

JIM DARNELL, P.C.
ATTORNEY AND COUNSELOR AT LAW

SUITE 212
310 N. MESA STREET
EL PASO, TEXAS 79901

TELEPHONE (915) 532-2442
FACSIMILE (915) 532-4549
jdarnell@jdarnell.com

2008 JUL 16 A 11: 07

NEW HAMPSHIRE SUPERIOR COURT
MERRIMACK COUNTY
July 11, 2008

Via Fax (603) 225-2406
Certified Mail/Return Receipt Requested

Office of the Clerk
Merrimack County Superior Court
163 N. Main Street
P.O. Box 2880
Concord, New Hampshire 03301-2880

Attention: The Home Docket No. 03-E-0106

Re: James F. Scherr - POC Number: INSU275827-01

To the Honorable Merrimack County Superior Court:


Comes Now, Claimant James F. Scherr (hereinafter "Claimant") by and through his attorney of record and files this his Objection to the Notice of Redetermination and the decision of The Home Insurance Company in Liquidation and would show the Court as follows:

1. On November 20, 2006, The Home Insurance Company in Liquidation rendered their decision denying benefits to Claimant in his claim against The Home Insurance Company. Claimant timely appealed on December 12, 2006. After reconsideration, The Home Insurance Company in Liquidation again denied the appeal of Claimant and notified Claimant that should he seek further redress, he would need to object to the decision and must do so within sixty (60) days.
2. In accordance with the decision rendered on May 15, 2008, Claimant hereby objects to the decision of The Home Insurance Company in Liquidation and would show that the decision is both factually inadequate and an improper application of the law to the facts giving rise to this claim (see Exhibits A and

B attached hereto). As such, Claimant would show that he will continue to pursue this claim through all necessary steps.

Thank you for your cooperation.

Sincerely,



Jim Darnell, Attorney for
James F. Scherr

JD/bsc
3241.doc

cc: Mr. Peter Bengelsdorf,
Special Deputy Liquidator
for Roger A. Sevigny, Liquidator
The Home Insurance Company in Liquidation
P.O. Box 1720
Manchester, New Hampshire 03105-1720

EXHIBT A

JIM DARNELL, P.C.
ATTORNEY AND COUNSELOR AT LAW

SUITE 212
310 N. MESA STREET
EL PASO, TEXAS 79901

TELEPHONE (915) 532-2442
FACSIMILE (915) 532-4549
jdarnell@jdarnell.com

2008 JUL 16 A 11: 07

NH SUPERIOR COURT
MERRIMACK COUNTY
CONCORD, NH

June 10, 2004

*Via Certified Mail
Return Receipt Requested*

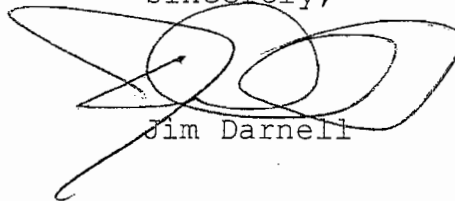
The Home Insurance Company in Liquidation
P.O. Box 1720
Manchester, New Hampshire 03105-1720

Re: James F. Scherr

Dear Sir/Madam:

Enclosed please find the Proof of Claim for my client, James F. Scherr. If you have any questions, please do not hesitate to give me a call. Thank you for your cooperation.

Sincerely,



Jim Darnell

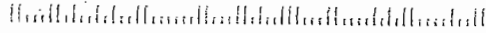
JD/bsc
1161.doc

Enclosures

PROOF CLAIM
The Home Insurance Company,
Merrimack County Superior Court, State of New Hampshire 03-E-0106
Read Carefully Before Completing This Form
Please print or type

FOR LIQUIDATOR'S USE ONLY

DATE PROOF OF
CLAIM RECEIVED



The Deadline for Filing this Form is June 13, 2004.

You should file this Proof of Claim form if you have an actual or potential claim against The Home Insurance Company of any of its former subsidiaries* ("The Home") even if the amount of the claim is presently uncertain. To have your claim considered by the Liquidator, this Proof of Claim must be postmarked no later than June 13, 2004. Failure to timely return this completed form will likely result in the **DENIAL OF YOUR CLAIM**. You are advised to retain a copy of this completed form for your records.

1. Claimant's Name: James F. Scherr
2. Claimant's Address: 109 N. Oregon, Suite 1200
El Paso, Texas 79901
3. Claimant's Telephone Number: (915) 544-0100
Fax Number: (915) 532-1759
Email address: slelaw@sbcglobal.net
4. Claimant's Social Security Number, ~~XXXXXXXXXXXX~~ 466-98-9639
5. Claim is submitted by (check one):
 - a) Policyholder or former policyholder
 - b) Third Party Claimant making a claim against a person insured by The Home
 - c) Employee or former employee
 - d) Broker or Agent
 - e) General Creditor, Reinsurer, or Reinsured
 - f) State or Local Government Entity
 - g) Other; describe: _____

If your name, address, e-mail address, or telephone number set forth above are incorrect, or if they change, you must notify the Liquidator so she can advise you of new information.

Describe in detail the nature of your claim. You may attach a separate page if desired. Attach relevant documentation in support of your claim, such as copies of outstanding invoices, contracts, or other supporting documentation.

See attached Plaintiff's First Amended Petition
marked as Attachment 1.

6. Indicate the total dollar amount of your claim. If the amount of your claim is unknown, write the word "unknown", BUT be sure to attach sufficient documentation to allow for determination of the claim amount.

See attached Summary Sheet* *Plus attorneys' fees
\$_____ (if amount is unknown, write the word "unknown"). to complete litigation
marked as Attachment 2

7. If you have any security backing up your claim, describe the nature and amount of such security. Attach relevant documentation.

N/A

8. If The Home has made any payments towards the amount of the claim, describe the amount of such payments and the dates paid:

N/A

9. Is there any setoff, counterclaim, or other defense which should be deducted by The Home from your claim?

No

10. Do you claim a priority for your claim? If so, why:

No

11. Print the name, address and telephone number of the person who has completed this form.

Name: Jim Darnell
Address: 310 N. Mesa, Suite 212
El Paso, Texas 79901
Phone Number (915) 532-2442
Email address jdarnell@jdarnell.com

* The Home Indemnity Company, The Home Insurance Company of Indiana, City Insurance Company, Home Lloyds Insurance Company of Texas, The Home Insurance Company of Illinois, and The Home Insurance Company of Wisconsin.

12. If represented by legal counsel, please supply the following information:
- a. Name of attorney: Jim Darnell
 - b. Name of law firm: Jim Darnell, P.C.
 - c. Address of law firm: 310 N. Mesa, Suite 212
El Paso, Texas 79901
 - d. Attorney's telephone: (915) 532-2442
 - e. Attorney's fax number: (915) 532-4549
 - f. Attorney's email address: jdarnell@jdarnell.com

13. If using a judgment against The Home as the basis for this claim:
- a. Amount of judgment N/A
 - b. Date of judgment _____
 - c. Name of case _____
 - d. Name and location of court _____
 - e. Court docket or index number (if any) _____

14. If you are completing this Proof of Claim as a Third Party Claimant against an insured of The Home, you must conditionally release your claim against the insured by signing the following, as required by N.H. Rev. Stat. Ann. § 402-C:40 I:

I, _____ (insert claimant's name), in consideration of the right to bring a claim against The Home, on behalf of myself, my officers, directors, employees, successors, heirs, assigns, administrators, executors, and personal representatives hereby release and discharge _____ (insert name of defendant(s) insured by The Home), and his/her/its officers, directors, employees, successors, heirs, assigns, administrators, executors, and personal representatives, from liability on the cause(es) of action that forms the basis for my claim against The Home in the amount of the limit of the applicable policy provided by The Home; provided, however, that this release shall be void if the insurance coverage provided by The Home is avoided by the Liquidator.

Claimant's signature

Date

15. All claimants must complete the following:

I, James F. Scherr (insert individual claimant's name or name of person completing this form for a legal entity) subscribe and affirm as true, under the penalty of perjury as follows: that I have read the foregoing proof of claim and know the contents thereof, that this claim in the amount of See attached Summary Sheet Attachment 2 against The Home is justly owed, except as stated in item 9 above, and that the matters set forth in this Proof of Claim are true to the best of my knowledge and belief. I also certify that no part of this claim has been sold or assigned to a third party.

Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

Claimant's signature

6/9/04
Date

***Plus attorneys' fees**

16. Send this completed Proof of Claim Form, postmarked by June 13, 2004, to:

The Home Insurance Company in Liquidation
P.O. Box 1720
Manchester, New Hampshire 03105-1720

You should complete and send this form if you believe you have an actual or potential claim against The Home even if the amount of the claim is presently uncertain.

Attachment 1

IN THE DISTRICT COURT OF EL PASO COUNTY, TEXAS FILED
205TH JUDICIAL DISTRICT

GILBERT SANCHEZ
CLERK OF COURT

2004 JUN 1 PM 2 36
EL PASO COUNTY, TEXAS

JAMES F. SCHERR,

Plaintiff,

v.

THE HOME INSURANCE COMPANY,

Defendant.

§
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§

87
Cause No. 98-377 DEPUTY

PLAINTIFF'S FIRST AMENDED PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

Comes now Plaintiff, JAMES F. SCHERR, by and through the undersigned attorney, and files his First Amended Petition complaining of Defendant THE HOME INSURANCE COMPANY, and in support thereof would show the Court as follows:

I.

Plaintiff is an attorney licensed to practice law in Texas with his principal place of business located at 1 Texas Tower, 6th Floor, El Paso, Texas, 79901. Defendant THE HOME INSURANCE COMPANY is an insurance company authorized to do business in the State of Texas upon which service has already been obtained.

II.

JURISDICTION

Jurisdiction and venue is proper in this Court because the events underlying the claims of the Plaintiff took place in El Paso

County, Texas, and the damages claimed herein greatly exceed the minimum jurisdictional limits of this Court.

III.

FACTS

On January 21, 1994, Plaintiff was sued by former clients Messrs. Beard, Bailey and Petrosky, in Harris County, Texas, alleging that, because of a pre-existing business relationship, Plaintiff favored another client over Messrs. Beard, Bailey and Petrosky in a lawsuit filed in El Paso County, Texas. At the time of the filing of the case, Plaintiff had coverage under a professional liability insurance policy issued by Defendant. The policy provided for \$200,000.00 coverage for damages and costs of defense per "claim," and \$600,000.00 in the "aggregate." Defendant paid for Plaintiff's defense of that case until defense costs reached approximately \$150,000.00. Defendant and Plaintiff then settled the case with Messrs. Beard, Bailey and Petrosky for payment by Defendant of \$50,000.00, payment by JAMES F. SCHERR of \$117,500.00 from his own funds, and release of monies held in the Court's trust account to Messrs. Beard, Bailey and Petrosky.

IV.

During the pendency of Beard, et al., case (the "Beard Litigation"), Messrs. Gillespie, Stephenson, Ojo, Ivy, Domino and others sought to intervene in the action filed by Beard, et al. The Court severed the intervention to a separate action (hereinafter the "Intervention"). A copy of said Plea in

Intervention and First Amended Plea in Intervention are attached hereto as Exhibit "A".

V.

On or about February 2, 1996, Defendant notified Plaintiff in writing that Defendant was denying defense of said Intervention based on the fact that it believed that the Intervention constituted the same "claim" as the original action brought by Messrs. Beard, Bailey and Petrosky.

VI.

Due to Defendant's refusal to provide coverage on the Intervention, Plaintiff was forced to hire the law firm of Hudgins, Hudgins & Warrick, Houston, Texas, to provide legal representation in said Intervention. At the time of the filing of this Petition, Plaintiff has incurred legal costs in excess of the jurisdictional minimums of this Court.

VII.

Breach of Contract

A.

After being paid the bargained for premium from Plaintiff, Defendant paid its portion of defense costs and settlement in the Beard Litigation. The limits of the policy called for a \$200,000.00 liability limit per claim.

B.

Defendant breached the contract by refusing to pay for the defense of the separate lawsuit brought by Gillespie, et al. The

Gillespie intervention is a distinct claim from the Beard litigation. Moreover, Gillespie, et al. attempted unsuccessfully to intervene in the Beard, et al. action. Therefore, the \$600,000.00 aggregate liability limit in the contract again applies and the Defendant is liable for the costs of defense of the Gillespie intervention.

C.

As a result of Defendant's breach of the insurance contract at issue, Plaintiff has suffered damages well in excess of the jurisdictional limits of this Court, as well as the costs, including attorney's fees, incurred in the Intervention filed by Gillespie, et al. Furthermore, Plaintiff seeks attorney's fees necessary to prosecute this case. In the event of an appeal to the Court of Appeals or Texas Supreme Court, Plaintiff would be entitled to additional attorney's fees.

VIII.

Declaratory Judgment

A.

Pursuant to the Uniform Declaratory Judgments Act, Texas Civil Practice and Remedies Code, § 37.001, et seq., Plaintiff requests the Court for a construction of the insurance contract and a declaration that Defendant had a duty to defend Plaintiff in the Gillespie intervention.

B.

The cost of defending Plaintiff in the Gillespie intervention in the 129th District Court, Harris County, Texas, as described above, would be a sum within the jurisdictional limits of this Court.

C.

Plaintiff has retained the firm of Jim Darnell, P.C., to represent Plaintiff in this action and has agreed to pay the firm a reasonable and necessary attorney's fee. Pursuant to § 37.001, et seq., Texas Civil Practice and Remedies Code, Plaintiff seeks an award of attorney's fees necessary to prosecute this case.

WHEREFORE, PREMISES CONSIDERED, Plaintiff requests that Defendant be cited to appear and answer, and that on final trial, Plaintiff have:

1. Judgment against Defendant for a sum in excess of the minimum jurisdictional limits of the Court;
2. Prejudgment interest as provided by law;
3. Attorney's fees;
4. Post-judgment interest as provided by law from the date of the judgment until paid;
5. Costs of suit;
- 6. A declaration that Defendant had a duty to defend Plaintiff in the Gillespie intervention; and

7. Such other and further relief to which Defendant may be justly entitled.

Respectfully submitted,

JIM DARNELL, P.C.
310 N. Mesa, Suite 212
El Paso, Texas 79901
Phone: (915) 532-2442
Fax: (915) 532-4549

By: 

Jim Darnell
State Bar No. 05391250

Attorney for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing instrument was sent via facsimile (915) 544-8544 and U.S. mail to Carlos Rincon, Attorney for Defendant, 221 N. Kansas, Suite 2000, El Paso, Texas 79901, on this 1 day of June, 2004.


Jim Darnell

EXHIBIT "A"

PLEA IN INTERVENTION

TO THE HONORABLE COURT:

Comes now, Dr. Richard Gillespie; Dr. Stewart Stephenson individually and as representative of Accident and Industrial Injury Center, Inc.; Accident and Industrial Injury Center, Inc; Dr. Ted Stephenson; Dr. Odion E. Ojo, individually and as representative of Astrodome Chiropractic and Sports Clinic; Astrodome Chiropractic and Sports Clinic; Dr. Richard G. Ivy; and, Dr. Carlos Xavier Domino, as well as others to be named latter, and file, as Intervenors, this Plea in Intervention and would show the Court as follows:

PARTIES

Intervenors are individual chiropractors and their businesses whose names, addresses, and principal place of businesses are as follows:

Intervenor, Dr. Richard Gillespie, 1520 Ranch Road, Suite 12, San Marcos, Texas 78666.

Intervenor, Dr. Stewart Stephenson, Accident & Industrial Injury Center, Inc., 2005 South Texas Street, Bryan, Texas 77801.

Intervenor, Dr. Ted Stephenson, 1313 Briarcrest, Bryan, Texas 77802.

Intervenor, Odion E. Ojo, Astrodome Chiropractic & Sports Clinic, 2630 Westridge, Houston, Texas 77054.

Intervenor, Dr. Richard G. Ivy, 124 North West Newton, Burleson, Texas 76028.

Intervenor, Dr. Carlos Xavier Domino, 5271 Memorial Drive, Houston, Texas 77007.

Plaintiff Ben Beard is an individual residing in Houston, Texas. Plaintiff David Bailey is an individual residing in Bryan, Texas. Plaintiff Dan Petrosky is an individual residing in El Paso, Texas. Defendants have been served and answered herein.

BACKGROUND FACTS

Defendants are attorneys licensed to practice law in the State of Texas. Defendants filed suit purporting to represent Intervenors in a class action suit for certain causes of action against numerous insurance companies in Cause No. 88-7707, *Dr. Walter Rhodes, et al. v. American General Fire and Casualty, et al.*, in the 243rd Judicial District Court of El Paso County, Texas, hereinafter referred to as "Cause No. 88-7707." See Exhibit A, attached hereto and incorporated herein for all purposes.

On July 28, 1988, Defendants brought Cause No. 88-7707 on behalf of all Texas chiropractors alleging that certain insurance companies had engaged in a civil conspiracy aimed at cutting chiropractic services and charges. Defendants herein, alleged among other things that chiropractors suffered damages due to the insurance companies' non-payment and slow payment of chiropractors' bills; and, that the chiropractic profession was defamed and maligned by acts of certain insurance companies.

Suit was filed on behalf of all Texas chiropractors with Drs. La Rock and Superville named as class representatives. (See Exhibit A).

Defendants had a prior referral relationship with the named representatives LaRock and Superville. After settlements on behalf of the class were made, settlement proceeds were either taken as attorneys' fees or distributed to LaRock and Superville. None of the unnamed class members received any of the settlement proceeds and, in some circumstances, Defendants retained one hundred percent of the settlement proceeds. In March of 1994, Defendants entered into an agreed final dismissal of the class action suit.

A portion of the settlement proceeds that rightly belong to the Intervenor's are in the registry of this Court. Intervention herein is essential to effectively protect the Intervenor's interest.

CAUSES OF ACTION

NEGLIGENCE

Defendants were jointly and severally negligent in proximately causing Intervenor's damages. Defendants were negligent in one or more of the following ways:

- (1) Defendants were negligent in that they failed to certify, or even attempt to certify, a class action suit.
- (2) Defendants were negligent in their representation of the class.
- (3) Defendants were negligent in that they settled class causes of action without the consent of the class or without a denial of certification of the class.
- (4) Defendants were negligent in that they did not do adequate discovery.
- (5) Defendants were negligent in that they failed to maintain records required by the Texas Rules of Civil Procedure in a class action litigation.
- (6) Defendants were negligent in not properly distributing settlement proceeds among the class.
- (7) Defendants were negligent in their representation of the class in that they failed to acknowledge and respond to objections made by various class members to the settlements that were being negotiated.
- (8) Defendants were negligent in undertaking a representation of the class action when they did not have, or were unwilling to commit, adequate financial resources to maintain the class action.
- (9) Defendants were negligent in settling the suit for a fraction of its actual value for the benefit of certain class representatives.
- (10) Defendants were negligent in selection and retention of Drs. LaRock and Superville as class representatives.

(11) Defendants were negligent in using a purported class action as leverage for settlement for a chosen few.

BREACH OF FIDUCIARY DUTY

In addition to the negligence committed by Defendants in Cause No. 88-7707, Defendants jointly and severally breached their fiduciary duties to Intervenor's' at least in the following respects:

- (1) in failing to promptly and accurately account for settlement proceeds;
- (2) in failing to promptly distribute settlement proceeds;
- (3) in failing to provide the class with an accurate account of claimed expenses;
- (4) failing to inform Intervenor's of settlement negotiations;
- (5) in favoring LaRock and Superville over all other class members;
- (6) in taking more fees than they were permitted to do under the fee contract;
- (7) in failing to do proper discovery
- (8) in settling the suit in the manner in which it was settled
- (9) by appointment of inadequate counsel
- (10) in naming improper class representatives

Defendant Gage failed to inform Plaintiffs that he had a special relationship with LaRock and Superville. More specifically, Defendant Gage failed to inform the Intervenor's that he served in a special corporate counsel relationship to Coronado Chiropractic Clinic; that he was engaged in extensive litigation involving Coronado Chiropractic, including defense of a suit by the Attorney General of Texas alleging deceptive trade practices and fraud against LaRock and

Superville; that he was representing the clinic in at least a dozen other causes of action, both offensive and defensive; that he was counsel for LaRock and Superville in a cause of action against other members of the putative class; that his principal purpose in participating in the class action litigation was collection of unpaid fees claimed by Coronado Chiropractic; that he communicated on a regular basis with LaRock and Superville but not with other members of the class; or that he was the recipient of referrals of legal business from Coronado Chiropractic.

ACTUAL AND CONSTRUCTIVE FRAUD

Defendants represented to Intervenor that they intended to represent all chiropractors in the State of Texas in Cause No. 88-7707, when in actuality, the sole beneficiaries of this suit were to be Defendants and Drs. La Rock and Superville. Defendants also stated that any proceeds from Cause No. 88-7707 would be divided among the class. These representations were false; Defendants knew that the representations were false when they were made, or made them recklessly without any knowledge of their truth and as a positive assertion. These representations were made with the intention that the Intervenor would act upon them, and the Intervenor did in fact act upon them. Defendants committed fraud against Intervenor by collecting more fees than they were entitled under the term of the contingent fee contract and making all distributions to LaRock and Superville. Defendants fraudulently misrepresented their intentions in filing Cause No. 88-7707 as indicated above. Defendants also fraudulently concealed their true relationship with La Rock and Superville.

Defendants breached the above stated fiduciary duties owed to Intervenor and thereby committed constructive fraud, as well as actual fraud upon Intervenor. Defendants have proximately caused Intervenor actual damages as a result of these acts.

CONSPIRACY

In addition, Defendants participated in a conspiracy to defraud Intervenor. Intervenor's damages were a proximate result of this conspiracy. The acts of civil conspiracy are set out in the preceding paragraphs.

VIOLATION OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT

Furthermore, at all times material hereto, Intervenor was "consumer" of goods and services as that term is defined in the DTPA. Plaintiffs allege that Defendants violated the following provisions of the DTPA:

1. Sec 17.46(b)(2), to wit: "causing confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services;"
2. Sec. 17.46(b)(5), to wit: "representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or qualities which they do not have or that a person has sponsorship, approval, status affiliation, or connection which he does not;"
3. Sec. 17.46(b)(7), to wit: "representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;" and
4. Sec. 17.46(b)(12), to wit: "representing that an agreement confers or involves rights, remedies, or obligations which it does not have or involve, or which are prohibited by law."

In addition, Defendants committed unconscionable actions and courses of actions as defined by § 17.45(5) DTPA. Defendants' violation of the DTPA was a producing cause of Plaintiffs' damages.

Defendants' violation of the DTPA was a producing cause of Plaintiffs' damages. Plaintiffs are suing for additional damages, as Defendants' conduct was committed knowingly.

Plaintiffs are therefore entitled to three times their actual damages that exceed \$1,000.00, as well as court costs and attorneys' fees.

CONVERSION

Defendant Scherr has appropriated and/or is attempting to appropriate as expenses substantial sums of money collected on behalf of Intervenor - more specifically the sums of \$86,500.00, \$50,000, \$75,000.00 and \$95,000, all received in separate settlements in Cause No. 88-7707 - - expenses for which there is no accounting or inadequate accounting. All Defendants have wrongfully converted all sums they claim or claimed as expenses in Cause No. 88-7707 and accordingly, Plaintiffs seek a judgment of this Court denying claims for expenses in Cause No. 88-7707 and payment of all such sums to Intervenor.

ACTION TO VOID ATTORNEYS' FEES

As the Defendants violated their fiduciary duties to Intervenor, Intervenor seek a judgment of this Court that the payment of any attorneys' fees to Defendants in Cause No. 88-7707 is against the public policy of this State and that the lien of Defendants Scherr and Gage against the \$200,000.00 in the registry of the Court be extinguished and that the all attorneys fees and/or expenses be returned to this Honorable Court.

DAMAGES

Intervenor are entitled to their actual damages including their share of the monies in the registry of the Court, punitive or exemplary damages, additional and treble damages under the Deceptive Trades Practices Act, costs of court and expense of litigation, repayment of all settlement proceeds distributed, and attorney's fees of thirty-three percent.

In addition their its contractual damages and extra-contractual damages, Intervenor are entitled to recover from Defendants both prejudgment interest and post judgment interest at the maximum rate allowed by law.

These damages exceed the minimum jurisdictional limits of this Honorable Court.

JURY DEMAND

Pursuant to Rule 216 of the Texas Civil Rules of Procedure Intervenor hereby demand a jury.

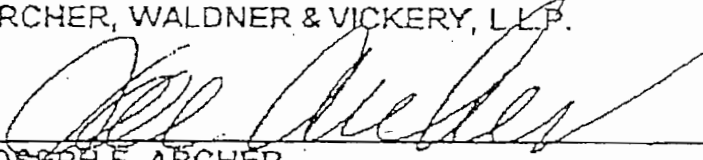
NO ELECTION OF REMEDIES

The foregoing facts and theories are pled cumulatively and alternatively, with no election or waiver of rights or remedies.

WHEREFORE, PREMISES CONSIDERED, Intervenor pray that after hearing hereon, they be awarded the above-mentioned damages and any further relief, both at law and in equity, to which they may show themselves to be entitled under the facts and circumstances of this case.

Respectfully submitted,

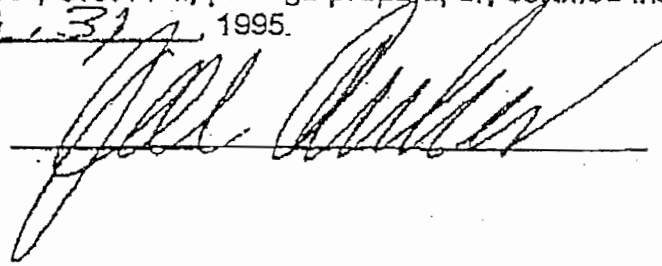
ARCHER, WALDNER & VICKERY, L.L.P.



JOSEPH F. ARCHER
State Bar No. 0129200
2929 Allen Parkway, Suite 2410
Houston, Texas 77019
Phone: (713) 526-1100
Fax: (713) 523-5939

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the above and foregoing pleading has been served upon all counsel of record via FAX, U.S. Mail, postage prepaid; or, certified mail, return receipt requested on Aug. 31, 1995.



CAUSE NO. 94-03110

BEN BEARD, DAVID BAILEY and
DAN PETROSKY,
Plaintiffs,

§
§
§

v.

§
§

JAMES FRANKLIN SCHERR, NOEL GAGE
and GAGE, BEACH & AGER,
Defendants,

§
§
§

AND

JAMES F. SCHERR
Counter-Plaintiff,

§
§
§

v.

§
§

BEN BEARD, DAVID BAILEY and
DAN PETROSKY
Counter-Defendants,

§
§
§

AND

JAMES F. SCHERR
Third-Party Plaintiff,

§
§
§
§

v.

§
§

MARJORIE GEORGES and
JONES & GEORGES, P.C.
Third-Party Defendants,

§
§
§

NOEL A. GAGE
Counter Plaintiff

§
§
§

DR. RICHARD GILLESPIE ET AL.
Intervenors


§
§

IN THE DISTRICT COURT OF
HARRIS COUNTY, TEXAS
129TH JUDICIAL DISTRICT

EXHIBIT NO. 27
M. KUHLMANN

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was forwarded to Phillip Werner at 1300 Post Oak Blvd., Ste. 700, Houston, Texas 77056, fax number (713)961-3542 and Donald M. Hudgins, 24 Greenway Plaza, Suite 1007, Houston, Texas 77046, fax number (713) 623-2793 on this the 31st day of October, 1995 by telecopier transmission.


Marie Georges

FIRST AMENDED PLEA IN INTERVENTION

TO THE HONORABLE COURT:

Comes now, Dr. Richard Gillespie; Dr. Stewart Stephenson individually and as representative of Accident and Industrial Injury Center, Inc. and Accident and Injury Center, Inc.; Accident and Industrial Injury Center, Inc; Accident and Injury Center, Inc.; Dr. Ted Stephenson; Dr. Odion E. Ojo, individually and as representative of Astrodome Chiropractic and Sports Clinic Inc.; Astrodome Chiropractic and Sports Clinic Inc.; Dr. Richard G. Ivy; and, Dr. Carlos Xavier Domino; Dr. Kathryn L. Keith-Arden individually and as representative of Mesa Hills Chiropractic and Back Care Clinic; Mesa Hills Chiropractic and Back Care Clinic; Dr. David Niekamp; Dr. Gregory D. Peter, individually and as representative of Huntsville Chiropractic Health Care; Huntsville Chiropractic Health Care; Dr. Kenneth N. Huete, individually and as representative of Doctors Chiropractic Health & Rehabilitation Center and Doctors Chiropractic Health Center; Doctors Chiropractic Health & Rehabilitation Center; Doctors Chiropractic Health Center, Dr. Kent Rice, individually and as representative of Cy-Fair Chiropractic Association; Cy-Fair Chiropractic Association, as well as others to be named later, and file, as Intervenors, this Plea in Intervention and would show the Court as follows:

PARTIES

Intervenors are individual chiropractors and their businesses whose names, addresses, and principal place of businesses are as follows:

Intervenor, Dr. Richard Gillespie, 1520 Ranch Road, Suite 12, San Marcos, Texas 78666.

Intervenor, Dr. Stewart Stephenson, Accident & Industrial Injury Center, Inc., 2005 South Texas Street, Bryan, Texas 77801.

Intervenor, Dr. Ted Stephenson, 1313 Briarcrest, Bryan, Texas 77802.

Intervenor, Odion E. Ojo, Astrodome Chiropractic & Sports Clinic, 2630 Westridge,
Houston, Texas 77054.

Intervenor, Dr. Richard G. Ivy, 124 North West Newton, Burleson, Texas 76028.

Intervenor, Dr. Carlos Xavier Domino, 5271 Memorial Drive, Houston, Texas 77007.

Intervenor, Dr. Katherine L. Keith-Arden, 6512 North Mesa St., El Paso, Texas 79912.

Intervenor, Dr. David Niekamp, 3815 Reveille, Houston, Texas 77087.

Intervenor, Dr. Gregory D. Peter, 901 Normal Park, Suite 201, Huntsville, Texas 77340.

Intervenor, Dr. Kenneth N. Huete, 3429 West Holcombe, Houston, Texas 77025.

Intervenor, Dr. Kent Rice, 1125 West Road, Building J, Houston, Texas 77065.

Plaintiff Ben Beard is an individual residing in Houston, Texas. Plaintiff David Bailey is an individual residing in Bryan, Texas. Plaintiff Dan Petrosky is an individual residing in El Paso, Texas. Defendants have been served and answered herein.

BACKGROUND FACTS

Defendants are attorneys licensed to practice law in the State of Texas. Defendants filed suit purporting to represent Intervenor in a class action suit for certain causes of action against numerous insurance companies in Cause No. 88-7707, *Dr. Walter Rhodes, et al. v. American General Fire and Casualty, et al.*, in the 243rd Judicial District Court of El Paso County, Texas, hereinafter referred to as "Cause No. 88-7707."

On July 28, 1988, Defendants brought Cause No. 88-7707 on behalf of all Texas chiropractors alleging that certain insurance companies had engaged in a civil conspiracy aimed at cutting chiropractic services and charges. Defendants herein, alleged among other things that

chiropractors suffered damages due to the insurance companies' non-payment and slow payment of chiropractors' bills; and, that the chiropractic profession was defamed and maligned by acts of certain insurance companies.

Suit was filed on behalf of all Texas chiropractors with Drs. La Rock and Superville named as class representatives.

Defendants had a prior referral relationship with the named representatives LaRock and Superville. After settlements on behalf of the class were made, settlement proceeds were either taken as attorneys' fees or distributed to LaRock and Superville. None of the unnamed class members received any of the settlement proceeds and, in some circumstances, Defendants retained one hundred percent of the settlement proceeds. In March of 1994, Defendants entered into an agreed final dismissal of the class action suit.

A portion of the settlement proceeds that rightly belong to the Intervenor are in the registry of this Court. Intervention herein is essential to effectively protect the Intervenor's interest.

CAUSES OF ACTION

NEGLIGENCE.

Defendants were jointly and severally negligent in proximately causing Intervenor's damages.

Defendants were negligent in one or more of the following ways:

- (1) Defendants were negligent in that they failed to certify, or even attempt to certify, a class action suit.
- (2) Defendants were negligent in their representation of the class.
- (3) Defendants were negligent in that they settled class causes of action without the consent of the class or without a denial of certification of the class.
- (4) Defendants were negligent in that they did not do adequate discovery.

- (5) Defendants were negligent in that they failed to maintain records required by the Texas Rules of Civil Procedure in a class action litigation.
- (6) Defendants were negligent in not properly distributing settlement proceeds among the class.
- (7) Defendants were negligent in their representation of the class in that they failed to acknowledge and respond to objections made by various class members to the settlements that were being negotiated.
- (8) Defendants were negligent in undertaking a representation of the class action when they did not have, or were unwilling to commit, adequate financial resources to maintain the class action.
- (9) Defendants were negligent in settling the suit for a fraction of its actual value for the benefit of certain class representatives.
- (10) Defendants were negligent in selection and retention of Drs. LaRock and Superville as class representatives.
- (11) Defendants were negligent in using a purported class action as leverage for settlement for a chosen few.

BREACH OF FIDUCIARY DUTY

In addition to the negligence committed by Defendants in Cause No. 88-7707, Defendants jointly and severally breached their fiduciary duties to Intervenor's at least in the following respects:

- (1) in failing to promptly and accurately account for settlement proceeds;
- (2) in failing to promptly distribute settlement proceeds;
- (3) in failing to provide the class with an accurate account of claimed expenses;
- (4) failing to inform Intervenor's of settlement negotiations;
- (5) in favoring LaRock and Superville over all other class members;
- (6) in taking more fees than they were permitted to do under the fee contract.
- (7) in failing to do proper discovery

(8) in settling the suit in the manner in which it was settled

(9) by appointment of inadequate counsel

(10) in naming improper class representatives

Defendant Gage failed to inform Plaintiffs that he had a special relationship with LaRock and Superville. More specifically, Defendant Gage failed to inform the Intervenor that he served in a special corporate counsel relationship to Coronado Chiropractic Clinic; that he was engaged in extensive litigation involving Coronado Chiropractic, including defense of a suit by the Attorney General of Texas alleging deceptive trade practices and fraud against LaRock and Superville; that he was representing the clinic in at least a dozen other causes of action, both offensive and defensive; that he was counsel for LaRock and Superville in a cause of action against other members of the putative class; that his principal purpose in participating in the class action litigation was collection of unpaid fees claimed by Coronado Chiropractic; that he communicated on a regular basis with LaRock and Superville but not with other members of the class; or that he was the recipient of referrals of legal business from Coronado Chiropractic.

ACTUAL AND CONSTRUCTIVE FRAUD

Defendants represented to Intervenor that they intended to represent all chiropractors in the State of Texas in Cause No. 88-7707, when in actuality, the sole beneficiaries of this suit were to be Defendants and Drs. La Rock and Superville. Defendants also stated that any proceeds from Cause No. 88-7707 would be divided among the class. These representations were false; Defendants knew that the representations were false when they were made, or made them recklessly without any knowledge of their truth and as a positive assertion. These representations were made with the intention that the Intervenor would act upon them, and the Intervenor did in fact act upon them.

Defendants committed fraud against Intervenor by collecting more fees than they were entitled under the term of the contingent fee contract and making all distributions to LaRock and Superville. Defendants fraudulently misrepresented their intentions in filing Cause No. 88-7707 as indicated above. Defendants also fraudulently concealed their true relationship with La Rock and Superville.

Defendants breached the above stated fiduciary duties owed to Intervenor and thereby committed constructive fraud, as well as actual fraud upon Intervenor. Defendants have proximately caused Intervenor actual damages as a result of these acts.

CONSPIRACY

In addition, Defendants participated in a conspiracy to defraud Intervenor. Intervenor's damages were a proximate result of this conspiracy. The acts of civil conspiracy are set out in the preceding paragraphs.

VIOLATION OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT

Furthermore, at all times material hereto, Intervenor were "consumers" of goods and services as that term is defined in the DTPA. Plaintiffs allege that Defendants violated the following provisions of the DTPA:

1. Sec 17.46(b)(2), to wit: "causing confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services;"
2. Sec. 17.46(b)(5), to wit: "representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or qualities which they do not have or that a person has sponsorship, approval, status affiliation, or connection which he does not;"
3. Sec. 17.46(b)(7), to wit: "representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;" and

4. - Sec. 17.46(b)(12), to wit: "representing that an agreement confers or involves rights, remedies, or obligations which it does not have or involve, or which are prohibited by law."

In addition, Defendants committed unconscionable actions and courses of actions as defined by § 17.45(5) DTPA. Defendants' violation of the DTPA was a producing cause of Plaintiffs' damages.

Defendants' violation of the DTPA was a producing cause of Plaintiffs' damages. Plaintiffs are suing for additional damages, as Defendants' conduct was committed knowingly. Plaintiffs are therefore entitled to three times their actual damages that exceed \$1,000.00, as well as court costs and attorneys' fees.

CONVERSION

Defendant Scherr has appropriated and/or is attempting to appropriate as expenses substantial sums of money collected on behalf of Intervenors - more specifically the sums of \$86,500.00, \$50,000, \$75,000.00 and \$95,000, all received in separate settlements in Cause No. 88-7707 - expenses for which there is no accounting or inadequate accounting. All Defendants have wrongfully converted all sums they claim or claimed as expenses in Cause No. 88-7707 and accordingly, Plaintiffs seek a judgment of this Court denying claims for expenses in Cause No. 88-7707 and payment of all such sums to Intervenors.

ACTION TO VOID ATTORNEYS' FEES

As the Defendants violated their fiduciary duties to Intervenors, Intervenors seek a judgment of this Court that the payment of any attorneys' fees to Defendants in Cause No. 88-7707 is against the public policy of this State and that the lien of Defendants Scherr and Gage against the \$200,000.00 in the registry of the Court be extinguished and that the all attorneys fees and/or expenses be returned to this Honorable Court.

DAMAGES

Intervenors are entitled to their actual damages including their share of the monies in the registry of the Court, punitive or exemplary damages, additional and treble damages under the Deceptive Trades Practices Act, costs of court and expense of litigation, repayment of all settlement proceeds distributed, and attorney's fees of thirty-three percent.

In addition their its contractual damages and extra-contractual damages, Intervenors are entitled to recover from Defendants both prejudgment interest and post judgment interest at the maximum rate allowed by law.

These damages exceed the minimum jurisdictional limits of this Honorable Court.

JURY DEMAND

Pursuant to Rule 216 of the Texas Civil Rules of Procedure Intervenors hereby demand a jury.

NO ELECTION OF REMEDIES

The foregoing facts and theories are pled cumulatively and alternatively, with no election or waiver of rights or remedies.

WHEREFORE, PREMISES CONSIDERED, Intervenors pray that after hearing hereon, they be awarded the above-mentioned damages and any further relief, both at law and in equity, to which they may show themselves to be entitled under the facts and circumstances of this case.

Respectfully submitted,

ARCHER, WALDNER & VICKERY, L.L.P.

Joe Archer

JOSEPH F. ARCHER
State Bar No. 0129200
2929 Allen Parkway, Suite 2410
Houston, Texas 77019
Phone: (713) 526-1100
Fax: (713) 523-5939

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the above and foregoing pleading has been served upon all counsel of record via FAX, U.S. Mail, postage prepaid; or, certified mail, return receipt requested on November 9th, 1995.

Joe Archer

ATTACHMENT 2

SUMMARY SHEET
for

James F. Scherr

Paid to:	Amount
Jones & Georges	\$117,500.00
Hudgins & Hudgins	\$ 46,341.21
Baker & Botts	\$ 17,500.00
Donald G. Wilhelm	\$ 24,182.05
Jeffrey B. Pownell	\$ 21,786.98
Jim Darnell	\$ 50,969.50
Total:	\$278,279.74*

*Plus attorneys' fees to complete litigation



Transfer Instruction Request

Debit 5010-0050

		Date 10-25-95	Prepared By Elena Vasquez	Approved By
Telephone	Transfer From Account 7483660101			
To The Account Of IOLBA-Jones & Georges				
			Transfer Amount 117,500.00	
From Scherr & Legate			Transfer Fee Analysis	
			Total Transaction Amount 117,500.00	

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SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

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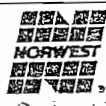
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Huddins, Huddins, + Warrick

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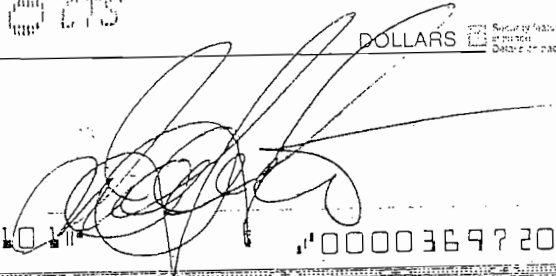
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DOLLARS Security features included. Details on back.

 Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

NO. 94-03110

FOR BEAD BEARD - REMAINING BALANCE



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\$ 1000.00

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FOR BEARD V. Scherr



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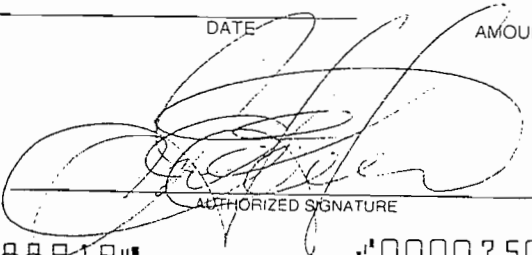
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PAY**Seventy-five Hundred And 00/100 Dollars*****

TO THE ORDER OF: BAKER AND BOTTS
98 SAN JANCITO BLVD
AUSTIN, TX 78701-4039

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PH. 915-544-0100
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PAY TO THE ORDER OF

DONALD G. WILHELM

\$ 1015.15

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DOLLARS



Bank of the West

P.O. Box 99100
El Paso, Texas 79999-9100

FOR PR 5/14 - 5/29

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109 N. OREGON, STE. 800
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PAY TO THE ORDER OF

Donald G. Wilhelm

\$462.04

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DOLLARS



Bank of the West

P.O. Box 99100
El Paso, Texas 79999-9100

FOR Reimb Trip to El Paso & File Transfer

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109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

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Don Wilhelm

\$ 126.25

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DOLLARS Security features included. Details on back.



915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Reimb (Supplies & Stamps)

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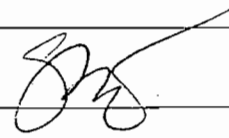
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DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002



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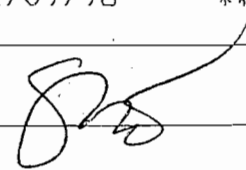
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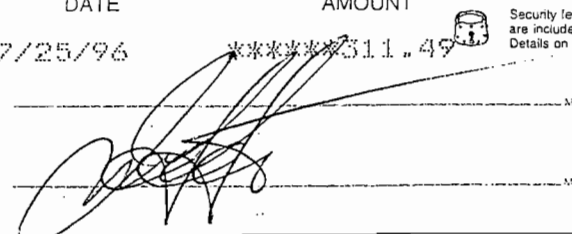
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EL PASO, TEXAS
1901 PARKWAY
EL PASO, TX 79902

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Ronald A. Will

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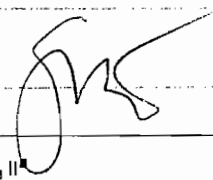
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ATTORNEYS AT LAW
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PHONE 544-0100

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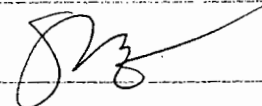
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Doris A. Miller
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Doris A. Miller

Doris A. Miller

MY '86' 31

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ATTORNEYS AT LAW
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EL PASO, TEXAS 79901
PHONE 544-0100

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DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002

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SCHERR & LEGATE, P.C.

ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

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CHECK NO.
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** TWENTY ONE DOLLARS AND 02/CENTS **

DATE

AMOUNT

07/02/96

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Security features
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Details on back.

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DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002

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SCHERR & LEGATE, P.C.

ATTORNEYS AT LAW
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PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

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** THIRTY SEVEN DOLLARS AND 89/CENTS **

DATE

AMOUNT

05/07/96

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Security features
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DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002

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EL PASO, TEXAS

808741191

822621982

819551786

JY '95 08

10000000

WEST BANK EL PASO
11900057
EL PASO, TEXAS

JY '95 08
11900057
EL PASO, TEXAS

808886085

821005001

818287821

DL-533

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MY '96 21

111900057

WEST BANK EL PASO
111900057
EL PASO, TEXAS

MY '96 21
ALL PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS

801481897

822619992

814400858

08 23246

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SCHERR & LEGATE, P.C.

ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007343

CHECK NO.
00007343

** FORTY DOLLARS AND 56/CENTS **

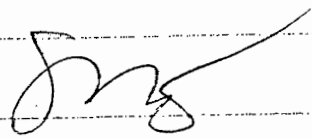
DATE
09/15/96

AMOUNT
*****40.56

Security features
are included.
Details on back.

AY
THE
DER

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002



⑈007343⑈ ⑆112000066⑆7483660101⑈

⑈0000004056⑈

SCHERR & LEGATE, P.C.

ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007385

CHECK NO.
00007385

** FIFTY NINE DOLLARS AND 75/CENTS **

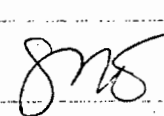
DATE
10/01/96

AMOUNT
*****59.75

Security features
are included.
Details on back.

AY
THE
DER

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002



⑈007385⑈ ⑆112000066⑆7483660101⑈

⑈0000005975⑈

SCHERR & LEGATE, P.C.

ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007274

CHECK NO.
00007274

** THREE HUNDRED SEVENTEEN DOLLARS AND 49/CENTS **

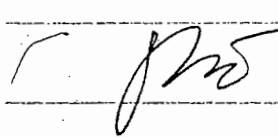
DATE
08/19/96

AMOUNT
*****317.49

Security features
are included.
Details on back.

AY
THE
DER

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002



⑈007274⑈ ⑆112000066⑆7483660101⑈

⑈00000031749⑈

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49357

BANK ONE
1200 PARKWOOD
EL PASO, TX 76021

FRE EL PASO
10/27/96 -1- CITY
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PROCESSED
BANK ONE
EL PASO, TEXAS

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FRE EL PASO
10/29/96 -1- CITY
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PROCESSED
BANK ONE
EL PASO, TEXAS

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11/27/96

FRE EL PASO
10/29/96 -1- CITY
1120-0001-1
1119
1111
49357

AG 03 28
PROCESSED
BANK ONE
EL PASO, TEXAS

005240784

022665414

010079914

Handwritten signatures:
1. *Frank Williams*
2. *Paul Williams*
3. *Dan Williams*

004410

0026 27430

0003 80101

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007532

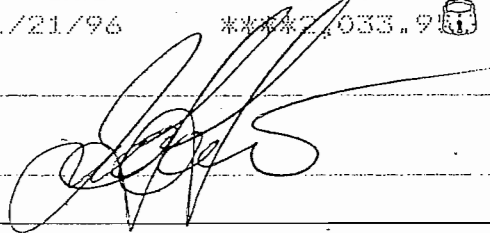
CHECK NO.
00007532

** TWO THOUSAND THIRTY THREE DOLLARS AND 95/CENTS **

DATE 11/21/96 AMOUNT *****2,033.95

PAY TO THE ORDER OF

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002


Security features are included. Details on back.

⑈007532⑈ ⑆112000066⑆ 7483660101⑈ ⑆0000203395⑆

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007503

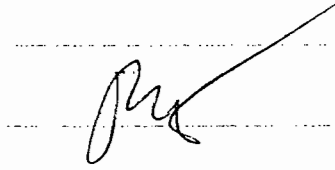
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00007503

** ONE HUNDRED SEVENTEEN DOLLARS AND 60/CENTS **

DATE 11/15/96 AMOUNT *****117.60

PAY TO THE ORDER OF

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002


Security features are included. Details on back.

⑈007503⑈ ⑆112000066⑆ 7483660101⑈ ⑆0000011760⑆

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007542

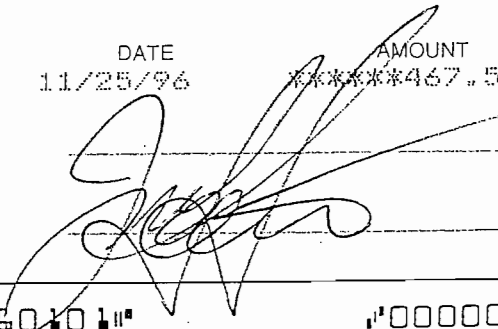
CHECK NO.
00007542

** FOUR HUNDRED SIXTY SEVEN DOLLARS AND 50/CENTS **

DATE 11/25/96 AMOUNT *****467.50

PAY TO THE ORDER OF

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002


Security features are included. Details on back.

⑈007542⑈ ⑆112000066⑆ 7483660101⑈ ⑆0000046750⑆

D. Atch

D. Atch

D. Atch

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NORWEST BANK EL PASO
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NORWEST BANK EL PASO
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NO 20
111900057

11/27/96 NORWEST BANK
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SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007421

CHECK NO.
00007421

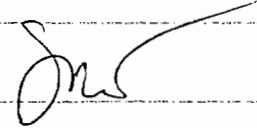
** SIXTY DOLLARS AND 48/CENTS **

DATE
10/17/96

AMOUNT
*****60.48

Security features
are included.
Details on back.

DONALD G. WILHELM
705 MAIN ST
HOUSTON, TX 77002



⑈007421⑈ ⑆112000066⑆ 7483660101⑈

⑈0000006048⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

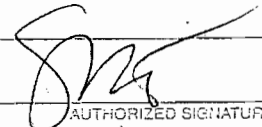
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EMPLOYEE NO.	CHECK NO.
1003	0003089

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
03/01/96	***1,015.15

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054



AUTHORIZED SIGNATURE

⑈003089⑈ ⑆112000066⑆ 7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

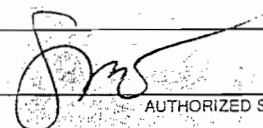
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EMPLOYEE NO.	CHECK NO.
1003	0002978

(ONE THOUSAND THIRTEEN DOLLARS AND 02/CENTS)

DATE	AMOUNT
12/29/95	***1,013.02

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054



AUTHORIZED SIGNATURE

⑈002978⑈ ⑆112000066⑆ 7483660101⑈

⑈0000101302⑈

John A. Williams
2493608433

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR EMPLOYER'S USE

95895

MR 95 05

JA '96 '02

JA 95-02
PROCESSED
WESTERN BANK & TRUST CO.
EL PASO, TEXAS

EL PASO
CITY
1220-0001
1220-0002
1220-0003
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1220-0008
1220-0009
1220-0010

John A. Williams

01 96 29

111900057

FEB EL PASO
CITY
1220-0001
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01 96 29
PROCESSED
WESTERN BANK & TRUST CO.
EL PASO, TEXAS

122755580

122755580

MR '96 '07

111900057

0018 99561

FEB EL PASO
CITY
1220-0001
1220-0002
1220-0003
1220-0004
1220-0005
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1220-0010

MR '96 '05
MR '96 '07
PROCESSED
WESTERN BANK & TRUST CO.
EL PASO, TEXAS

122755580

122755580

Frank A. Miller

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003004

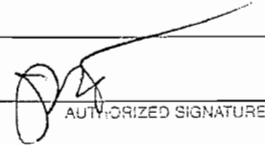
EMPLOYEE NO.	CHECK NO.
1003	0003004

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
01/15/96	****1,015.15

BY
THE
ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003004⑈ ⑆⑆⑆2000066⑆⑆7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003028

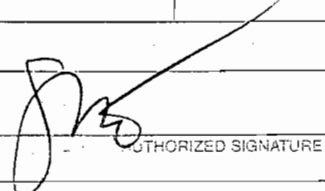
EMPLOYEE NO.	CHECK NO.
1003	0003028

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
02/01/96	****1,015.15

BY
THE
ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003028⑈ ⑆⑆⑆2000066⑆⑆7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003051

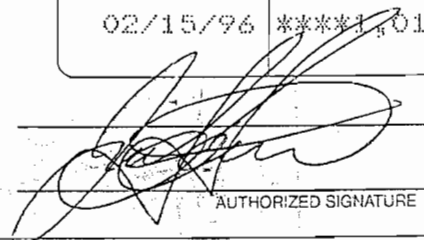
EMPLOYEE NO.	CHECK NO.
1003	0003051

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
02/15/96	****1,015.15

BY
THE
ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003051⑈ ⑆⑆⑆2000066⑆⑆7483660101⑈

⑈0000101515⑈

JA '96' 18

111900057

FBI EL PASO
JAN 18 1996
COMMUNICATIONS SECTION
EL PASO, TEXAS

FBI EL PASO
JAN 17 1996
COMMUNICATIONS SECTION
EL PASO, TEXAS

111900057

FBI EL PASO
JAN 18 1996
COMMUNICATIONS SECTION
EL PASO, TEXAS

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JAN 18 1996
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EL PASO, TEXAS

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JAN 18 1996
COMMUNICATIONS SECTION
EL PASO, TEXAS

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FBI EL PASO
JAN 20 1996
COMMUNICATIONS SECTION
EL PASO, TEXAS

FBI EL PASO
JAN 21 1996
COMMUNICATIONS SECTION
EL PASO, TEXAS

111900057

P. H. Williams
249 3008433

P. H. Williams

P. H. Williams
249 3008433

0019 00094

0015 73813

FBI - 6 06

FBI 10 05

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

00311

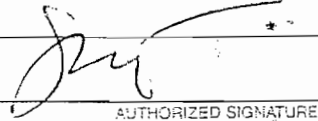
EMPLOYEE NO.	CHECK NO.
1003	0003114

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
03/15/96	***1,015.15

Y
THE
ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003114⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
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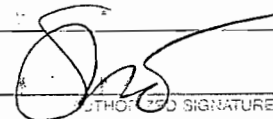
EMPLOYEE NO.	CHECK NO.
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(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
04/01/96	***1,015.15

Y
THE
ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003137⑈ ⑆112000066⑆7483660101⑈

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SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

00324

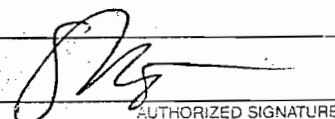
EMPLOYEE NO.	CHECK NO.
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(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
06/14/96	***1,015.15

Y
THE
ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003242⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

2493008433

Paul M. White

Paul M. White

D. A. W. W.

0003 95420

APR - 8 '96

FRB EL PASO
09/09/96 -1- CITY
1120-0001-1
06772110

APR '96 068
NORWEST BANK EL PASO, TX
EL PASO, TEXAS

AP '96 '09
NORWEST BANK EL PASO, TX
EL PASO, TEXAS

121481920

110847721

FRB EL PASO
03/21/96 -1- CITY
1120-0001-1
11908057

MAR 19 '96

0006 26587

FRB EL PASO
03/21/96 -1- CITY
1120-0001-1
NORWEST BANK EL PASO, TX
EL PASO, TEXAS

MR '96 '21
NORWEST BANK EL PASO, TX
EL PASO, TEXAS
RETURN ITEMS
(915) 546-4317

120856516
110401217

119322731

JUN '96 '20

0003 21507

JUN 19 '96

FRB EL PASO
06/20/96 -1- CITY
1120-0001-1
NORWEST BANK EL PASO, TX
EL PASO, TEXAS

JUN '96 '10
NORWEST BANK EL PASO, TX
EL PASO, TEXAS

110810621

121520528

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ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003209

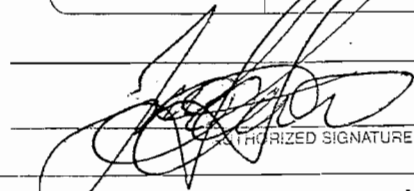
EMPLOYEE NO.	CHECK NO.
1003	0003209

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
05/15/96	***1,015.15

BY THE ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003209⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003183

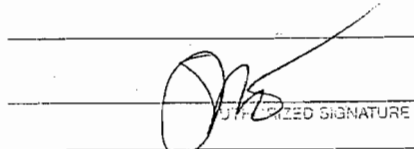
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(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
05/01/96	***1,015.15

BY THE ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003183⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003163

EMPLOYEE NO.	CHECK NO.
1003	0003163

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
04/15/96	***1,015.15

BY THE ORDER

DONALD G. WILHELM
2822 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003163⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

NY '96' 12

11900057

0005 23245

FRB EL PASO
05/21/96 -1- CITY
1120-0001-1
05 12 48 04
APR 19 1996

NY '96' 21
APR 19 1996
EL PASO, TEXAS

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014400282

NY '96' 06

111900057

0015 57130

FRB EL PASO
05/06/96 -1- CITY
1120-0001-1
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APR 19 1996

NY '96' 06
APR 19 1996
EL PASO, TEXAS

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022227148

010992278

APR 19 1996

111900057

APR 17 03

3019 32497

FRB EL PASO
04/18/96 -1- CITY
1120-0001-1
05 12 48 04
APR 19 1996

APR 18 1996
EL PASO, TEXAS

001491886

014400282

249 3005433

Handwritten signatures and notes on the right margin.

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003295

EMPLOYEE NO.	CHECK NO.
1003	0003295

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
07/15/96	***1,015.15

BY THE ORDER

DONALD G. WILHELM
2922 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003295⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

SCHERR & LEGATE, P.C.
ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

STATE NATIONAL BANK
EL PASO, TEXAS

88-6
1120

003266

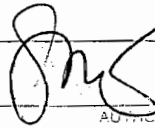
EMPLOYEE NO.	CHECK NO.
1003	0003266

(ONE THOUSAND FIFTEEN DOLLARS AND 15/CENTS)

DATE	AMOUNT
07/01/96	***1,015.15

BY THE ORDER

DONALD G. WILHELM
2922 SOUTH BARTELL #H3
HOUSTON, TX 77054


AUTHORIZED SIGNATURE

⑈003266⑈ ⑆112000066⑆7483660101⑈

⑈0000101515⑈

07 23

11900057

FEDERAL RESERVE BANK
EL PASO, TEXAS
JUL 23 1966
11900057

JUL 23 1966
FEDERAL RESERVE BANK
EL PASO, TEXAS
11900057

1966 JUL 23

1966 JUL 23

1966 JUL 23

07 23

11900057

FEDERAL RESERVE BANK
EL PASO, TEXAS
JUL 23 1966
11900057

JUL 23 1966
FEDERAL RESERVE BANK
EL PASO, TEXAS
11900057

JUL 23 1966

1966 JUL 23

1966 JUL 23

1966 JUL 23

1966 JUL 23

D. A. Wall

D. A. Wall

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15853

88-6/1120

December 20 19 95

PAY TO THE ORDER OF Donald G. Wilhelm

\$ 293.56

THE SUM 293 DOLS 56 CTS

DOLLARS Security features included. Details on back.

STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Reimbursement

⑈015853⑈ ⑆112000066⑆7483660101⑈

⑈0000029356⑈

⑈015853⑈ ⑆112000066⑆7483660101⑈

⑈0000029356⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15775

88-6/1120

December 6 19 95

PAY TO THE ORDER OF Donald G. Wilhelm

\$ 4469.17

THE SUM 4469 DOLS 17 CTS

DOLLARS Security features included. Details on back.

STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Reimbursement (Computer, fax, Ph, trip)

⑈015775⑈ ⑆112000066⑆7483660101⑈

⑈00000446917⑈

x
Dud Miller
2493008433

DO NOT SIGN / WHITE / STAMP BELOW THIS LINE
FOR FINANCIAL INSTITUTIONS AND OTHERS

011 95093

020005

JA '96' 02

111900057

JA '96' 02
111900057

FEDERAL RESERVE BANK
EL PASO, TEXAS
JAN 03 1996
111900057

FEDERAL RESERVE BANK
EL PASO, TEXAS
JAN 03 1996
111900057

01482480

01482480

DE '95' 18
111900057

FEDERAL RESERVE BANK
EL PASO, TEXAS
DEC 18 1995
111900057

FEDERAL RESERVE BANK
EL PASO, TEXAS
DEC 15 1995
111900057

0021 04142

0015 05

Dud Miller
2493008433

DO NOT SIGN / WHITE / STAMP BELOW THIS LINE
FOR FINANCIAL INSTITUTIONS AND OTHERS

FEDERAL RESERVE BANK
EL PASO, TEXAS
Security features on this item include:
- Watermark
- Signature Line, Security Scram and Currency Mark
- Absence of these features may indicate a counterfeit.

FEDERAL RESERVE BANK
EL PASO, TEXAS
Security features on this document include:
- Watermark
- Signature Line, Security Scram and Currency Mark
- Absence of these features may indicate a counterfeit.

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15738

88-6/1120


November 22 1995

PAY TO THE ORDER OF

Jeff Pownell

\$ 948.40

THE SUM 948 DOLS 40 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Wyatt & Aguilera

⑈015738⑈ ⑆112000066⑆7483660101⑈

⑈0000094840⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15762

88-6/1120


Dec 1 1995

PAY TO THE ORDER OF

Jeffrey Pownell

\$ 285.00

THE SUM 285 DOLS 00 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR CASTRO

⑈015762⑈ ⑆112000066⑆7483660101⑈

⑈0000028500⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15119

88-6/1120

June 23 1995

PAY TO THE ORDER OF

Jeffrey B. Pownell

\$ 885.00

THE SUM 885 DOLS 00 CTS

DOLLARS



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Reyes - Arturo Morales

⑈015119⑈ ⑆112000066⑆7483660101⑈

⑈0000088500⑈

SCHERR & LEGATE, P.C.

PH. 915-544-0100
109 N. OREGON, STE. 800
- EL PASO, TX 79901

2117

88-1761/1120

Jan 13 19 96

PAY TO THE ORDER OF

Jeffery B. Pownell

\$ 1650.00

THE SUM 1650 DOLS 00 CTS

DOLLARS



Bank of the West
P.O. Box 99100
El Paso, Texas 79999-9100

FOR

hrs - various

⑈002117⑈ ⑆112017619⑆ 400 522 8⑈

⑈0000165000⑈

SCHERR & LEGATE, P.C.

PH. 915-544-0100
109 N. OREGON, STE. 800
EL PASO, TX 79901

2116

88-1761/1120

Jan 13 19 96

PAY TO THE ORDER OF

Jeffery B. Pownell

\$ 396.00

THE SUM 396 DOLS 00 CTS

DOLLARS



Bank of the West
P.O. Box 99100
El Paso, Texas 79999-9100

FOR

exp reimb.

⑈002116⑈ ⑆112017619⑆ 400 522 8⑈

⑈0000039600⑈

SCHERR & LEGATE, P.C.

ATTORNEYS AT LAW
109 N. OREGON, SUITE 800
EL PASO, TEXAS 79901
PHONE 544-0100

NORWEST BANK
EL PASO, TEXAS

88-6
1120

007314

CHECK NO.
00007314

** FIVE HUNDRED THIRTEEN DOLLARS AND 20/CENTS **

DATE
09/01/96

AMOUNT
*****513.20

Security features are included. Details on back.

AY
D THE
RDER
=

JEFFREY B. POWNELL
2255 BRAESWOOD PARK #307
HOUSTON, TX 77030

⑈007314⑈ ⑆112000066⑆ 7483660101⑈

⑈0000051320⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

17210


88-6/1120

9-23 1996

PAY TO THE ORDER OF JEFF PANNELL

\$ 697.23

THE SUM **697** DOLS **23** CTS

DOLLARS  Security features included. Details on back.



Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

FOR EXPENSES

⑈017211⑈ ⑆112000066⑆7483660101⑈

⑈0000069723⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

17244


88-6/1120

9-27 1996

PAY TO THE ORDER OF JEFF PANNELL

\$ 1770.00

THE SUM **1770** DOLS **00** CTS

DOLLARS  Security features included. Details on back.



Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

FOR FEES

⑈017244⑈ ⑆112000066⑆7483660101⑈

⑈0000177000⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16901


88-6/1120

July 27 1996

PAY TO THE ORDER OF Jeff Pannell

\$ 1785.00

THE SUM **1785** DOLS **00** CTS

DOLLARS  Security features included. Details on back.



Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

FOR

⑈016901⑈ ⑆112000066⑆7483660101⑈

⑈0000178500⑈

FRB HOUSTON
10/02/96 -7- FDRC
113000049

Security Measures on this document protect a Proprietary
Information. Security Features and Security Features
Absence of these features may indicate a counterfeit.

FRB EL PASO
10/02/96 -1- CITY
113000049

7-11-96
113000049

DT '96' 02
PROCESSED
NORTHWEST BANK EL PASO, S.A.
EL PASO, TEXAS

8 1 5 2 6 8 7 9 7

FRB HOUSTON
07/30/96 -7- FDRC
113000049

000000000000-966220-415268797

FRB EL PASO
07/30/96 -1- CITY
113000049

7-11-96
113000049

DT '96' 30
PROCESSED
NORTHWEST BANK EL PASO, S.A.
EL PASO, TEXAS

8 1 0 0 8 7 9 7

FRB HOUSTON
10/02/96 -7- FDRC
113000049

Security Measures on this document protect a Proprietary
Information. Security Features and Security Features
Absence of these features may indicate a counterfeit.

FRB EL PASO
10/02/96 -1- CITY
113000049

7-11-96
113000049

DT '96' 02
PROCESSED
NORTHWEST BANK EL PASO, S.A.
EL PASO, TEXAS

8 1 5 2 6 8 7 9 7

MRS. [unclear]
For Deposit Only
ID 3737 4

MRS. [unclear]
For Deposit Only
ID 3737 4

MRS. [unclear]
For Deposit Only
ID 3737 4

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

TX01 00330518
5-10-96
(99)

16902
88-6/1120

PAY TO THE ORDER OF

Jeff Pownell

July 27 1996

\$347.73

THE SUM 347 DOLS 73 CTS

DOLLARS Security features included. Details on back.



Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

FOR

expenses

[Signature]

⑈016902⑈ ⑆⑆⑆2000066⑆⑆748366010⑆⑆ ⑈0000034773⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16539
88-6/1120

PAY TO THE ORDER OF

JEFF Pownell

5-29 1996

\$870.46

THE SUM 870 DOLS 66 CTS

DOLLARS Security features included. Details on back.



Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

FOR

BEARD, ESPARZA, MORALES-DAL, VALENCIA

[Signature]

⑈016539⑈ ⑆⑆⑆2000066⑆⑆748366010⑆⑆ ⑈0000087066⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16538
88-6/1120

PAY TO THE ORDER OF

JEFF Pownell

5-29 1996

\$1500.

THE SUM 1500 DOLS 00 CTS

DOLLARS Security features included. Details on back.



Norwest Bank El Paso, N.A.
Post Office Box 1072
El Paso, Texas 79958-0001
(915) 532-9922

FOR

BEARD, ESPARZA, MURALEZ-DAL, VALENCIA

[Signature]

⑈016538⑈ ⑆⑆⑆2000066⑆⑆748366010⑆⑆ ⑈0000150000⑈

MSB Personal ✓

MSB Personal
10 3137 ✓

MSB Personal
10 3137 ✓

0005 95068

JUL 29 '96

07/29/96 10:42A
1101 07 733 H 45
\$347.75
1010938660101

TELEST *7
JUL 29 '96

PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS
JY '96 '29

PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS
JY '96 '29

FRE HOUSTON
06/04/96 -7- FDRC
113000049

000000978710374-080395-000

FRE EL PASO
06/04/96 -7- FDRC
113000049

00000049

PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS
JE '96 '04

00000049

FRE HOUSTON
06/04/96 -7- FDRC
113000049

000000978710374-080395-000

FRE EL PASO
06/04/96 -7- FDRC
113000049

00000049

PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS
JE '96 '04

00000049

Security features on this document include: Watermark, Security Line, Double Window, and Microprint. Also check for these features: new and improved design.

Security features on this document include: Watermark, Security Line, Double Window, and Microprint. Also check for these features: new and improved design.

Security features on this document include: Watermark, Security Line, Double Window, and Microprint. Also check for these features: new and improved design.

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16327

88-6/1120


PAY TO THE ORDER OF

Jeffrey B. Pannell

April 25 19 96

\$ 1125.⁰⁰

THE SUM I 25 DOLS 00 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR

Service

⑈016327⑈ ⑆112000066⑆7483660101⑈

⑈0000112500⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16326

88-6/1120


PAY TO THE ORDER OF

Jeffrey B. Pannell

April 25 19 96

\$ 1500.⁰⁰

THE SUM I 500 DOLS 00 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR

Service

⑈016326⑈ ⑆112000066⑆7483660101⑈

⑈0000150000⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16325

88-6/1120


PAY TO THE ORDER OF

Jeffrey B. Pannell

April 25 19 96

\$ 686.36

THE SUM 686 DOLS 36 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR

Expenses

⑈016325⑈ ⑆112000066⑆7483660101⑈

⑈0000068636⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15967

88-6/1120


February 16 19 96

PAY TO THE ORDER OF

Jeffrey B. Pownell

\$ 1500.⁰⁰

THE SUM 1500 DOLS 00 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Services: Jan 15 - Feb 14, 1996

⑈015967⑈ ⑆⑆⑆2000066⑆748366010⑆

⑈0000150000⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16180

88-6/1120

April 3 19 96

PAY TO THE ORDER OF

Jeffrey B. Pownell

\$ 499.84

THE SUM 499 DOLS 84 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Expenses

⑈016180⑈ ⑆⑆⑆2000066⑆748366010⑆

⑈0000049984⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

15968

88-6/1120


February 16 19 96

PAY TO THE ORDER OF

Jeffrey B. Pownell

\$ 802.42

THE SUM 802 DOLS 42 CTS

DOLLARS  Security features included. Details on back.



STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Services: Jan 15 - Feb 14, 1996

⑈015968⑈ ⑆⑆⑆2000066⑆748366010⑆

⑈0000080242⑈

FRB HOUSTON
02/22/96 -7- FIRC
113000049

Security features on this document include a MicroPrint Signature Strip, Security Screen and Currency Denomination. Absence of these features may indicate alteration.

MSB Personal
For Deposit Only
10 37374

EL PASO
02/22/96 -96
00000049

AP '96 '05
00000049

FB '96 '22
PROCESSED
WEST BANK EL PASO, TX
EL PASO, TEXAS

15015

#42374#

MSB Personal
For Deposit Only
10 37374

EL PASO
02/22/96 -96
00000049

AP '96 '05
00000049

AP '96 '05
PROCESSED
WEST BANK EL PASO, TX
EL PASO, TEXAS

15015

FRB HOUSTON
02/22/96 -7- FIRC
113000049

Security features on this document include a MicroPrint Signature Strip, Security Screen and Currency Denomination. Absence of these features may indicate alteration.

MSB Personal
For Deposit Only
10 37374

EL PASO
02/22/96 -96
00000049

AP '96 '05
00000049

FB '96 '22
PROCESSED
WEST BANK EL PASO, TX
EL PASO, TEXAS

15015

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16001

88-6/1120


PAY TO THE ORDER OF

Jeffrey B. Pownell

February 26 19 96

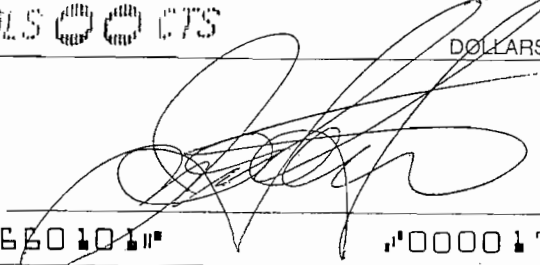
\$ 1710.00

THE SUM 1710 DOLS 00 CTS

DOLLARS  Security features included. Details on back.

 STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Labor



⑈01600⑈ ⑆⑆⑆2000066⑆⑆7483660⑆⑆⑈

⑈0000⑆⑆1000⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16179

88-6/1120

PAY TO THE ORDER OF

Jeffrey B. Pownell

April 3 19 96

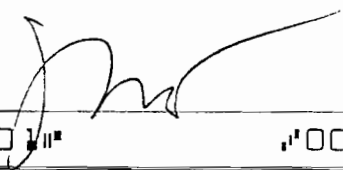
\$ 1320.00

THE SUM 1320 DOLS 00 CTS

DOLLARS  Security features included. Details on back.

 STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Fee



⑈016179⑈ ⑆⑆⑆2000066⑆⑆7483660⑆⑆⑈

⑈0000⑆⑆3200⑈

SCHERR & LEGATE, P.C. 06-92
109 N. OREGON - STE. 800 915-544-0100
EL PASO, TX 79901

16002

88-6/1120


PAY TO THE ORDER OF

Jeffrey B. Pownell

February 26 19 96

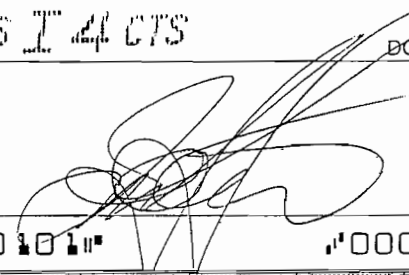
\$ 995.14

THE SUM 995 DOLS 14 CTS

DOLLARS  Security features included. Details on back.

 STATE NATIONAL 915 532-9922
Box 1072
El Paso, Texas 79958-0001

FOR Reimb Exp



⑈016002⑈ ⑆⑆⑆2000066⑆⑆7483660⑆⑆⑈

⑈00000995⑆⑆14⑈

FRB HOUSTON
03/01/96 -7- FDIC
113000049

*MR 31 handled
for Dept + Orl
-10-3737 4*

DO NOT WRITE IN THESE SPACES
POST OFFICE BOX 11111
HOUSTON, TEXAS 77255-1111

FRB EL PASO
03/01/96 -7- FDIC
113000049

APR 11 2001
00066-17

MR '96' 01
PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS

113000049

SECURITY FEATURES ON THIS DOCUMENT INCLUDE A Micro-Print Signature Line, Security Screen and Currency Markers. Absence of these features may indicate alteration.

#427374H

*MR 31 handled
for Dept + Orl
-10-3737 4*

DO NOT WRITE IN THESE SPACES
POST OFFICE BOX 11111
HOUSTON, TEXAS 77255-1111

FRB EL PASO
03/01/96 -7- FDIC
113000049

APR 11 2001
00066-17

AP '96' 05
PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS

113000049

SECURITY FEATURES ON THIS DOCUMENT INCLUDE A Micro-Print Signature Line, Security Screen and Currency Markers. Absence of these features may indicate alteration.

FRB HOUSTON
03/01/96 -7- FDIC
113000049

*MR 31 handled
for Dept + Orl
-10-3737 4*

DO NOT WRITE IN THESE SPACES
POST OFFICE BOX 11111
HOUSTON, TEXAS 77255-1111

FRB EL PASO
03/01/96 -7- FDIC
113000049

APR 11 2001
00066-17

MR '96' 01
PROCESSED
WEST BANK EL PASO, N.A.
EL PASO, TEXAS

113000049

SECURITY FEATURES ON THIS DOCUMENT INCLUDE A Micro-Print Signature Line, Security Screen and Currency Markers. Absence of these features may indicate alteration.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

*The Home Insurance Company
- liquidation
P.O. Box 1720
Manchester, New Hampshire
03105-1720*

2. Article Number

(Transfer from service)

7003 3110 0005 3582 0282

PS Form 3811, August 2001

Domestic Return Receipt

2ACPRI-03-P-4081

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *INTRA-CITY*

- Agent
- Addressee

B. Received by (Printed Name)

C. Carson

C. Date of Delivery

July

D. Is delivery address different from item 1? Yes
if YES, enter delivery address below: No

3. Service Type

- Certified Mail
- Registered
- Insured Mail
- Express Mail
- Return Receipt for Merchandise
- C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
CERTIFIED MAIL™



7003 3110 0005 3582 0282
7003 3110 0005 3582 0282
7003 3110 0005 3582 0282

**U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)**

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To *41540158*
The Home Insurance Company, liquidation
Street, Apt. No.;
or PO Box No. *P.O. Box 1720*
City, State, ZIP+4
Manchester, New Hampshire 03105-1720

PS Form 3800, June 2002

See Reverse for Instructions.

EXHIBT B

JIM DARNELL, P.C.
ATTORNEY AND COUNSELOR AT LAW

SUITE 212
310 N. MESA STREET
EL PASO, TEXAS 79901

TELEPHONE (915) 532-2442
FACSIMILE (915) 532-4549
jdarnell@jdarnell.com

December 12, 2006

*Via Certified Mail -
Return Receipt Requested*

Peter Bengelsdorf, Special Duty Liquidator
for Roger A. Sevigny, Liquidator
The Home Insurance Company in Liquidation
P.O. Box 1720
Manchester, NH 03105-1720

**Re: James F. Scherr
Notice of Determination/Request for Review
Proof of Claim No.: INSU275827-01**

Dear Messrs. Bengelsdorf and Sevigny:

On January 21, 1994, your Insured, James F. Scherr, was sued by former clients Beard, Bailey and Petrosky in Harris County, Texas, alleging that, because of a pre-existing business relationship, Plaintiff favored another client over Beard, Bailey and Petrosky in a lawsuit which had been filed in El Paso County, Texas. At that time, Scherr had coverage under a professional liability policy issued by The Home Insurance Company. The policy provided for \$200,000.00 in coverage for damages and costs of defense per "claim", and \$600,000.00 in the "aggregate" claims for the policy year. The Home Insurance Company paid for Scherr's defense of that case until defense costs reached approximately \$150,000.00. The case was settled with payment by The Home Insurance Company of \$50,000.00 and payment by James F. Scherr of \$117,500.00.

During the pendency of the Beard, et al. litigation identified hereinabove, another group of chiropractors, Gillespie, Stephenson, Ojo, Ivy, Domino and others sought to intervene in the action filed by Beard. The Court severed the intervention. These chiropractors were not clients of Scherr, nor had they ever been clients of Scherr or his law firm. As a result, their claims were necessarily different and severable from those filed by former clients.

The Home Insurance Company notified Scherr on or about February 2, 1996, that it was denying a defense of the Gillespie intervention based on the fact that it considered it to be the same claim as the original case brought by Beard, et al.

The determination of the Home Insurance Company in Liquidation is in error in that it fails to consider that the claims of Gillespie, et al. are completely separate from the claims filed by Beard, et al. They arose apart from an existing attorney-client relationship and did not arise from the same facts and circumstances. As a result, they could not arise from the same occurrence.

We have enclosed the Acknowledgment of Receipt of the Notice of Determination regarding this Proof of Claim No.: INSU275827-01 which has been signed by Mr. Scherr. We appreciate your reconsideration of this matter. Thank you for your cooperation.

Sincerely,



Jim Barnell



James F. Scherr

JD/bsc
2827.doc

Enclosure

THE HOME INSURANCE COMPANY IN LIQUIDATION

P.O. Box 1720

Manchester, New Hampshire 03105-1720

Tel: (800) 347-0014

POC #: INSU275827-01

Amount Allowed: \$ 0

James F. Scherr
109 North Oregon
Suite 1200
El Paso, TX 79901

ACKNOWLEDGMENT OF RECEIPT

I hereby acknowledge receipt of the Notice of Determination as a Class II Creditor claim and confirm that I understand the content thereof. I further acknowledge and confirm that I understand the Instructions regarding the Notice of Determination of my Claim against The Home Insurance Company in Liquidation and in that regard advise as follows:

(Check off all applicable items.)

I agree to the determination.

I reject the determination and want to file a Request for Review (specific reasons must be included along with return of the signed Acknowledgment).

I reject the determination and intend to file a separate Objection with the Court, without filing a Request for Review.

I have not assigned any part of this claim.

I have not made any other recoveries with respect to this claim.

I have not sought and do not intend to seek any other recoveries with respect to this claim.

I have made recovery from others with respect to this claim (full details must be included with this Acknowledgement).

I have sought or intend to seek recovery from others with respect to this claim (full details must be included with this Acknowledgement).

I request that The Home mail further correspondence to:

Same name as above. ***AND NAME BELOW**
New name _____

Same address as above ***AND ADDRESS BELOW**
New address _____

This Acknowledgment of Receipt must be completed, signed and returned to The Home in order to be eligible for distributions from The Home estate as directed by the Court.

Signature: _____

Printed Name: JAMES F. SCHEAR

Title: _____

Date: 11 / 28 / 06

***PLEASE SEND DUPLICATE COPIES TO:**

Jim Darnell P.C.
310 N. Mesa Street
Suite 212
El Paso, Texas 79901

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

*The Home Insurance Company - liquidation
P.O. Box 1720
Manchester, NH
03105-1720*

2. Article Number

7005 1160 0000 7301 5828

PS Form 3811, February 2004

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Agent

Addressee

B. Received by (Printed Name)

Date of Delivery

INTRA-CITY
DEC 18 2006

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below: No

3. Service Type

Certified Mail

Express Mail

Registered

Return Receipt for Merchandise

Insured Mail

C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

Domestic Return Receipt

102595-02-M-1540

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE.
CERTIFIED MAIL™



7005 1160 0000 7301 5828
7005 1160 0000 7301 5828

U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

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For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$

Certified Fee

Return Receipt Fee (Endorsement Required)

Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees \$

Postmark Here

Schenck & Sons, Inc.

Sent To

The Home Insurance Company - liquidation

Street, Apt. No., or PO Box No.

P.O. Box 1720

City, State, ZIP+4

Manchester, NH 03105-1720

PS Form 3800, June 2002

See Reverse for Instructions