

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF ALABAMA, SOUTHERN DIVISION

<b>In Re:</b>	)	<b>Case No: 11-12254-WRS-11</b>
	)	
<b>SMALL LOANS, INC., et al.</b>	)	<b>Chapter 11</b>
	)	
<b>Debtors.</b>	)	<b>Jointly Administered</b>

**NOTICE BY CHAPTER 11 TRUSTEE REGARDING RETENTION AND FILING OF  
ORDINARY COURSE PROFESSIONAL AFFIDAVITS AND RETENTION  
QUESTIONNAIRES OF SIROTE & PERMUTT, P.C.**

S. Gregory Hays, the chapter 11 trustee (the "Trustee") appointed in the above captioned cases, hereby gives notice of the retention of Sirote & Permutt, P.C. (the "Ordinary Course Professional" or "Sirote & Permutt") as an additional ordinary course professional in these cases. Copies of the Ordinary Course Professional Affidavits and Retention Questionnaires completed by Sirote & Permutt are attached as **Exhibit "A"** and **Exhibit "B."**

Pursuant to the requirements set out in Paragraph 11 of the Trustee's Motion Pursuant to Sections 105(a), 327, 328 and 330 of the Bankruptcy Code for Authorization to Employ Professionals in the Ordinary Course of Business *Nunc Pro Tunc* [ECF Docket No. 359] (the "Motion"), the Trustee may employ Sirote & Permutt as an additional ordinary course professional in these cases by giving this supplemental notice ("Notice").

Pursuant to the requirements set out in Paragraphs 7 and 8 of the Motion, the Reviewing Parties (as defined in Paragraph 8 of the Motion) have ten (10) days following service of this Notice (the "Objection Deadline") to notify the Trustee, the other Reviewing Parties and the Ordinary Course Professional in writing of any objection to the retention stemming from the contents of the Ordinary Course Professional Affidavits or Retention Questionnaires.

If, after the Objection Deadline, no objection has been filed, the retention, employment, and compensation of the Ordinary Course Professional shall be deemed approved, without

further order from the Court. If an objection is filed and such objection cannot be resolved within twenty (20) days, the matter shall be set for a hearing before the Court.

Respectfully submitted,

/s/ Bradley R. Hightower

Daniel D. Sparks

Eric J. Breithaupt

Bradley R. Hightower

Attorneys for S. Gregory Hays, Chapter 11  
Bankruptcy Trustee

**OF COUNSEL:**

CHRISTIAN & SMALL LLP  
505 North 20<sup>th</sup> Street, Suite 1800  
Birmingham, Alabama 35203  
Phone: (205) 795-6588  
Fax: (205) 328-7234

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served a copy of the foregoing pleading upon the following via the ECF system or by placing a copy of same in the United States mail, postage prepaid, addressed as follows on this the 23<sup>rd</sup> day of August, 2012:

Teresa R. Jacobs  
U.S. Bankruptcy Administrator  
Frank M. Johnson, Jr. Federal Building  
One Church Street, Suite 103  
Montgomery, Alabama 36104

Bill D. Bensinger  
Max A. Mosley  
Baker, Donelson, Bearman, Caldwell & Berkowitz  
1600 Wells Fargo Tower  
420 20<sup>th</sup> Street North  
Birmingham, Alabama 35203

Jan M. Hayden  
Baker, Donelson, Bearman, Caldwell & Berkowitz  
201 St. Charles Avenue  
New Orleans, Louisiana 70170

John D. Elrod  
R. Kyle Woods  
Greenberg Traurig, LLP  
The Forum – Suite 400  
3290 Northside Parkway, NW  
Atlanta, Georgia 30327

Maurice L. Shevin  
Sirote & Permutt, P.C.  
2311 Highland Ave. South  
Suite 500  
Birmingham, Alabama 35205

/s/ Bradley R. Hightower  
OF COUNSEL

**EXHIBIT A**

**(Ordinary Course Professional Affidavit)**

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF ALABAMA, SOUTHERN DIVISION

<b>In Re:</b>	)	<b>Case No: 11-12254-WRS-11</b>
	)	
<b>SMALL LOANS, INC., et al.</b>	)	<b>Chapter 11</b>
	)	
<b>Debtors.</b>	)	<b>Jointly Administered</b>

**AFFIDAVIT AND DISCLOSURE STATEMENT OF MAURICE L. SHEVIN  
ON BEHALF OF SIROTE & PERMUTT, P.C.**

STATE OF ALABAMA            )  
  )  
COUNTY OF JEFFERSON        )

Maurice L. Shevin, being duly sworn, upon his oath, deposes and says:

1. I am a Shareholder of Sirote & Permutt, P.C., located at the address of 2311 Highland Avenue South, Suite 500, Birmingham, Alabama 35205 (the "Firm").

2. On December 16, 2011, Small Loans, Inc., The Money Tree, Inc., The Money Tree of Louisiana, Inc., The Money Tree of Florida Inc., and The Money Tree of Georgia Inc. (collectively, the "Debtors") filed voluntary chapter 11 bankruptcy cases in this Court.

3. On April 30, 2012, S. Gregory Hays was appointed as chapter 11 bankruptcy trustee (the "Trustee") in the above-referenced chapter 11 cases and the Trustee has requested that the Firm provide services as described in the attached **Schedule A**. The Firm has consented to provide such services.

4. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors' chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases.

The Firm does not perform services for any such person in connection with these chapter 11 cases. In addition, the Firm does not have any relationship with any such person, their attorneys, or accountants that would be adverse to the Debtors or their estates.

5. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Trustee with any other person other than the principals and regular employees of the Firm.

6. Neither I, nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates.

7. The Debtors owe the Firm \$550.44 for prepetition services (prepetition means prior to December 16, 2011).

8. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit.

By: Maurice L. Shevin  
Maurice L. Shevin

Subscribed and sworn to before me  
this 21<sup>st</sup> day of August, 2012.

Joseph L. DeMa  
Notary Public

MY COMMISSION EXPIRES OCTOBER 2, 2012

## SCHEDULE A

1. Trevor Dees, plaintiff, versus Horace Fancher Phelps, John Commander, Small Loans, Inc., The Money Tree, Inc., Interstate Motor Club, Inc., The Money Tree/Vanmart, Inc., et al. This action was filed in the Circuit Court of Conecuh County, Alabama, on June 3, 2009 and bears Case No. CV 2010-000027. This suit alleges various events of conversion, civil theft of property, and conspiracy to commit conversion and theft of property. The plaintiff has demanded a trial by jury. We have prepared and filed a motion to compel arbitration along with supporting affidavits and documents demanding that this case be dismissed and/or stayed pending arbitration of the claims brought by the plaintiff. Accordingly, no discovery has taken place in this matter at this time due to the efforts to compel arbitration. If and when the motion to compel arbitration of this matter is denied by the Court and any appeals which may be brought as a result thereof denied and the defense of this matter on the merits becomes appropriate, all claims brought by the plaintiff shall be defended vigorously.

2. Jackson, Gelinda, plaintiff, versus John Commander, Small Loans, Inc., The Money Tree, Inc., Interstate Motor Club, Inc., and The Money Tree/Vanmart, Inc., et al. This is an action that was filed in the Circuit Court of Conecuh County, Alabama, on October 23, 2007. It bears case number CV 2007-900062. At the time of the initial filing, the only defendant in the lawsuit was John Commander, who is an employee of one of The Money Tree entities. On November 3, 2009, the plaintiff amended her Complaint and added Small Loans, Inc., The Money Tree, Inc., Interstate Motor Club, Inc. and The Money Tree/Vanmart, Inc. The allegations in the Amended Complaint are conversion, civil theft of property, and conspiracy to commit conversion and theft of property. The plaintiff has demanded a trial by jury. We prepared and filed a motion to compel arbitration along with supporting affidavits and documents demanding that this case be dismissed and/or stayed pending arbitration of the claims brought by the plaintiff. Accordingly, no discovery has taken place in this matter at this time due to the efforts to compel arbitration. If and when the motion to compel arbitration of this matter is denied by the Court and any appeals which may be brought as a result thereof are denied and the defense of this matter on the merits becomes appropriate, all claims brought by the plaintiff shall be defended vigorously.

3. Dorothy Jackson, individually and on behalf of all persons similarly situated v. The Money Tree Inc., Small Loans, Inc., The Money Tree of Georgia Inc., and The Money Tree of Florida Inc. This action was filed in the United States District Court for the Middle District of Georgia, Albany Division, and bears case number 1-10-cv-107 (WLS). Plaintiff Jackson alleges that she obtained a loan in August of 2007 of \$2,687.79 from "a Small Loans branch of The Money Tree" in Alabama. As a part of the collateral securing the loan, plaintiff Jackson pledged a 1997 Nissan Altima. Plaintiff Jackson also alleges that she was charged a premium for and was sold a "collateral protection plan" as a part of this August 2007 loan transaction. The plaintiff's Complaint seeks relief based on her allegation that she was purportedly charged an excessive premium for the collateral protection plan covering the automobile. The plaintiff's Complaint seeks class action treatment for the asserted claims of breach of contract and unjust enrichment, as well as her claims for injunctive and declaratory relief. We have filed a motion to compel arbitration of the plaintiff's claims pursuant to a written arbitration agreement contained

in the loan documents signed by her. The arbitration motion has been fully briefed and submitted to the court for decision. As a consequence, no discovery has taken place in this case. The defendants intend to vigorously defend the plaintiff's claims, whether in court or in arbitration.

4. General Business and Consumer Finance Representation. Our firm routinely handles matters involving licensing and regulatory matters for Small Loans, Inc., including, without limitation, state and federal regulatory compliance issues that arise from time to time in a consumer finance business. We expect to continue to represent the client on an "as needed" basis.



**EXHIBIT B**

(Retention Questionnaire)

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF ALABAMA, SOUTHERN DIVISION

In Re: ) Case No: 11-12254-WRS-11  
 )  
SMALL LOANS, INC., et al. ) Chapter 11  
 )  
Debtors. ) Jointly Administered

RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED BY S. GREG HAYS,  
CHAPTER 11 TRUSTEE,

DO NOT FILE THIS QUESTIONNAIRE WITH THE COURT.  
RETURN IT FOR FILING BY THE TRUSTEE, TO:

Bradley R. Hightower  
Christian & Small LLP  
505 Twentieth Street North  
Suite 1800  
Birmingham, Alabama 35203  
Phone (205) 795-6588  
Fax (205) 328-7234  
brh@csattorneys.com

All questions **must** be answered. Please use "none," "not applicable," or "N/A," as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of firm:

Sirote & Permutt, P.C.  
2311 Highland Avenue South  
Suite 500  
Birmingham, Alabama 35205

2. Date of retention: December 16, 2011

3. Type of services provided (accounting, legal, etc.):

Legal

4. Brief description of services to be provided:

Legal services described in the attached Schedule A.

5. Arrangements for compensation (hourly, contingent, etc.)

Hourly

(a) Average hourly rate (if applicable):

Maurice L. Shevin	-	\$350.00
George M. Neal, Jr.	-	\$355.00
Lee C. Reeves	-	\$340.00
Stephen B. Porterfield	-	\$325.00
Barry Ragsdale	-	\$325.00
Kerry P. McInerney	-	\$280.00
Anthony Smith	-	\$260.00
Robin Beardsley	-	\$250.00
Mary Blanche Hankey	-	\$195.00
Kaye Fulbright	-	\$145.00
Rita A. Williamson	-	\$115.00

(b) Estimated average monthly compensation based on prepetition retention (if firm was employed prepetition):

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6. Prepetition claims against the Debtors held by the firm (prepetition means before December 16, 2011):

Amount of claim: \$550.00

Date claim arose: \_\_\_\_\_

Source of Claim: Legal fees

7. Prepetition claims against the Debtors held individually by any member, associate, or professional employee of the firm:

Name: \_\_\_\_\_

Status: \_\_\_\_\_

Amount of Claim: \$ \_\_\_\_\_

Date claim arose: \_\_\_\_\_

Source of claim: \_\_\_\_\_

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8. Post-petition claims against the Debtors held by the firm (post-petition means on or after December 16, 2011 through the date that this form is signed):

Amount of claim: \$3,666.45

Date claim arose: \_\_\_\_\_

Source of Claim: Legal fees

9. Post-petition claims against the Debtors held individually by any member, associate, or professional employee of the firm:

Name: \_\_\_\_\_

Status: \_\_\_\_\_

Amount of Claim: \$ \_\_\_\_\_

Date claim arose: \_\_\_\_\_

Source of claim: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

10. Stock of the Debtors currently held by the firm:

Kind of shares: \_\_\_\_\_

No. of shares: \_\_\_\_\_

11. Stock of the Debtors currently held individually by any member, associate, or professional employee of the firm:

Name: \_\_\_\_\_

Status: \_\_\_\_\_

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Kind of shares: \_\_\_\_\_

No. of shares: \_\_\_\_\_

12. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates with respect to the matters on which the above-named firm is to be employed.

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13. Name of individual completing this form:

Maurice L. Shevin

## SCHEDULE A

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