

CAUSE NO: D-1-GN-16-000360

THE STATE OF TEXAS	§	IN THE DISTRICT COURT OF
<i>Plaintiff,</i>	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
MILLENNIUM CLOSING SERVICES, LLC	§	
D/B/A MILLENNIUM TITLE	§	
<i>Defendant.</i>	§	53 rd JUDICIAL DISTRICT

APPLICATION FOR APPROVAL OF FEES AND EXPENSES

TO THE HONORABLE JUDGE OF SAID COURT:

CANTILO & BENNETT, L.L.P., Special Deputy Receiver of Millennium Closing Services, L.L.C. d/b/a Millennium Title (the “SDR” and “Millennium Title,” respectively), files its *Application for Approval of Fees and Expenses* (the “Application”).

I. BACKGROUND

1.1. On January 25, 2016, this court entered its *Agreed Order Appointing Liquidator and Permanent Injunction* appointing the Texas Commissioner of Insurance as Liquidator of Millennium Title. On January 26, 2016, the Texas Commissioner of Insurance, as Liquidator, appointed CANTILO & BENNETT, L.L.P., as Special Deputy Receiver of Millennium Title.

II. JURISDICTION

2.1. This Court has jurisdiction over the subject matter of this Application and of the parties herein pursuant to TEX. INS. CODE § 443.005.

III. STATUTORY AUTHORITY

3.1 The SDR is authorized to file this Application pursuant to TEX. INS. CODE § 443.015, which provides for the approval of the SDR’s expenses and compensation by the Court.

IV. BASIS FOR APPLICATION

4.1 TEX. INS. CODE § 443.015(c)(1) requires the Receiver to submit an application for the approval of the terms of compensation of a contractor when the Receiver reasonably expects that the total amount of compensation to be paid over the course of the proceeding will exceed Two Hundred and Fifty Thousand Dollars (\$250,000), or such another amount established by the Court. In addition, TEX. INS. CODE § 443.015(d) permits the Receiver, at his discretion, to submit an application to approve any compensation, anticipated expenses, or incurred expenses not described by Subsection (c)(1).

4.2 The SDR files this application to request approval of proposed fees and expenses. At this time, it is not anticipated that the compensation paid to any contractors will exceed \$250,000 for the duration of this proceeding. The rates for compensation for all contractors are shown on Exhibit A, which is attached hereto and incorporated by reference. The SDR requests the Court to approve such rates pursuant to TEX. INS. CODE § 443.015(c) (1) and (d), effective as of January 26, 2016, the effective date CANTILO & BENNETT, L.L.P., was designated as SDR. These rates have been approved by the Receiver in accordance with TEX. INS. CODE § 443.154(a).

4.3 The SDR requests that the Court approve the SDR's Application for Approval of Fees and Expenses for the individual and entities identified on the attached Exhibit A.

4.4 TEX. INS. CODE § 443.015(g) provides that on a quarterly basis, or as otherwise provided by this Court, the Receiver shall submit to the Court a summary of expenses incurred during the period. The SDR requests the Court to confirm quarterly reporting periods that coincide with the State of Texas fiscal year. The SDR further requests that such reports be filed by the 15th day of the month following the end of the quarterly reporting period.

V. NOTICE

5.1 The SDR has served this Application to all known parties in interest and all individuals and entities identified by the SDR in the Certificate of Service by email and, as noted, by mail or overnight delivery to certain state and federal agencies.

VI. OFFER OF PROOF AND VERIFICATION

6.1 This Application is verified by the affidavit and certifications pursuant to TEX. INS. CODE § 443.017(b) of Susan E. Salch, the designated representative of CANTILO & BENNETT, L.L.P., Special Deputy Receiver of Millennium Closing Services, L.L.C. d/b/a Millennium Title.

VII. NOTICE OF ELECTRONIC SERVICE REQUIREMENT

7.1 All pleadings filed in response to this Application or in regards to these estates shall be served by email on the undersigned counsel and all parties shown in the attached Certificate of Service.

PRAYER

WHEREFORE, PREMISES CONSIDERED, CANTILO & BENNETT, L.L.P., Special Deputy Receiver of Millennium Closing Services, L.L.C. d/b/a Millennium Title prays that this Court grant this Application and grant the SDR such other and further relief to which it may justly entitled.

Respectfully submitted,

FULLER LAW GROUP

By: /s/Christopher Fuller
Christopher Fuller
State Bar No. 07515500
4612 Ridge Oak Drive
Austin, Texas 78731
Telephone: (512) 470-9544
Email: cfuller@fullerlaw.org

**Attorney for Cantilo & Bennett, L.L.P.,
Special Deputy Receiver of
Millennium Closing Services, L.L.C. d/b/a
Millennium Title**

CERTIFICATE OF SERVICE

I certify that on March 2, 2016, the foregoing *Application for Approval of Fees and Expenses* was served pursuant to the Texas Rules of Civil Procedure and TEX. INS. CODE ANN. CHAPTER 443 on the following by electronic mail, except as specifically noted:

Via e-Service: specialmasterclerk@tdi.texas.gov *Via e-Service:* James.Kennedy@tdi.texas.gov
Special Master's Clerk James Kennedy
TEXAS DEPARTMENT OF INSURANCE TEXAS DEPARTMENT OF INSURANCE
582 – Rehabilitation & Liquidation Oversight 872 – Legal Services\Liquidation Allocated
PO Box 149104 110-1A
Austin, Texas 78714-9104 PO Box 149104
Austin, Texas 78714-9104

Via e-Service: Kimberly.Hammer@tdi.texas.gov *Via e-Service:* Vicente.Aguillon@tdi.texas.gov
Kimberly Hammer Vicente Aguillon
TEXAS DEPARTMENT OF INSURANCE TEXAS DEPARTMENT OF INSURANCE
PO Box 149104 Rehabilitation & Liquidation Oversight
Austin TX 78714-9104 PO Box 149104
Austin, Texas 78714-9104

Via e-Service: Cynthia.Morales@texasattorneygeneral.gov *Via Email:* rachel.obaldo@texasattorneygeneral.gov
Cynthia Morales Rachel Obaldo
Assistant Attorney General Assistant Attorney General
Financial, Litigation, Tax, & Charitable Trusts Bankruptcy and Collections Division
OFFICE OF THE TEXAS ATTORNEY GENERAL OFFICE OF THE TEXAS ATTORNEY GENERAL
P.O. Box 12548 P.O. Box 12548
Austin, Texas 78711-2548 Austin, Texas 78711-2548

Via First Class Mail *Via First Class Mail*
INTERNAL REVENUE SERVICE INTERNAL REVENUE SERVICE
Special Procedures Branch Centralized Insolvency Operation
P.O. Box 250 P.O. Box 7346
300 East 8th Street, Suite 352 Philadelphia, PA 19101-7346
Mail Stop 5022AUS
Austin, TX 78701

Via e-Service:: Kergin@burtonhyde.com
Kergin B. Bedell
BURTON & HYDE, PLLC
311 West 5th Street, Suite 100
Austin, Texas 78701

Via e-Service: jason@vandykelawfirm.com
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The Van Dyke Law Firm
200 Chisholm Place #250
Plano, TX 75075
Counsel for Maverick Title of Texas, LLC

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Austin, Texas 78701
*Counsel for Texas Title Insurance Guaranty
Association*

/s/Christopher Fuller
Christopher Fuller

APPLICANT'S NOTICE OF SUBMISSION

Pursuant to the terms of the Order of Reference to Master entered by the District Court in this cause, the SDR's *Application for Approval of Fees and Expenses* is hereby set for written submission before the Special Master, Tom Collins, on March 14, 2016.

The Special Master has asked that the following rules be provided you:

1. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the submission date.
2. A copy of any objection shall be served by email by such date on:
 - (a) The Special Master's Docket Clerk, at specialmasterclerk@tdi.texas.gov;
 - (b) The undersigned counsel, Christopher Fuller at cfuller@fullerlaw.org; and
 - (c) All interested parties, including those listed on the SDR's Certificate of Service.
3. The objecting party shall coordinate with the SDR's counsel and the Docket Clerk [(512)463-6450] to obtain an oral hearing setting for argument on the Application and Objection, and complete and attach an "Objecting Party's Notice of Oral Hearing" to the objection.
4. The written objection must specifically list all reasons for objection with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally.
5. **Please note that if an objection is not filed as described in the Notice of Submission, the Master may consider the Application without a hearing.**
6. **Failure to file timely a written objection before the Special Master constitutes a waiver of the right to object to the Special Master's recommendation to the District Court.**
7. Any Acknowledgment of Notice and Waiver to be filed by the Guaranty Association or other interested party should be filed at least three (3) calendar days before the submission or hearing date.

/Christopher Fuller/

Christopher Fuller

**SPECIAL DEPUTY RECEIVER'S VERIFICATION AND CERTIFICATION
PURSUANT TO TEX. INS.CODE ANN. §443.017(b)**

AFFIDAVIT OF SUSAN E. SALCH

State of Texas

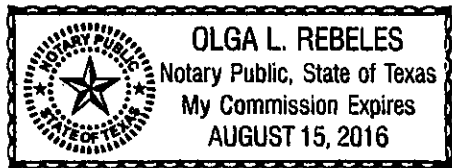
County of Travis

BEFORE ME, the undersigned authority appeared Susan E. Salch, who after being by me duly sworn, stated the following under oath:

1. "My name is Susan E. Salch. I am of sound mind, capable of making this affidavit, and am competent to testify to the matters contained in this affidavit by personal knowledge, which are true and correct.
2. I am a partner in CANTILO & BENNETT, L.L.P., the Special Deputy Receiver of Millennium Closing Services LLC, d/b/a Millennium Title (the "SDR" and "Millennium Title," respectively). I am duly authorized to make this Certification on behalf of the SDR.
3. I certify that the exhibits, books, accounts, records, papers, correspondence, and/or other records and documents attached hereto were produced pursuant to TEX. INS. CODE ANN. § 443.017, are either true and correct copies of records of Millennium Title and were received from the custody of Millennium Title or found among its effects, or were created by and filed with the Receiver's office in connection with the receivership of this delinquent agency, and are held by the Special Deputy Receiver in its official capacity."

By: Susan E. Salch
Susan E. Salch

SUBSCRIBED AND SWORN TO BEFORE ME on February 29, 2016, by Susan E. Salch, Special Deputy Receiver of Millennium Closing Services LLC, d/b/a Millennium Title.



Notary Public: Olga L. Rebeles

Printed Name: Olga L. Rebeles

Notary's Seal:

My Commission Expires: August 15, 2016

APPLICATION FOR APPROVAL OF FEES AND EXPENSES

EXHIBIT A

**Special Deputy Receiver
CANTILO & BENNETT, L.L.P.**

SDR Primary Responsible Person/Partner	\$200.00
Partner (4)	\$200.00
Senior Associate	\$175.00
Associate (3)	\$150.00
Senior Receivership Specialist	\$125.00
Receivership Specialist (2)	\$120.00
Law Clerk	\$110.00
Administrative/Clerical	\$ 30.00

Legal/Litigation Services and Legal Support Services Subcontractors

Fuller Law Group

Attorney/SDR Counsel	\$250.00
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Inquest Resources

Paralegal	\$ 75.00
Receivership Specialist I	\$ 75.00
Receivership Specialist II	\$ 45.00
Administrative/Clerical	\$ 30.00

Accounting Services Subcontractor

Petrosewicz & Co., Inc.

CPA	\$180.00
Staff Accountant I	\$105.00
Staff Accountant II	\$ 90.00
Clerical Staff	\$ 30.00

Claims Services

EMKAY Associates, Inc.

Claims Manager and Consultant	\$ 95.00
Claims Management and Consulting	\$ 85.00
Claims Management and Consulting, Site Management	\$ 85.00
Records Inventory and Management	\$ 35.00
Clerical	\$ 30.00

Information Technology/Data Processing Subcontractor

ABACI, Inc.

Project Manager/Business Analyst/Application Designer	\$ 95.00
Technical Analyst/Application Designer/Conversion Specialist	\$ 90.00