

Circuit, as I understand the opinion, held that a receivership was the improper way to resolve these disputes. I want to resolve the disputes, but I do not want to do it in an involuntary bankruptcy proceeding.

Hall

3. I dispute Mr. Hall's claim for fees and Mr. Hall knows this. The matter is pending in state court. Prior to making his claims, I paid him everything I was obligated to pay him. **The contract marked exhibit 6 (D 6) to my summary judgment response is a true and accurate copy of my contract with Hall.** His claim, which I deny, is that I made an oral agreement with him to increase the amount of his contract for the last month, or to pay him an extra \$5,000.00 for his last month. He was paid in full and I owe him nothing. My dispute as to the validity and amount of Mr. Hall's claim for fees is bona fide. To the best of my knowledge, there is currently a disputed claim lawsuit pending in the JP court over Hall's claim.

Lyon

4. I dispute Mr. Lyon's claim for fees and he knows this. Lyon's billing rate was \$40/hour. He was paid for his work as agreed and I never agreed to pay him \$300/hour and Lyon never billed me at that rate while he was working for me. His \$300/hour bills are fictitious, created after he was no longer working for me. Moreover, Lyon settled his dispute in a written accord and satisfaction entered into to resolve his fee dispute. I complied with, relied on, and paid money to Lyon under the written accord and satisfaction agreement. My dispute as to the validity and amount of Mr. Lyon's claim for fees is bona fide, based on the objective facts and rules of law. Lyon violated his most basic duties, including duty of candor and loyalty, and has made false representations regarding his relationship with me and his fee. After

Mr. Lyon had been performing legal work for me in Texas, I was informed that it was illegal for Mr. Lyon to do so because he is not licensed by the state to practice law here.

5. Mr. Lyon's statements about my financial affairs are groundless. Mr. Lyon has no personal knowledge of my financial condition, and he has no idea what financial obligations I have, or whether or not they were paid. I have not had a substantive conversation with Mr. Lyon at all, much less concerning my financial condition in years.

6. I am paying my undisputed debts as they come due. Currently I am paying the following bills: My monthly electric bill, the monthly bill for my apartment, my dentist, and the bills for my medications and medical treatment. I also have paid my lawyer's bill involving tens of thousands of dollars. Notably, over the years I have paid my bills, pursuant to my legal obligations. This is demonstrated by Mr. Hall, who has testified that I paid him the monthly fee, for every month, pursuant to the terms of his written contract. The only bills that have not been paid are for disputed debts, for example, Hall's disputed fee claim for an additional \$5,000.00 beyond the amount agreed to in our written contract.

7. This is also demonstrated by Mr. Taylor's affidavit, in which he admits he was paid, in full, his bill that was due pursuant to the written terms of our contract. The fee that I did not pay him, was the disputed fee that Mr. Taylor admits is not called for by the written terms of our agreement. Thus, I pay my undisputed debts as they come due, and have done so for years. It is only the disputed debts that have not been paid.

8. I do not have access to my documents and records, which have been

seized by the receiver. Without those documents I am unable to provide more detail, but, my attorneys have been paid literally millions of dollars over the past few years.

Powers/Taylor

9. I dispute the Taylor claim for fees and he knows this. I have a written agreement with Mr. Taylor and he was paid every dime called for in the agreement. There is a contingency condition to the agreement, but the contingency was not met because Mr. Taylor failed to obtain a positive result on the case he handled. At the time I entered the settlement Taylor never informed me that any contingency would be due him based on the settlement. I would not have agreed to such an arrangement if he had attempted to make such a claim at the time. At the time, he told me that no contingency was due, and sent me a written email confirming that only a small bill would be sent, and that would be the last one. (A true and accurate text of Taylor's email appears below.) Taylor had a retainer from me sufficient to cover all of his 'outstanding' invoices, and was paid in full pursuant to the terms of his contract. Taylor admits he was paid in full for his hourly work, and admits that it is impossible for him to show how he is entitled to any money under the express, written contingency fee provision he drafted.

10. Taylor was paid approximately \$100,000.00 and to the best of my knowledge, owes a refund of the unused portion of the retainer he was paid, to the best of my recollection, around \$10,000.00 or so. Taylor has not refunded or returned the retainer, in violation of the express terms of our written agreement. To be clear, Taylor was paid in full for all of the fees due Taylor pursuant to our written fee agreement.

11. Instead of obtaining a recovery for my IRA that owns phonecards.com,

Taylor's work resulted in both the \$200,000+ payment, which the defendant had previously agreed to pay and many months of revenue from the domain name asset, being lost. To be clear, Taylor's work resulted in a substantial loss for my IRA, not a recovery.

12. After the settlement, Taylor sent me an email that stated as follows:

From: mark taylor [mailto:mark@powerstaylor.com]
Sent: Thursday, August 26, 2010 4:16 PM
To: Jeff Baron
Subject: Powers Taylor

Jeff:

I know you've got a hundred things on your plate right now, but we have an invoice that is approaching 60 days old. Could you check on getting both of our outstanding invoices paid now? We'll probably have a very small bill that will go out at the first of September, but that should be the last one.

Thanks.

13. My dispute as to the validity and amount of Mr. Taylor's claim for fees is bona fide. I note for the court, in case the court is not aware, the receiver seized my documents and records, and the records and evidence of my attorney representing me in these fee disputes, so I am unable to look at those documents at this time, to refresh my recollection and provide more exact information. I am not able to fully defend myself and provide more evidence unless I am allowed to have all the documents and records that were taken by the receiver, and sufficient time to organize them and review them. This applies to all of the disputed fee claims discussed in this declaration.

Schurig

14. I dispute Ms. Schurig's claim for fees and she knows this. Schurig's

affidavit states she received well over a million dollars in fees and claims that I owe her under \$1,400.00. However, Schurig has claimed against me nearly a hundred fold that in her petition in this case, making a claiming for over \$90,000.00.

15. I sent Ms. Schurig over \$2 Million to hold in trust, which funds have never been reasonably or rationally accounted for by Ms. Schurig. My attorneys have made repeated requests for an accounting and she has never provided any documentation, that I am aware of, accounting for the money in any reasonable or rational way. Also she was sent hundreds of thousands of dollars in trust to pay my taxes, and upon information and belief, she has not done so, but has used the money for unauthorized uses, upon belief, taking the money. If allowed to take depositions, I could prove this by the testimony of attorneys involved in sending her the money, and by her banking records. My dispute as to the validity and amount of Ms. Schurig's claim for fees is bona fide.

16. I dispute that I owe Schurig any money. The district judge determined that she overcharged me and was billing me at an unreasonable rate. She is also charging me money in her billing for work *prior* to the date of the retainer contract in her affidavit. When her bill is adjusted to reflect the maximum reasonable rate the district judge determined was reasonable for her to charge, Schurig owes me a refund. I would also like her to return my \$2 Million Dollars, and the hundreds of thousands dollars she was sent to hold in trust for taxes. In the conduct discussed above, Schurig breached her fiduciary duties to me, and has no right to collect any fee.

Pacione

17. I dispute Mr. Pacione's claim for fees and he knows this.

18. The following is the true and accurate text of a letter Pacione received

from me on February 9, 2010 setting out in writing the agreed work product he was to provide me as part of his work for me in February:

From: jeffbaron1@gmail.com [mailto:jeffbaron1@gmail.com]
Sent: Tuesday, February 09, 2010 3:28 PM
To: 'David Pacione'
Subject: RE: tasks with deadlines

Annotated Timeline w/ documents 2/18/10

Bankruptcy Motions filed (objection to claims and Payment of special Master Fees)
Week of 2/8/10

Motion to Disqualify 2/18/10

Trademark Memo 2/19/10

Breach of Fiduciary Duty Memo 2/19/10

Depo Outline (Munish, Manish, Jill) - After mediation

19. Pacione failed to do all of the above listed work and provide me the work product. His doing that work was a prerequisite to my obligation to pay him. I asked him to sign a contract and told him that if he did not complete the assignments listed, and return the work product to me by the 'deadline', that there was no payment obligation due until a written contract was signed-- and he agreed. He represented that he was doing all the work, but then, failed to do it and provide me the work product.

20. The written terms in the written contract Pacione attached to his summary judgment affidavit make clear that my agreement to pay him was based on his providing work product to me. Pacione understood that my agreement to pay him any money was based on the terms of the written contract, but Pacione did not sign the contract with me because he, based on what he said, was not sure he wanted to

take responsibility for handling the cases. I asked him to do specific things, and provide work product to me. He provided me effectually no work product. I asked him provide me a detailed time statement and he provided only a 'block' statement of his time and demanded money. While Pacione may expect me to 'take his work for it' and pay him a fixed rate of money, that was not our agreement. We had set, written work product that he was supposed to provide, and deadlines for providing it. The first thing was a "Annotated Timeline w/ documents 2/18/10". He failed to provide that. My agreement to pay Pacione any fee was clearly and expressly based on his providing the work product. The was stated expressly in our conversations. I never agreed to pay Pacione simply to do work, or do whatever he wanted to do, or anything like that. I agreed to pay for Pacione providing me specific work product that was listed, in writing. Pacione failed to perform.

21. Again, Pacione had a discreet list of tasks with deadlines. He did not do the work, and is not entitled to be paid. I offered to pay him based on the work product he provided to me, for example the Annotated Timeline. If he would have provided that work product to me, I would have happily paid for it. My attorneys were paid millions of dollars in fees. For example, I paid Hall over \$100,000.00.

Pacione did not provide me the work that I agreed to pay him for.

22. Pacione sued me in the district court, the case is disputed, and had been dismissed against Pacione at one point. My dispute as to the validity and amount of Mr. Pacione's claim for fees is bona fide.

Garrey

23. I dispute Mr. Garrey's claim for fees and he knows this.

24. He was supposed to start working but did not generally show up for

work, and told me he was not going to work for me after about 10 days when he demanded a large payment and I refused to pay him.

25. I did not defraud Garrey in any way. Everything I ever said to Garrey was true and accurate. His claims are fabricated. I owe him no money. He did not perform the work he claims to have performed. Pursuant to my agreement with Garrey, the total amount I was obligated to pay him in return for three months work, was a total of \$375.00. Garrey admits this in his summary judgment affidavit (at about page 9 or 10) and includes the “breakdown of payments” that had been agreed to regarding my obligations to pay him for working three months. It can be clearly seen from his affidavit that my statements are true. Garrey filed a lawsuit against me and demand \$1 Million Dollars for his alleged 14 days of ‘work’.

26. In his affidavit for summary judgment Garrey claims, for example, that he performed work for the Village Trust, preparing and filing a special appearance for them. His statements are false and completely untrue. Garrey attempted to directly contact the trustee of the Village trust and solicit work from him. The Trustee rejected Garrey’s offer, and Garrey sent a letter that proves Garrey never did any work for the Trust, stating, “I have not been asked or retained to provide any legal services for The Trust.” That is obviously, opposite what Garrey has sworn to in his false claim. Garrey’s claim against me is false, it is untrue. His lawsuit for his disputed claim is pending in state court.

27. The following is the true and accurate text of an email that I was forwarded which was sent to the trustee of the village trust from Garrey:

From: Bob Garrey [mailto:bgarrey@gmail.com]
Sent: Thursday, November 11, 2010 9:07 AM
To: Tine Faasili Ponia

Cc: ; Brian Mason
Subject: Re: \$58,000 owed to The Village Trust

Thank you for the response Tine.

This email will confirm that the Village Trust: 1) will be requesting the funds due under the Global Settlement Agreement; and 2) will secure separate counsel for the F&F lawsuit.

For purposes of clarity only, this will further confirm The Village Trust does not require or expect any legal services from me, and I have not been asked or retained to provide any legal services for The Trust.

Best regards,
Bob Garrey

Sent from my iPhone

On Nov 10, 2010, at 10:01 PM, "Tine Faasili Ponia" wrote:

- > Dear Bob
- >
- > Thank you for your email.
- >
- > If the trust is indeed entitled under the Settlement Agreement to
- > receive the \$58,000 upon request, we would prefer to request the
- > release of the money from the bankruptcy trustee directly ourselves.
- >
- > With regards to the suit filed by Friedman & Feiger, thank you for
- > your offer of assistance but the trustee is of the view that the trust
- > must engage independent counsel.
- >
- > Kind regards
- >
- > Tine Faasili Ponia
- > GENERAL COUNSEL
- > SOUTHPAC TRUST LIMITED
- > Phone (682) 20 514
- > Facsimile (682) 20 667
- > USA Free Fax 1-800-863-0056
- > Website www.southpacgroup.com
- >
- >

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This communication (including any files or text attached to it) is

- > confidential and may also be privileged. It is intended only for the
- > recipient(s) named above.
- > If you are not an intended recipient, you must not read, copy, use or
- > disclose this communication to any other person.
- > Please also notify us immediately by telephoning (682) 20 514, or
- > replying to this communication, and then delete all copies of it from
- > your system.
- >

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- >
- > -----Original Message-----
- > From: Bob Garrey [mailto:bgarrey@gmail.com]
- > Sent: Tuesday, 9 November 2010 6:18 p.m.
- > To: Brian Mason
- > Cc: Jeff Baron; Bob Garrey
- > Subject: \$58,000 owed to The Village Trust
- >
- > Brian,
- > I am assisting Jeff Baron on several matters. One of those matters is
- > the release of more than \$58,000 owed to The Village Trust pursuant to
- > the Global Settlement Agreement relating to Pokerstar.com Revenues.
- > With your approval we would like to request the Bankruptcy Trustee
- > release the funds to the Village Trust. Please let me know if this is
- > acceptable to you.
- >
- > I am also aware of your potential need for counsel to file a Special
- > Appearance in the Texas State Court lawsuit filed by Friedman &
- > Feiger. If I can assist you in any manner, please let me know.
- >
- > Best regards,
- > Bob Garrey
- >
- > Sent from my iPhone

28. My dispute as to the validity and amount of Mr. Garrey's claim for fees is bona fide. In order to make very clear, Mr. Garrey is lying. That should be clear from his sworn affidavit. He says he stopped working before November 14, 2010. He says he was hired to find a strategy to remove the receiver and his attorney. The motion to appoint the receiver was not filed until November 24, 2010, after

Garrey admits he was not working for me. Yet, Garrey swears he was hired to find a strategy to remove the receiver, and that he preformed that service. His claim is a completely false.

Ferguson

29. I dispute Mr. Ferguson's claim for fees and he knows this. Ferguson never provided a time log, although, to the best of my recollection, I repeatedly requested it.

30. I had an agreement with Ferguson and paid him on it in full. Beyond that, Ferguson agreed that he would not do more than 10 hours work without express written permission. He did not provide me with any work reports a beyond what he was paid for. To the best of my recollection, I never discussed with Ferguson my personal financial situation or how much money I had or did not have personally. I never made any false statement to Ferguson.

31. The following is the true and accurate text of an email sent by Dean Feruson on August 25, 2010:

Received: from [76.13.10.167] by t6.bullet.mail.ac4.yahoo.com with NNFMP; 26 Aug 2010 05:44:27 -0000

Received: from [76.13.12.65] by n13.bullet.mail.ac4.yahoo.com with NNFMP; 26 Aug 2010 05:44:27 -0000

Received: from n13.bullet.mail.ac4.yahoo.com (n13.bullet.mail.ac4.yahoo.com [74.6.228.93]) by mx.google.com with SMTP id u2si4328262qcq.123.2010.08.25.22.44.29; Wed, 25 Aug 2010 22:44:29 -0700 (PDT)

Received: from [71.22.111.183] by web65414.mail.ac4.yahoo.com via HTTP; Wed, 25 Aug 2010 22:44:27 PDT

Received: (qmail 68692 invoked by uid 60001); 26 Aug 2010 05:44:27 -0000

Received: from [127.0.0.1] by omp108.mail.ac4.yahoo.com with NNFMP; 26 Aug 2010 05:44:27 -0000

Received: by 10.216.19.134 with SMTP id n6cs77626wen; Wed, 25 Aug 2010 22:44:31 -0700 (PDT)

Received: by 10.224.54.69 with SMTP id p5mr6384469qag.123.1282801470581; Wed, 25 Aug 2010 22:44:30 -0700 (PDT)

Return-Path: <dwferg2003dm@yahoo.com>
From: "dean ferguson" <dwferg2003dm@yahoo.com>
To: <jeffbaron1@gmail.com>,
"Gary G. Lyon" <glyon.attorney@gmail.com>,
<jamesmeckels@gmail.com>
Subject: Update as to My role
Date: Wed, 25 Aug 2010 23:44:27 -0600
Message-ID: <252661.67438.qm@web65414.mail.ac4.yahoo.com>
MIME-Version: 1.0
Content-Type: multipart/alternative;
boundary="-----_NextPart_000_01F7_01CDDEB7.5C8B0AD0"
X-Mailer: Microsoft Outlook 14.0
Thread-Index: AQHJzKXUIPkVST+6af05gWAJmM91wQ==

This is a multipart message in MIME format.

-----_NextPart_000_01F7_01CDDEB7.5C8B0AD0
Content-Type: text/plain;
charset="us-ascii"
Content-Transfer-Encoding: 7bit

After lengthy discussions with Jeff over the last couple of days, and having taken stock of my workload, the issues facing Jeff, the parties' respective positions and the needs of our mutual client, Jeff Baron, I have concluded that I must immediately, substantially limit my participation as counsel for Jeff. Accordingly, I am withdrawing immediately as counsel. I will, however, agree to begin work as a consulting bankruptcy attorney, with no obligation to work or provide any services whatsoever. If Jeff requests that I perform certain tasks from time to time, and I in my sole discretion agree to do so, he has agreed to compensate me for my work at a discounted rate of \$300/hour. Absent further written agreement, it will be presumed that I will not work or bill in excess of 10 (ten) hours per month. I will assist in the transition to new bankruptcy counsel and shall be available at my convenience and in my sole and absolute discretion to James, Gary or any other counsel for Jeff (and, if appropriate in my opinion, entities such as Quasar) as I may elect. I shall have no role in any proceedings involving Gerrit Pronske except as I, in my sole discretion, shall choose, and in no event shall I serve as or be deemed to be Jeff's counsel in any such proceedings. I agree that, to the extent I provide consulting advice, I will maintain client confidences. I also agree not to accept representation of any other party in the Ondova case and acknowledge that in my role as consultant, and while so employed, I am not and will not accept employment adverse to Jeff. In consideration of past services rendered, my willingness to serve as consulting bankruptcy counsel under the limitations expressed herein and other good and valuable consideration, Jeff has agreed to pay me, as soon as reasonably practical, the sum of \$15,000.00 (Earned Fee Payment), which is deemed earned and immediately due and payable without further

action. My agreement to participate in any fashion is premised in large part upon there being an ongoing "team" consisting of Gary Lyon, James Eckels and a "player to be named later" ("PTBNL" - sorry, couldn't resist a bad baseball pun, give the ranger's BK situation). Jeff has agreed that he will timely compensate all team members in a fashion mutually acceptable to them (and in which I have no further stake). Until and unless I receive payment of the Earned Fee Payment, I shall have no obligation to take any action whatsoever, including any action as a consultant hereunder. If I choose in my sole discretion to provide services before the payment is received, the fact that I choose to render services shall in no way be deemed a commitment to provide any further services. Notwithstanding any other term or condition of this or any other agreement, if in my sole discretion I render any such services before receipt of the Earned Fee Payment, Jeff agrees to pay me for the services at the agreed upon consulting rate, separate and apart from the Earned Fee Payment. Jeff and I intend for it to be absolutely clear that I may withdraw from and terminate my role as consulting counsel at any time, for any reason or no reason, in my sole and absolute discretion, provided only that to the extent I undertake a specific task or provide a particular service, I shall have the duty of ordinary care in rendering such service or accomplishing the task, and in no event shall there arise from the fact that I undertook the task or service any special, extraordinary or fiduciary obligation.

Sorry for the long winded exposition, but I think it is important to lay the predicate for this relationship so that there is no deviation from expectations. My willingness to take any action whatsoever in the nature of working for Jeff is conditioned upon the idea that he is going to find other counsel to work with Gary to handle the bankruptcy aspects of the case. I am willing, subject to the foregoing restrictions, to "download" my general thoughts and specific knowledge of the case and relevant facts, to assist in transition, and to provide limited advice, if requested and desired by Gary and/or replacement counsel. I think I can convey to replacement counsel in a few short hours a pretty good idea of what Gerrit contemplated, where he and Gary were headed, what it would take to get an agreement with Ray, the concept of the Section 365 based plan, etc. and alternatives to the plan.

As to when I shall announce my withdrawal and new role, that depends upon events. Here's what I would like to see - (1) in the morning, James and I need to talk. I think we can reach a quick agreement with Ray accepting the terms of the interim agreement with a few minor, but important changes: (a) need to add a provision stating that entering into the interim agreement has no precedential effect, not admissible as evidence of reasonableness of any amount, all rights expressly preserved; (b) while we will agree that Joey has to be satisfactorily resolved, it is not appropriate to specify in this agreement because of potential effect on litigation. We will enter into side agreement that he must be satisfactorily resolved (to his and our satisfaction - if we reach a deal with him, Ray can't say "that's not good enough - Joey is a big boy"); (2) Assuming we can sign off on the interim agreement, we enter into agreement

postponing September 8 hearing, extending answer deadline to late September or October, and postpone Jeff's deposition. I'd like for Gary to be the point for any deposition discussions, but since he'll be at parkland tomorrow, James and I will ask to move depo and see if the desire to take it is limited to price issues or if this is a fishing expedition; (3) Assuming we postpone all Ray related deadlines, Jeff can focus on finding new BK primary counsel and selecting new trustee. James can work with me to flesh out the Schnabel deal, determine feasibility of Fabulous.com, address technical issues. (4) Somehow, Gerrit needs to be postponed and convinced to hold off, even if only briefly. Gary - you are going to have to take a leadership role on this until Jeff can get new counsel on board, even if that counsel is separate from BK counsel (how many lawyers does it take to screw in a lightbulb? Obviously, two, but it has to be a big lightbulb, and I'm not sure how they get in it to screw). I am out, James can't do it. Maybe you can start by suggesting that Gerrit really shouldn't sue while he is still counsel of record in the BK. Maybe he could withdraw and You could tell him Jeff is getting new counsel but will make a cash plus mediation offer Monday or Tuesday?

Good night. d.

Dean W. Ferguson
Kingwood, Texas 77345
713.834.2399
dwferg2003dm@yahoo.com

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please notify me by replying to this message and permanently delete the original and any copy of this e-mail and any printout thereof.

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 9.0.851 / Virus Database: 271.1.1/3142 - Release Date: 09/17/10
13:34:00

32. My dispute as to the validity and amount of Mr. Ferguson's claim for fees is bona fide, based on the objective facts and rules of law.

Pronske

33. I dispute Mr. Pronske's claim for fees and he knows this. On January 4, 2011, Pronske admitted that (1) his engagement was negotiated by Schurig and not by me, (2) the agreement was that he would be paid a fixed amount up front, seventy-five thousand dollars, and that he would bill against that pre-paid retainer. Pronske admitted that he received the \$75,000.00.

34. On or about September 27, 2010 Pronske admitted in his counterclaim filed against me that I did not represent to him that I was going to personally pay for his Firm's services. Rather, Pronske stated that the retainer was due from the Trust.

35. To be clear, Pronske did a lot of work. He worked long hours. He has also admitted that he did not negotiate an agreement with me to pay him. At the beginning, Pronske agreed to work for Ondova. On September 1, 2009, (see Doc 63 in the district court case). Friedman brought him in.

37. After I got to know Pronske, I believed that he was my friend and really cared about me and the case. When he paid attention to the case he was helpful. Prior to demanding hundreds of thousands of dollars, Pronske did not provide me with work reports or bills, or notify me that he had used up the retainer.

38. On or about July 2010, Pronske demanded that I pay him for his prior work. Prior to that time he did not send me any demand or notice for those fees. Less than a week after he request (for the first time) I pay him money (beyond the \$75,000.00 he had been paid), Pronske said he was not going to do any more work for

me. When I tried to have a new attorney substitute in (because Pronske was refusing to handle the case), Pronske refused to sign off on the substitution unless I first paid him the fees he demanded.

39. I had no intention or plan to move any of my assets in September 2010, and Pronske's public, on-the-record representations that I did are completely false and a breach of fiduciary duty which led to the improper imposition of a receivership over me, causing me direct and continuing harm. I never told Pronske that I had any intention of secreting or transferring offshore my personal assets. Pronske threatened me that if I did not immediately pay him all the money he wanted, he would harshly retaliate against me, and recruit assistance from other attorneys.

40. My dispute as to the validity and amount of Mr. Pronske's claim for fees is bona fide.

Summary

41. Each of the petitioners, in their specific circumstances have sought excessive fees. The district judge found that Pronske's fees and Schurig's fees billed at over \$400.00 per hour were not reasonable for the work performed. Hall and Taylor are seeking fees that they are not entitled to under their contract and they were paid every dime they were owed under their contract. Hall was paid \$10,000.00 beyond what he was owed under the express terms of our written agreement. Taylor was paid in full, and to the best of my knowledge, there is a retainer balance that should have been returned to me when his representation ended. Garrey and Pacione are seeking fees for work they did not perform. Lyon is seeking fees at a rate almost ten times higher than he agreed to and at which rate (\$40/hour) he solicited work be given to him. Ferguson is seeking more than twenty times the maximum possible fee

he could be owed based on his own written letter, assuming he did the work he says.

He has not provided any billing statements to support his claim.

42. The attorneys have also violated their fiduciary duties by violating the Texas rules of professional responsibility, including the prohibition for seeking an excessive, improper, or unreasonable fees. I have been substantially damaged by their wrongful conduct, and without their participation, the receivership would have been stayed or vacated, and the petition for involuntary bankruptcy would not have been filed. I have been under an unauthorized receivership for over two years and have been substantially damaged by the attorneys' actions. One of my former attorneys.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 8th day of February, 2013, in Dallas, Texas.

/s/ Jeffrey Baron
Jeffrey Baron

Respectfully submitted,

STROMBERG STOCK, PLLC

By: /s/ Mark Stromberg
Mark Stromberg
State Bar No. 19408830

CERTIFICATE OF SERVICE

I hereby certify that on February 8, 2013 a true and correct copy of the foregoing document was sent by email to Lisa Lambert, Counsel for the United States Trustee; Gerrit Pronske, Counsel for the Petitioning Creditors, was served upon all persons identified below by regular mail, postage prepaid, and to all other persons requesting notices via the ECF system.

Gerrit M. Pronske
PRONSKE & PATEL, P. C.
2200 Ross Ave., Suite 5350
Dallas, Texas 75201

Shurig, Jetel Beckett Tackett
100 Congress Ave., Suite 5350
Austin, Texas 78701
Email: mroberts@morganadler.com

Dean Ferguson
4715 Breezy Point Drive
Kingwood, Texas 77345
Email: dwferg2003dm@yahoo.com

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Dallas, Texas 75206
Email: jeff@powerstaylor.com

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