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Attorneys for Jeanne B. Bryant, Independent Fiduciary of the
RETIREMENT SECURITY PLAN AND TRUST, f/k/a
PENSION LIQUIDITY PLAN AND TRUST

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

HILDA L. SOLIS, Secretary of the United States
Department of Labor,

Plaintiff,

v.

MATTHEW D. HUTCHESON, HUTCHESON
WALKER ADVISORS LLC, GREEN VALLEY
HOLDINGS LLC, and the RETIREMENT
SECURITY PLAN AND TRUST, f/k/a PENSION
LIQUIDITY PLAN AND TRUST,

Defendants.

Case No.: 1:12-CV-00236-EJL

**REPORT AND FEE NOTICE OF
COST AND EXPENSES**

PURSUANT TO THE Preliminary Injunction entered on June 13, 2012 [Doc. 16], Jeanne B. Bryant, Independent Fiduciary for Retirement Security Plan & Trust (RSPT) submits this Third Report and Notice for the period beginning July 1, 2012 and ending July 31, 2012.

I. ACTIVITY REPORT

There have been a number of issues that have occurred with RSPT since the last report of the Independent Fiduciary (“IF”). The IF has informed the Employer members of the current status of their individual collections involving the monthly administration fee, and is now requesting payment from ASPIre for any delinquent amounts. Attached as **Exhibit 1** is a

report noting the collections and payments made from the account for previously approved fees and cost.

As noted in the last report, the IF has now hired contingency counsel, and has requested payment from ASPIre for any amounts due for previously approved fees and costs concerning the PCB investment from those members holding such accounts. The IF has hired the law firm of Angstman, Johnson & Associates, PLLC (“Angstman Johnson”) as contingency counsel to pursue two specific items: the real property known as the Osprey Meadows Golf Course near the Tamarack Resort in Donnelly, Idaho (“Tamarack Property”) and a fidelity bond claim against Colonial Security Company (“Fidelity Bond”). In the event Angstman Johnson discovers additional potential claims for recovery of assets, it has the option of pursuing those claims on this same sliding contingency-fee basis. Angstman Johnson will be compensated on the following sliding contingency-fee scale based on the amounts (if any) they are able to recover for the RSPT Plans:

1. In the event RSPT and/or its Plans recover funds from the sale of the Tamarack Property and/or the Fidelity Bond described above within eighteen (18) months of Angstman Johnson’s employment, the following attorney fees would be due and owing:
 - a. For all net recovery of funds paid to RSPT and/or its Plans up to One Million dollars (\$1,000,000.00), Angstman Johnson would be entitled to 33.33% of the funds.
 - b. For all net recovery of funds paid to RSPT and/or its Plans between One Million and Two Million dollars (\$1,000,000.00 - \$2,000,000.00), Angstman Johnson would be entitled to 25% of the funds.

- c. For all net recovery of funds paid to RSPT and/or its Plans above Two Million dollars (\$2,000,000.00), Angstman Johnson would be entitled to 20% of the funds.
2. In the event RSPT and/or its Plans recover funds from the sale of the Tamarack Property and/or the Fidelity Bond described above after eighteen (18) months of Angstman Johnson's employment, the following attorney fees would be paid:
 - a. For all net recovery of funds paid to RSPT and or its Plans up to Two Million dollars (\$2,000,000.00), Angstman Johnson would be entitled to 33.33% of the funds.
 - b. For all net recovery of funds paid to RSPT and/or its Plans above Two Million dollars (\$2,000,000.00), Angstman Johnson would be entitled to 20% of the funds.
3. In the event funds are needed to pay James Fletcher (either as part of a settlement with him, or as part of a Chapter 11 Bankruptcy Plan), and the RSPT and/or its Plans (or any one of them) are unable or unwilling to contribute sufficient funds to pay Mr. Fletcher's claim or locate and secure an investor to contribute funds (either through settlement or through a Chapter 11 Plan), and Angstman Johnson is required to assist in locating an investor and/or documenting a transaction to secure such funds, Angstman Johnson shall be entitled to a flat fee at the closing of such transaction of Twenty-Five Thousand dollars (\$25,000.00) (which fee shall pay for, among other things, drafting any required documents to memorialize the investment and any security interest therefore). This \$25,000.00 payment shall be in addition to any fees received pursuant to paragraphs one (1) or two (2) above.

4. All costs will be paid by the RSPT and/or its Plans on an ongoing basis, pursuant to the payment submission and approval procedures previously outlined in the court's Preliminary Injunction Order entered on June 13, 2012 (or, in the event of a bankruptcy proceeding, pursuant to the fee application procedure outlined in 11 U.S.C. §§330 and 331).

II. ANTICIPATED FUTURE ACTIVITIES AND RESOLUTION OF ISSUES

The IF takes this opportunity to inform the Court and the parties to this litigation of the following issues, and anticipated means of resolution of same, involving the RSPT Plans. The IF will post a copy of this Report and Fee Notice on its web site and will inform the sponsors of the RSPT Plans of such posting as noted below after filing of same with this Court.

1. Tax Qualification Issues. The IF continues to inspect copies of the RSPT Plans' plan documents to ensure that all required amendments have been timely made. She has also begun reviewing the RSPT Plans' administrative procedures to determine whether the RSPT Plans have been administered in accordance with their terms. Both of these requirements are conditions for the RSPT Plans' trust's exemption from federal income tax laws. Individual Plan reviews commenced during the month of August with individual employer notifications as to status to occur during the month of September. Based upon the results of the review, each employer will receive information concerning their options regarding their plan. These options may include the drafting and execution of necessary amendments.

2. Delinquent Contributions and/or Participant Loan Payments, and possible Safe Harbor issues. The IF has also begun reviewing the RSPT Plans' trust records concerning these issues. The IF intends to be in touch with each individual plan to advise of any problems and to discuss other requests or problems of each Plan. This review commenced during the month of August. The IF does not anticipate filing any application under the U.S. Department of

Labor's voluntary fiduciary correction program ("VFCP") regarding these issues, given the requirement under the Preliminary Injunction that she report her activities to this Court and given that the Secretary of Labor is the plaintiff in this action.

3. Valuation for Individual Employers- Some employers are not responding in timely manner concerning the valuation information that has been requested. This information is needed to go forward with 5500 filings for each employer. Employers who have this problem are being notified.

III. ACCOUNTINGS REGARDING THE RSPT PLANS

As noted in Section 18 of the June 13, 2012 Preliminary Injunction, before causing the RSPT Plans to pay compensation, fees or expenses, the IF is to provide written notice (the "Fee Notice") of such compensation, fees or expenses, by filing the Fee Notice (such as set forth herein) with the Court, and by serving a copy of that filing to the Secretary of the U.S. Department of Labor, Employee Benefits Security Administration, Hutcheson and HWA. The IF intends to submit her Fee Notice and Activity Report on a monthly basis. If, within fifteen (15) days after filing of a Fee Notice, no objection to the Fee Notice, nor to payment by the Plan of the compensation, fees or expenses described therein, is filed with the Court, such compensation, fees or expenses shall be deemed reasonable expenses of the RSPT Plans and shall be paid by the RSPT Plans without further action or approval of the Court. The fees and expenses will be allocated as outlined above. In an effort to reduce costs, copies of this Report and Fee Notice are being posted to a website of the IF's company Receivership Management, Inc. ("RMI") and the participating employers will be given notice of the filing.

Attached hereto as **Exhibit 2** is a schedule of the hourly rates for the Independent Fiduciary and the hourly rates of any staff of Receivership Management, Inc. that might be used to carry out the terms of the Court's June 13, 2012 Preliminary Injunction.

Attached hereto as **Collective Exhibit 3** are expense summaries for the period of July 1, 2012 - July 31, 2012.

Total expenses, as listed on **Collective Exhibit 3** include \$4,245.00 in IF fees, \$10,133.91 in legal expenses and \$9,380.75 in contract labor expenses (which include auditor fees and identified charges for other fees, postage, copies, telephone, travel, etc.) for the period of July 1, 2012 - July 31, 2012. Please note that counsel have, as necessary, redacted exact descriptions of litigation issues in order to protect applicable privileges, and the IF may also redact the names of employers and or members as to protect the companies or the members involved when responding to individual questions if required. The IF believes that the remaining descriptions are sufficient for approval of the charges requested. All expenses and fees are separated between those costs necessary for administration and those costs necessary for asset recovery, and will be paid as noted in previous reports. Upon final replacement by contingency counsel, costs for asset recovery efforts are expected to be minimal.

In the absence of any objection, total reimbursement for \$4,245.00 in IF fees, \$10,133.91 in legal expenses and \$9,380.75 in contract labor expenses for administration and litigation will be paid from the Plan's expense reserve in accordance with the Court's June 13, 2012 Preliminary Injunction. The exact amounts and the parties to be paid are listed below:

1.	Jeanne Barnes Bryant	\$4,245.00
2.	Wyatt Tarrant & Combs	\$3,138.82
3.	Moore & Elia, LLP	\$3,622.15
4.	Berry & Tudor	\$3,372.94
5.	Receivership Management Inc.	\$9,380.75
	\$6,667.50/Contract labor	
	\$2,713.25/Other expenses	

Pursuant to the Court's June 13, 2012 Preliminary Injunction [Doc. 16], if no objection is filed with the Court within fifteen (15) days after the filing of this Notice and Report, the IF will proceed to authorize payments due counsel and any other parties listed.

DATED this 30th day of August, 2012.

MOORE & ELIA, LLP

By: _____/s/
Michael J. Elia, Attorneys for Jeanne
B. Bryant, Independent Fiduciary for
RSPT Plans

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 30th day of August, 2012, I served a true and correct copy of the foregoing document, by the method indicated below, and addressed to the following:

Jamila Beatrice Minnicks
United States Department of Labor
200 Constitution Ave., NW
Washington DC 20210

U.S. Mail, postage prepaid
 Hand Delivered
 Overnight Mail
 Fax Transmission
 Email
 ECF/PACER

Michael Ross Hartman
U.S. Department of Labor
200 Constitution Avenue, NW
Room N-4611
Washington, DC 20210

U.S. Mail, postage prepaid
 Hand Delivered
 Overnight Mail
 Fax Transmission
 Email
 ECF/PACER

Michael Alan Schloss
U.S. DOL, Office of the Solicitor, PBSO
200 Constitution Ave., N.W.
Washington, DC 20210

U.S. Mail, postage prepaid
 Hand Delivered
 Overnight Mail
 Fax Transmission
 Email
 ECF/PACER

Matthew D. Hutcheson
33 Pinnacle Court
Donnelly, Idaho 83615

U.S. Mail, postage prepaid
 Hand Delivered
 Overnight Mail
 Fax Transmission
 Email
 ECF/PACER

Monty W. Walker
c/o R. Bradford Huss
Trucker Huss, APC
One Embarcadero Center, 12th Floor
San Francisco, CA 94111-3628
[NOTE: this is consistent with the Court's
Order and prior pleadings, but does not
reflect Mr. Walker's resignation from HWA]

U.S. Mail, postage prepaid
 Hand Delivered
 Overnight Mail
 Fax Transmission
 Email
 ECF/PACER

MOORE & ELIA, LLP

/s/
Michael J. Elia