

BC-30

From: U.S. Trustee Office  
Forwarded to Clerk  
For Filing JUN 16 1992

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

In re:

Bky. Case No. 4-92-0758<sup>0573</sup>  
Chapter 7

T. G. Morgan, Inc.,

Debtor

APPLICATION FOR APPROVAL  
OF EMPLOYMENT OF ATTORNEY;  
RECOMMENDATION AND ORDER

1. Applicant is the trustee in this case.
2. Applicant believes that the employment of Attorneys is necessary to represent or assist trustee in carrying out the trustee's duties as follows: This case appears to involve possibly substantial missing assets and claims against third parties, and employment of attorneys is necessary for the investigation, research and pursuit of claims available to the estate, including claims arising under Sections 541-550 of the Bankruptcy Code. It is anticipated that pursuit of these matters may involve several adversary proceedings in this Court, and may require proceedings in other Courts as may be necessary to pursue claims involving matters outside the United States.
3. The law firm of Faegre & Benson and Gordon B. Conn, Jr., are qualified by reason of their resources, practice, and experience to render such representation and assistance.
4. The compensation for the attorneys will be based upon the hourly rates of lawyers and legal assistants in the firm involved in the case, plus reimbursement of out-of-pocket expenses, subject to reduction or enhancement in accordance with allowance by the

EX 54

Filed on JUN 17 1992
Patrick G. De Wane, Clerk
By <i>[Signature]</i> Deputy Clerk

5-2-  
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Court and the provisions of the Bankruptcy Code. Current hourly rates for Faegre & Benson lawyers and legal assistants expected to be involved in matters relating to this case are as follows:

Gordon B. Conn, Jr.	\$215
Dennis M. Ryan	\$165
Kathleen H. Sanberg	\$125
Charles F. Webber	\$100
Legal Assistants	\$60-\$75

5. Said professional has disclosed to the undersigned that Faegre & Benson has the following connections with the Debtor, creditors, U. S. Trustee or its staff, or any other party-in-interest: Faegre & Benson has represented in this bankruptcy case creditors W. David Stedman, Sarah Stedman, Thomas D. Calloway, and Nancy Jane Calloway (the "Stedman Group"); these were the original petitioning creditors filing a petition for involuntary bankruptcy. Faegre & Benson also continued to represent these creditors in moving for conversion of the case to one under Chapter 7, and in resisting the Debtor's motion for withdrawal of reference. In this process, Faegre & Benson has been co-counsel with William F. Maready and Robinson, Maready, Lawing & Comerford of Winston-Salem, North Carolina. Mr. Maready and his firm have participated in the substantial investigation and discovery in this case, and have also represented the Stedman Group in separate litigation in United States District Court, Middle District of North Carolina, in an action entitled Thomas D. Calloway, Jr., Nancy Jane Calloway, W. David Stedman, Sarah W. Stedman, The W. David Stedman and Sarah

White Stedman Foundation, Anne Louise Stedman, and Sarah Elizabeth Stedman, Plaintiffs v. Michael W. Blodgett, Diane S. Blodgett, T. G. Morgan, Inc., Morgan I. G., Inc., and Keys to History, Defendants.

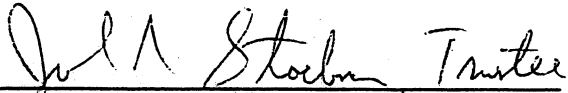
On matters unrelated to this case, Faegre & Benson has also represented Norwest Bank Minnesota, N. A., and its affiliates; Norwest Bank Minnesota, N. A., is known to have been a bank with which the Debtor had maintained depository accounts at times prior to commencement of the Bankruptcy case.

Faegre & Benson will seek allowance and reimbursement of attorneys' fees and expenses incurred by the Stedman Group in pursuing the involuntary bankruptcy and conversion proceedings. Faegre & Benson is aware of no interests of the Stedman Group or Norwest Bank Minnesota, N. A., adverse to the interests of the Estate.

6. The trustee has made the following efforts to recover assets of the estate prior to submitting this Application: the Trustee has reviewed court file documents and other documents relating to possibly substantial missing assets and possible claims against third parties and believes that employment of a law firm with the resources such as Faegre & Benson is necessary to effectively pursue such matters.

WHEREFORE, Applicant prays that the Court approve such employment by the trustee.

Dated: June 9, 1992

  
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John R. Stoebner, Trustee  
1800 First Bank Place West  
120 South Sixth Street  
Mpls., MN 55402 (612) 338-5815

2014(a) RULE VERIFICATION

I, Gordon B. Conn, Jr., a partner in the law firm of Faegre & Benson, the proposed professional named in the foregoing Application, declare under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information, and belief.

Dated: June 4, 1992.

SIGNED: 

RECOMMENDATION OF THE UNITED STATES TRUSTEE

Based on the Application made by the trustee, I recommend that the professional employment applied for by the trustee be approved for the purposes indicated in the Application.

DATED: June \_\_, 1992.

JUN 15 1992

WESLEY B. HUISINGA  
UNITED STATES TRUSTEE  
Region 12

By: 

Cynthia J. Sullivan  
Legal Specialist

ORDER

Upon the foregoing Application and Recommendation and for cause shown, and pursuant to the provisions of Title 11, United States Code, Section 327, it is

ORDERED the professional employment applied for is hereby APPROVED subject to the limitations on compensation provided by Title 11, United States Code, Section 328.

DATED: June 17, 1992.

  
ROBERT J. KRESSEL  
CHIEF UNITED STATES BANKRUPTCY JUDGE

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