are filed with the Court under seal and amounts of fees and time frames covered (as shown herein) are sent to non-privileged parties.

1. The Commissioner of Financial Institutions entered a Notice of Possession for Sentinel Trust Company on May 18, 2004, and subsequently filed a Notice of Liquidation on July 18, 2004.

2. Pursuant to Tenn. Code Ann. § 45-2-1502(b)(2), the Commissioner appointed Jeanne Barnes Bryant as Receiver for Sentinel Trust Company.

3. Pursuant to Tenn. Code Ann. § 45-2-1504(h)(1)(A), compensation for the Receiver is fixed by the Commissioner of the Department of Financial Institutions, and is payable from the funds or assets of the receivership estate. The Receiver will be reimbursed monthly for work incurred for the receivership estate, in the amount of \$115.00 per hour. The Receiver submits invoices to the Commissioner and the Tennessee Department of Financial

Institutions on a monthly basis for approval prior to payment. These invoices are reviewed and paid after approval of the Commissioner and his staff.

4. The Receiver, Jeanne Barnes Bryant, performed work for this receivership, as shown on the attached Exhibit for the period of July 1, 2005 – July 31, 2005 in the amount of \$5,980.00 (detailed invoices of which are filed Under Seal). Those working under Ms. Bryant (Mr. Spaulding, Ms. Batey, Mr. Moore and Ms. Forton) have performed work for the receivership and have incurred expenses as shown in the attached material for the period July 1, 2005 – July 31, 2005 in the amount of \$9,123.30 (detailed invoices of which are filed Under Seal). The Commissioner and his staff have determined these fees to be reasonable, appropriate and necessary for the services rendered for the receivership. These fees have been approved for payment. See also Affidavits of Jeanne Barnes Bryant and Commissioner Kevin P. Lavender filed herewith.

5. The fee arrangements with outside counsel and the third party contractors were originally negotiated between the parties pursuant to the Notice of Possession dated May 18, 2004. The hourly rate agreed to regarding services performed by the outside counsel of Wyatt, Tarrant & Combs has been \$175/hour. In support of this Motion, the Receiver would rely upon her affidavit filed herewith, the affidavit of Commissioner Lavender filed herewith and the billing statements attached hereto (detailed invoices of which are filed Under Seal).

6. The Receiver, the Commissioner and his staff have reviewed all of the Wyatt, Tarrant & Combs outside counsel's billings, and have found the fees to be fair, reasonable and proper for the services provided. The Receiver, the Commissioner and his staff have also reviewed the billings and charges of Receivership Management, Inc. and have found these fees and charges to be fair, reasonable and proper for the services provided.

7. There are counsel and other independent contractors both previously engaged by Sentinel Trust and engaged by the Receiver after the institution of this receivership which are pursuing various defaulted bond issues and other matters in several states. As believed to be necessary by the Receiver, counsel retained prior to the institution of the Sentinel Trust receivership have been instructed to continue work on a number of default issues. Depending on the work completed during each monthly reporting period to the Court, the counsel will be listed separately, and approval requested for payment. The counsel work for which approval for payment for invoices presented to the Receiver during this time period is listed below. The Receiver has reviewed the invoices submitted by Chesser & Barr, PA (detailed invoices being filed Under Seal). The Receiver believes this work to have been necessary and reasonable concerning the matters completed.

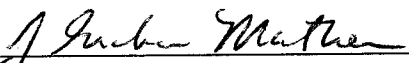
8. The billings so reviewed, and for which Court approval is sought, are as follows:
- A. Invoices for Jeanne Barnes Bryant for July 1, 2005 through July 31, 2005 in the amount of \$5,980.00.
  - B. Invoices for Receivership Management, Inc. for July 1, 2005 through July 31, 2005 in the amount of \$9,123.30.
  - C. Invoices for Wyatt, Tarrant & Combs, LLP for July 1, 2005 through July 31, 2005 in the amount of \$22,112.50 (\$11,278.11 on general Sentinel receivership estate and litigation work; \$335.62 on the Atlantic Community/Ft. Pierce, Florida/Hernando County, Florida defaulted bond matters, \$1,861.29 on the Charlotte, North Carolina/Roseland defaulted bond matter; \$2,064.82 on the Pine Bluff, Arkansas defaulted bond matter; \$105.00 on the FICUS matter; \$3,076.87 on the Niceville, Florida defaulted bond


matter; and \$3,390.79. on the Houston County, Georgia defaulted bond matter).

D. Invoices for Chesser & Barr, PA for July 15, 2005 through August 15, 2005 in the amount of \$7,121.00 on the Niceville, Florida defaulted bond matter.

Accordingly, the Commissioner and Receiver respectfully move this Court for an Order approving the fees set forth in the attached schedule as indicated pursuant to T.C.A. Section 45-2-1504(h)(1)(A).

Respectfully submitted,

  
\_\_\_\_\_  
J. Graham Matherne, BPR #11294  
Wyatt, Tarrant & Combs, LLP  
2525 West End Avenue, Suite 1500  
Nashville, TN 37203-1423  
(615) 244-0020  
*Counsel for Jeanne Barnes Bryant and Receivership Management, Inc., Receiver of Sentinel Trust Company*

  
\_\_\_\_\_  
Janet M. Kleinfelter *(by G. Matherne)*  
Attorney General's Office  
425 5<sup>th</sup> Avenue North  
P.O. Box 20207  
Nashville, TN 37243  
*Counsel for Commissioner Kevin P. Lavender*

**THIS MOTION IS SET TO BE HEARD ON THE 12<sup>TH</sup> DAY OF OCTOBER, 2005  
AT 9:00 A.M. IN HOHENWALD, LEWIS COUNTY, TENNESSEE.**

**However, pursuant to previous Order of Court (entered September 9, 2005), if no written objections are filed and served by October 5, 2005, movants are relieved from being present in Hohenwald, Lewis County, Tennessee on October 12, 2005, and the Motion will be granted, absent timely filed written objections, absent concern of the Court or absent material oral objections made on October 12, 2005.**

**CERTIFICATE OF SERVICE**

This is to certify that on September ~~27<sup>th</sup>~~<sup>27<sup>th</sup></sup>, 2005 a copy of the foregoing Motion has been sent by First Class U.S. Mail, postage paid, and also by facsimile as noted, to:

James S. Chase  
John A. Decker  
Hunton & Williams LLP  
900 South Gay Street, Suite 2000  
P.O. Box 951  
Knoxville, TN 37901

Carrol Kilgore  
Branstetter, Kilgore, Stranch & Jennings  
227 Second Avenue North, 4<sup>th</sup> Floor  
Nashville, TN 37201  
also via fax (615-250-3937)

Donald Schwendimann  
12 East Fourth Avenue  
P.O. Box 366  
Hohenwald, TN 38462  
also via fax (931-796-5692)

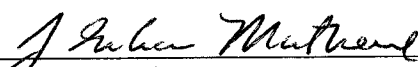
Larry Stewart  
Stokes, Bartholomew, Evans & Petree  
424 Church Street, Suite 2800  
Nashville, TN 37219

David D. Peluso  
P.O. Box 250  
Hohenwald, TN 38462-0250

James S. Hereford, Jr.  
310 W. College Street  
P.O. Box 802  
Fayetteville, TN 37334-0802

William B. Hubbard  
Weed, Hubbard, Berry & Doughty  
SunTrust Bank Bldg., Suite 1420  
201 Fourth Avenue North  
Nashville, TN 37219

Diana M. Thimmig  
Roetzel & Andress  
1375 East Ninth Street  
One Cleveland Center, Ninth Floor  
Cleveland, OH 44114

  
\_\_\_\_\_  
J. Graham Matherne

IN THE CHANCERY COURT OF LEWIS COUNTY  
AT HOHENWALD, TENNESSEE

In Re: Sentinel Trust Company )

) Case No. 4781  
)  
)

FILED

11:56  
AM June 30, 2004 PM  
JANET WILLIAMS, CLERK & MASTER  
BY: Selena W. W. D.C.

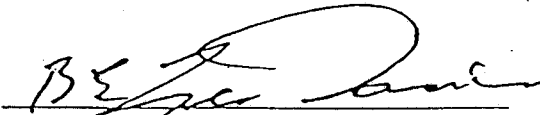
ORDER ALLOWING THE FILING OF FEE SUMMARY  
STATEMENTS OF RECEIVER, OUTSIDE COUNSEL AND  
THIRD PARTY LITIGATION SUPPORT CONTRACTORS AND  
ALLOWING THE FILING UNDER SEAL OF INVOICES CONTAINING  
DETAILED DESCRIPTION OF SERVICES RENDERED

Through Motion filed on June 18, 2004, the Receiver of Sentinel Trust Company has requested that in relation to reporting fee information to the Court 1) the detailed invoices relating to fees of herself, outside counsel and third party litigation support contractors be filed under seal, and 2) summaries of such fees be filed publicly. This Motion was heard on June 30, 2004. The Court is persuaded the Motion has merit and the relief requested should be granted.

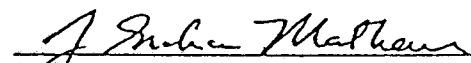
Accordingly, the instant Motion is granted and the Court hereby ORDERS the following:

- a) Public filing regarding fees of the Receiver, outside counsel and third party litigation support contractors shall be limited to summaries of such information -- i.e., name of recipient, time over which services were rendered and amount billed, and
- b) Filing of the detailed invoices of services of the Receiver, outside counsel and third party litigation support contractors shall be UNDER SEAL and are to be free from public dissemination, distribution and circulation.

It is so ORDERED, this the 30 day of June, 2004

  
Chancellor

Submitted and Approved for Entry:

  
J. Graham Matherne  
Wyatt, Tarrant & Combs  
2525 West End Avenue, Suite 1500  
Nashville, TN 37203-1423  
(615) 244-0020

Counsel for Jeanne Barnes Bryant and  
Receivership Management, Inc.  
Receiver of Sentinel Trust Company

CERTIFICATE OF SERVICE

This is to certify that on June 18, 2004 a copy of the foregoing Notice has been sent by First Class U.S., postage paid, and/or by facsimile transmission to:

Danny Bates  
205 Bastin Road  
Hohenwald, TN 38462

Bradley S. Lancaster  
8448 Indian Hills Drive  
Nashville, TN 37221

Howard W. Cochran  
3636 Mahlon Moore Road  
Spring Hill, TN 37174

Danny N. Bates  
Registered Agent for Sentinel Trust Company  
29 West Main Street  
Hohenwald, TN 38462


Gary L. O'Brien  
63 Shady Lane  
Hohenwald, TN 38462

Donald Schwendimann  
306 W. Main Street  
P.O. Box 366  
Hohenwald, TN 38462  
[FAX] (931) 796-5692

William H. Farmer  
Farmer & Luna  
333 Union Street, Suite 300  
Nashville, TN 37201  
[FAX] (615) 254-7123

Cecil D. Branstetter  
Branstetter, Kilgore, Stranch & Jennings  
227 Second Avenue, North  
4<sup>th</sup> Floor  
Nashville, TN 37201  
[FAX] (615) 255-5419

Clifton T. Bates  
312 Bastin Road  
Hohenwald, TN 38462

  
\_\_\_\_\_  
Graham Matherne

**IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

**IN RE:** )  
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**SENTINEL TRUST COMPANY** ) **No. 4781**  
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**AFFIDAVIT OF COMMISSIONER KEVIN P. LAVENDER**

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I, Kevin P. Lavender, after having been first duly sworn, do attest as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein.

2. I am the Commissioner of the Tennessee Department of Financial Institutions. I took emergency possession of Sentinel Trust Company on May 18, 2004 and appointed Receivership Management, Inc. as the Receiver for Sentinel Trust Company.

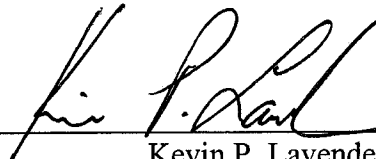
3. Either I, or my staff at my direction, have reviewed the fees and invoices contained in this filing for the services performed by the Receiver for the period July 1, 2005 – July 31, 2005.

4. Based on the recommendations of my staff, I have determined that the rates being charged by the Receiver are either at a discounted or market rate for the services provided.

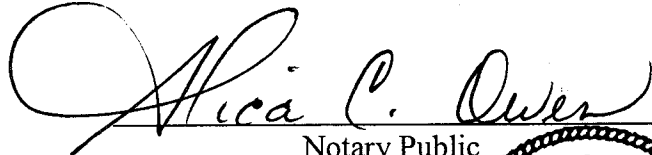
5. Either I, or my staff at my direction, have reviewed the invoices and fees presented by the Receiver and I have determined that all of the services noted are fair, reasonable, and proper for the services provided, and that they are necessary costs of this receivership. The invoices and fees attached as Exhibits to the Motion note the work performed, the amount charged, and the person performing the work. No billings were excessive or duplicative.

6. Furthermore, either I, or my staff have reviewed the fees for Legal Counsel and Third Party Contractors approved by the Receiver and presented with this filing, and based on the recommendations of the Receiver, I have determined that these fees are fair, reasonable and proper for the services provided. All fees will be reviewed on a monthly basis prior to payment.

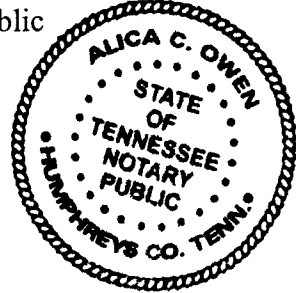
**FURTHER AFFIANT SAITH NOT.**

  
\_\_\_\_\_  
Kevin P. Lavender

Subscribed and sworn to before me by Kevin P. Lavender, on this the 15<sup>th</sup> day  
of September, 2005.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 12/31/08



**IN THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

**IN RE:** )  
 )  
**SENTINEL TRUST COMPANY** ) **NO. 4781**  
 )  
 )

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**AFFIDAVIT OF JEANNE BARNES BRYANT**

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I, Jeanne Barnes Bryant, after being duly sworn, state as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein. I submit this Affidavit in support of the Motion for approval of fees as Receiver and for approval of counsel and third party contractor fees.

2. As Receiver appointed by the Commissioner, I have been responsible for the administration Notice of Possession entered by the Commissioner on May 18, 2004.

3. As Receiver, I have filed for interim fees in the Sentinel receivership in the amount of \$5,980.00. This amount is due for the period of time July 1, 2005 – July 31, 2005.

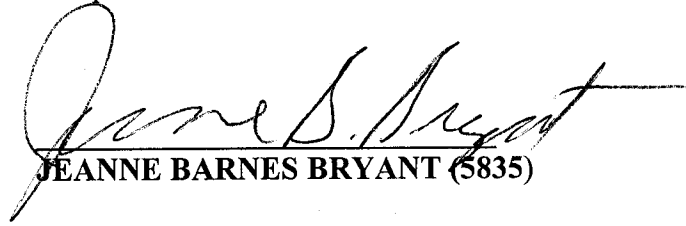
4. The fees presented for approval were necessary for the work provided and are not duplicative or excessive. I believe the fees presented for approval are fair, reasonable, and proper for the services provided.

5. I am responsible for engaging and approving all third party contractors and for approving fees of legal counsel engaged by the Commissioner, all of whose fees are contained in this Motion. The invoices and fees attached as Exhibits to the Motion note the work performed, the amount charged, and the person performing the work. The invoices are filed with the Court under seal. I have determined that the rates being charged by the contractors and counsel are either at a discounted or market rate in their area for the services provided.

6. I have reviewed the individual invoices submitted for work by all the third party contractors. I have also reviewed the billings submitted for work by outside counsel for the period of July 1, 2005 through July 31, 2005. I have determined that the fees were necessary for the work provided and are not duplicative or excessive. I have submitted all invoices to the Department for approval on a monthly basis. All invoices may be paid subsequent to receiving approval from the Commissioner each month.

7. I believe that all fees presented for approval contained in this filing are fair, reasonable, and proper for the necessary services provided.

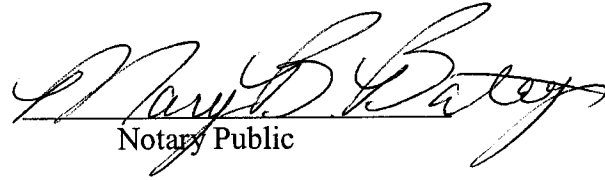
**FURTHER AFFIANT SAITH NOT.**

  
JEANNE BARNES BRYANT (5835)

STATE OF TENNESSEE )

COUNTY OF DAVIDSON )

Sworn to and subscribed before me this 25 day of August, 2005.

  
Notary Public

My commission expires: 5-19-07

**INTERIM FEE SCHEDULE**

<b><u>DATE</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>AMOUNT</u></b>
07/05	Jeanne Barnes Bryant - July Fees	<u>5,980.00</u>
	<b>TOTAL RECEIVER FEES</b>	<b>\$5,980.00</b>

THIRD PARTY SCHEDULE

<u>DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
	<i>Receivership Management, Inc.</i>	
07/05	July Fees	6,321.25
07/05	Operating Cost - July 2005	<u>2,802.05</u>
	<b>TOTAL RMI FEES</b>	<b>\$9,123.30</b>
	<b>TOTAL THIRD PARTY FEES</b>	<b>\$9,123.30</b>

**OUTSIDE COUNSEL**

<b><u>DATE</u></b>	<b><u>DESCRIPTION</u></b>		<b><u>AMOUNT</u></b>
07/05	Wyatt Tarrant & Combs - July 2005	INV 637088	\$335.62
07/05	Wyatt Tarrant & Combs - July 2005	INV 637089	\$1,861.29
07/05	Wyatt Tarrant & Combs - July 2005	INV 637090	\$105.00
07/05	Wyatt Tarrant & Combs - July 2005	INV 637091	\$2,064.82
07/05	Wyatt Tarrant & Combs - July 2005	INV 637092	\$3,076.87
07/05	Wyatt Tarrant & Combs - July 2005	INV 637093	\$3,390.79
07/05	Wyatt Tarrant & Combs - July 2005	INV 637181	<u>\$11,278.11</u>
	<b>TOTAL WYATT, TARRANT &amp; COMBS FEES</b>		<b>\$22,112.50</b>
07/05	Chesser & Barr, PA - July/August 2005	INV 50840	<u>\$7,121.00</u>
	<b>TOTAL CHESSER &amp; BARR FEES</b>		<b><u>\$7,121.00</u></b>
	<b>TOTAL OUTSIDE COUNSEL FEES</b>		<b>\$29,233.50</b>