IN THE CHANCERY COURT FOR LEWIS COUNTY
AT HOHENWALD, TENNESSEE

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

MOTION FOR APPROVAL OF RECEIVER, OUTSIDE COUNSEL AND THIRD PARTY CONTRACTORS FEES (JUNE 2007)

I. INTRODUCTION / BACKGROUND

Greg Gonzales, Commissioner of the Department of Financial Institutions for the State of Tennessee, and Receivership Management, Inc., Receiver of Sentinel Trust Company ("Receiver"), 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 entered June 30, 2004, all fees and expenses of the Receiver, its officers or employees, counsel and 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.

The former Commissioner of the Department of Financial Institutions, Kevin P. Lavender, entered a Notice of Possession for Sentinel Trust Company on May 18, 2004 and subsequently filed a Notice of Liquidation on June 18, 2004.

Pursuant to Tenn. Code Ann. § 45-2-1502(b)(2), Commissioner Lavender appointed Receivership Management, Inc. as Receiver for Sentinel Trust Company.

Pursuant to Tenn. Code Ann. § 45-2-1504(h)(1)(A), compensation for Jeanne Barnes Bryant, as President of Receivership Management, Inc., is fixed by the Commissioner of the Department of Financial Institutions and all fees and expenses incurred are payable from the

funds or assets of the Receivership estate. The Receiver will be reimbursed monthly for work by Ms. Bryant incurred for the Receivership estate in the amount of $125.00 per hour. The Receiver, on a monthly basis, submits invoices for all fees and expenses incurred or received during the particular month to the Commissioner of the Tennessee Department of Financial Institutions for approval prior to payment. These invoices are reviewed and paid after approval of the Commissioner and his staff.

II. JUNE 2007 FEES

Ms. Bryant performed work for this Receivership, as shown on the attached Exhibit for the period of June 1, 2007 – June 30, 2007 in the amount of $1,681.25 (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 June 1, 2007 – June 30, 2007 in the amount of $882.00 (detailed invoices of which are filed Under Seal). Additionally, operating costs and expenses, as detailed in the Under Seal submission, charged by Receivership Management, Inc., amounted to $1,787.76 for June 2007. The Commissioner and his staff have determined these fees, costs and expenses to be reasonable, appropriate and necessary for the services rendered for the Receivership. These fees have been approved for payment. See Affidavits of Jeanne Barnes Bryant and Commissioner Greg Gonzales filed herewith.

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. Ms. Bryant, as President of the Receiver, the Commissioner and his staff have reviewed all of the Wyatt, Tarrant & Combs outside counsel billings and have found the fees to be fair, reasonable and proper for the services provided. Ms. Bryant, as President of the Receiver, the

Commissioner and his staff have also reviewed the billings and charges of Receivership Management, Inc. staff and the operating costs charges and have found these fees and charges to be fair, reasonable and proper for the services provided.

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 have been 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 has been instructed to continue work on several defaulted bond issues. Depending on the work completed during each monthly reporting period to the Court, counsel who worked on matters regarding Sentinel Trust will be listed separately and approval requested for payment. At this time, there are no fees due to any other counsel for work on defaulted bond issues.

The billings so reviewed, and for which Court approval is sought, are as follows:

A. Invoices for Jeanne Barnes Bryant for June 1, 2007 – June 30, 2007 in the amount of $1,681.25.

B. Invoices for services from the staff of and the operating costs and expenses incurred by Receivership Management, Inc. for June 1, 2007 – June 30, 2007 in the amount of $2,609.76.

C. Invoices for Wyatt, Tarrant & Combs, LLP for June 1, 2007 – June 30, 2007 in the amount of $4,698.36 ($4,561.86 on general Sentinel Receivership estate and litigation work; $58.50 on the Roseland/Charlotte, North Carolina defaulted bond matter and $78.00 on the Tyler, Texas/Park Place defaulted bond matter).

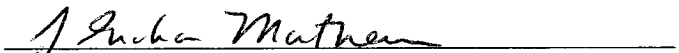
III. PROCEDURES TO RESPOND TO INSTANT MOTION

Pursuant to order entered by the Court on August 8, 2006, responses in opposition to this Motion must be filed with the Lewis County Chancery Court Clerk and Master on or before September 18, 2007. A copy of any response in opposition must be served, on or before that date, to undersigned counsel and mailed to Hon. Jerry Scott, c/o Senior Judge Program, 119 North Maple Street, Murfreesboro, TN 37130. If responses in opposition are filed timely, the matter will come before the Court for hearing at a time set by the Court with notice given to all affected parties. If no responses in opposition are filed by September 18, 2007, a proposed order granting the Motion will be sent to Judge Scott for consideration and entry.

IV. CONCLUSION

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,



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Counsel for Receivership Management, Inc., Receiver of Sentinel Trust Company

CERTIFICATE OF SERVICE

This is to certify that, on September 6, 2007, a copy of the foregoing Motion has been sent by First Class U.S. Mail, postage paid, and by Federal Express as noted, to:

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