

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

**SECURITIES AND EXCHANGE COMMISSION**  
**Plaintiff,**

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v.

**Civil Action No. 4:11-cv-655**

**JAMES G. TEMME, and**  
**STEWARDSHIP FUND, LP,**  
**Defendants.**

**RECEIVER’S SECOND INTERIM APPLICATION TO ALLOW AND PAY  
PROFESSIONAL FEES TO GREG T. MURRAY, PLLC**

Keith M. Aurzada as Receiver (the “*Receiver*”) for James G. Temme, Stewardship Fund, LP, and all other entities directly or indirectly controlled by James G. Temme or Stewardship Fund, LP, including but not limited to, Stewardship Advisors, LLC, d/b/a Stewardship Advisors, LP, Stewardship Asset Management Genpar I, LLC, Stewardship Group, LLC, Destiny Fund, LP and Stewardship Management, LP (collectively, the “*Defendants*”), hereby files his Second Interim Application to Allow and Pay Professional Fees to Greg T. Murray, PLLC and, in support thereof, would respectfully show the Court as follows:

**BACKGROUND**

1. Prior to the initiation of the above-captioned action by the Securities and Exchange Commission (“*Commission*”), Defendants raised at least \$35 million from various investors seeking to purchase distressed residential mortgage loans and notes. The Defendants represented to investors that the offerings and proceeds would be used to buy distressed and non-

performing mortgages and notes at deeply discounted values that would be improved to become performing mortgages that would be resold at a profit.

2. As the Receiver has conducted his investigation, it has become apparent that the Defendants' means for acquiring notes and mortgages was to obtain funds from various groups or individuals to invest in limited partnerships in which the general partner would acquire at a discount tapes of distressed, non-performing mortgage loans.

3. In the spring of 2011, Defendants' scheme collapsed, payments to investors ceased, and lienholders began foreclosure proceedings on the properties underlying the mortgages held by the Defendants.

4. Since commencing his duties, the Receiver has identified through the loan servicing company database and public record searches most of the lienholders on each of the properties. The receivership is still in the discovery phase, with a large focus of the Receiver being to identify, locate, and secure assets.

**APPLICATION FOR FEES AND EXPENSES  
OF THE RECEIVER AND HIS ATTORNEYS**

5. This Application seeks the approval and payment of fees and reimbursable expenses for Greg T. Murray, PLLC ("**Murray**") for the time period from September 12, 2012 through December 31, 2013. The Receiver retained Murray as the accountant for the Receivership Estate. *See* Order Granting Unopposed Application to Employ Greg T. Murray as Accountant for Receiver [Dkt. No. 45]. The Receiver has previously provided Murray's credentials and the Court has already approved the discounted fees Murray has offered to the Receiver for his work in this Matter. *See id.*

6. As demonstrated more fully in the invoice attached hereto as Exhibit A, Murray and his staff spent a total of 161 hours working on various tax matters, reconciling bank

statements, assisting with forensic examination of records, reviewing and reconciling claims, and maintaining accounts and other accounting issues during the period covered by this Application and seeks allowance of total compensation in the amount of \$30,590.85, which amount includes \$1,109.60 in expenses incurred by Murray.

7. The Receiver seeks authority to pay Murray \$30,590.85, constituting \$29,481.25 in fees and \$1,109.60 in expenses incurred for the time period from September 12, 2012 through December 31, 2013, upon an order of this Court.

8. Exhibit A, which is attached and incorporated for all purposes, conveys the following information for the time period of September 12, 2012 through December 31, 2013: (a) the number of hours worked by Murray and his staff on a particular day; (b) the manner and type of work performed; (c) expenses incurred; and (d) the monetary value assigned to each task performed by Murray and his staff.

9. As detailed in Exhibit A, Murray's efforts thus far have centered around three main tasks: (i) reconciling Quickbooks records of all transactions by the Receivership Entities; (ii) tracing funds moving in and out of bank accounts owned by the Receivership Entities; and (iii) analyzing potential investor claims.<sup>1</sup>

10. Murray expended much of his time tracing funds that came in to and went out of Receivership Entities' accounts. These records will be used, along with investor proofs of claim, to determine how much money each known investor paid to the Receivership Entities and how much they received in return. The Receiver's ultimate distribution to investors will be based in large part on the account performed by Murray.

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<sup>1</sup> Murray utilized his staff to perform bookkeeping entries in an effort to keep the Receiver's costs low. Murray's staff bills at only \$50 per hour.

11. Finally, much of Murray's time reflected in Exhibit A was spent analyzing claims that have already been filed with the Receiver. As part of his investigation, the Receiver seeks to identify the investors in the Receivership Entities that were "net winner." Determining the net winners and the amount of their recoveries from Receivership Entities will factor into the Receiver's decisions on distributions and potential "claw back" litigation. Murray's analysis and reports will, therefore, be crucial to the Receiver's task of identifying pursuing potential claims of the Receivership Estate.

### **JOHNSON FACTORS**

12. In support of this request for compensation and reimbursement of expenses, the Receiver respectfully directs this Court's attention to those factors generally considered by courts in awarding compensation to professionals for services performed in connection with the administration of a receivership estate. As stated by the Fifth Circuit Court of Appeals in *Migis v. Pearle Vision, Inc.*, 135 F.3d 1041, 1047 (5th Cir. 1998), "The calculation of attorneys fees involves a well-established process. First, the court calculates a 'lodestar' fee by multiplying the reasonable number of hours expended on the case by the reasonable hourly rates for the participating lawyers. The court then considers whether the lodestar figure should be adjusted upward or downward depending on the circumstances of the case. In making a lodestar adjustment the court should look at twelve factors, known as the Johnson factors, after *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974)." Those factors as applied to the services rendered in this case by Murray are addressed below.

(a) **The Time and Labor Required.** The Receiver respectfully refers the Court's attention to Exhibit A, which details the involvement of Murray in this case during the period

covered by this Application showing that a total of 161 hours of professional accountant time have been expended.

(b) **The Novelty and Difficulty of the Questions.** The tasks reflected in Exhibit A involve the type of tax and accounting issues that are appropriately performed by an accountant with Murray's skill and expertise.

(c) **The Skill Requisite to Perform the Service.** The Receiver believes that the services performed in this case and shown on Exhibit A have required individuals possessing tax and accounting skills and expertise. Murray has considerable experience in such areas.

(d) **The Preclusion of Other Employment Due to Acceptance of the Case.** The Receiver is unaware of any representation Murray declined solely because of their services as forensic accountants for the Receiver.

(e) **The Customary Fee.** The hourly rates sought herein are commensurate with or lower than the rates charged by other practitioners of similar experience levels in the Eastern District of Texas. In fact, Murray has given the Receiver a twenty percent (20%) discount below his typical rates. Moreover, where possible, Murray has utilized his staff, under his supervision, to complete tasks at a significant savings to the Receiver.

(f) **Whether the Fee is Fixed or Contingent.** Murray's fees are fixed insofar as monies exist by way of Receivership Assets from which to pay such fees. Payment of such fees, however, is subject to Court approval.

(g) **Time Limitations Imposed by the Client or Other Circumstances.** Murray's services were required in a timely fashion in order to meet applicable filing deadlines.

(h) **The Experience, Reputation and Ability of the Attorneys.** Murray's practice regularly includes the types of services rendered in this case and shown on Exhibit A. Murray is a respected accountant.

(i) **The Undesirability of the Case.** Murray's representation of the Receiver incident to this case has not been undesirable.

(j) **The Nature and Length of the Professional Relationship with the Client.** Murray did not represent the Receiver in these proceedings prior to being retained in these proceedings.

(k) **Award in Similar Cases.** The Receiver believes that the fees requested in this case are less than or equal to those which have been awarded in similar cases in this District.

**WHEREFORE**, the Receiver respectfully requests that the Court allow the requested compensation for professional services and expenses rendered by Murray on an interim basis, and authorize the Receiver to pay Murray total compensation of \$30,590.85, constituting \$29,481.25 in fees and \$1,109.60 in expenses for the time period from September 12, 2012 through December 31, 2013.

Dated: January 30, 2014

Respectfully submitted:

//s// Keith Miles Aurzada  
Keith Miles Aurzada, Receiver

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Dallas, Texas 75201  
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**CERTIFICATE OF SERVICE**

I certify that on January 30, 2014, I served a true and correct copy of the foregoing pleading by CM/ECF and United State First Class Mail, postage prepaid, to the following parties and persons:

David B. Reece  
Securities and Exchange Commission  
Fort Worth Regional Office  
801 Cherry Street, 19<sup>th</sup> Floor  
Fort Worth, TX 76102

John Helms  
Fitzpatrick Hagood Smith & Uhl LLP  
Chateau Plaza, Suite 1400, 2515 McKinney Avenue  
Dallas, TX 75201

Moreover, the foregoing will be uploaded to [www.stewardshipfundreceivership.com](http://www.stewardshipfundreceivership.com)

//s// Keith Miles Aurzada  
Keith Miles Aurzada