

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

FILED
SEP 17 2002
CLERK OF COURT
LUFKIN, TEXAS

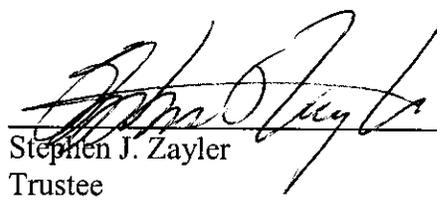
IN RE:)
SMITH, LEONARD L.) CASE NO. 97-90470
SMITH, ROCHELLE)
DEBTOR(S)) CHAPTER 7

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION
AND REPORT OF PROPOSED DISTRIBUTION**

Stephen J. Zayler, the Trustee of the estate of the above-named Debtor(s), certifies under penalty of perjury, to the Court and the United States Trustee, that the trustee has faithfully and properly fulfilled the duties of his office, that the Trustee has examined all proofs of claims as appropriate in preparation for the proposed distribution, and that the proposed distribution attached herewith is proper and consistent with the law and rules of the court. The Trustee hereby applies for commission and expenses set forth herein and states that they are reasonable and proper.

Therefore, the Trustee respectfully requests that the Final Report, Application for Compensation, and Report of Proposed Distribution be approved.

DATE: September 17, 2002



Stephen J. Zayler
Trustee

REVIEWED BY THE UNITED STATES TRUSTEE:

I have reviewed the Trustee's Final Report, Application for Compensation, and Report of Proposed Distribution.

United States Trustee

Date: 12-3-02

By: RLU

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

IN RE:)
SMITH, LEONARD L.) CASE NO. 97-90470
SMITH, ROCHELLE)
DEBTOR(S)) CHAPTER 7

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION
AND APPLICATION TO CLOSE CASE AND DISCHARGE TRUSTEE**

The Trustee of the estate presents the following final report:

1. The Trustee applies for commissions and expenses set forth herein: That they are reasonable and proper; that in the course of the performance of duties, the Trustee has advanced monies from personal funds for expenses, and that the Trustee has not been reimbursed or indemnified.
2. The Trustee submits Schedule F as a summary of the assets and an estate property record. Any property scheduled under 11 U.S.C. Sec. 521(1) and not administered shall be deemed abandoned pursuant to 11 U.S.C. Sec. 554(c).
3. The Trustee has reduced all assets of this estate to cash or otherwise lawfully disposed of them, and the estate is ready to be closed.
4. The Trustee submits Schedule A as the account of estate cash receipts and disbursements.
5. There is no agreement or understanding between the Trustee and any other person for a division of the compensation sought by this application except as permitted by the Bankruptcy Code.
6. The Trustee requests approval of this final report.
7. The Trustee has examined each and every claim filed and noted his approval of claims as filed, or he has filed objections to allowance or requests for reclassification.
8. The Trustee further requests that after final distribution of all monies in accordance with the Trustee's Report of Final Distribution, and upon filing of A Supplemental Final Report and Account and certification by the U.S. Trustee the trustee be discharged from office and that the case be closed.

I declare under penalty of perjury that this Report and attached Schedules are true and correct to the best of my knowledge and belief.

Dated: September 17, 2002



Stephen J. Zayler Trustee



United States Department of Justice
Office of the U.S. Trustee - Region 6
300 Plaza Tower, 110 N. College
Tyler, Texas 75702
(903) 590-1450 (903) 590-1461 (FAX)

December 24, 2002

Stephen Zayler
P.O. Box 150743
Lufkin, Texas 75915

Re: *Leonard & Rochelle Smith*
97-90470

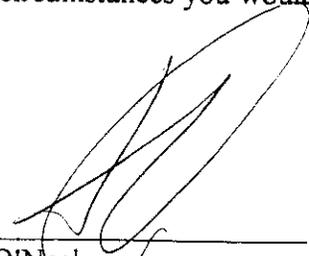
Dear Steve:

Our review of this case reveals that you are requesting maximum compensation of \$2,993.99 and expenses of \$1,053.33, for a total of \$4,047.32 in administrative costs. The only proposed distribution is to the IRS in the amount of \$17,932.73. The IRS filed a proof of claim in July of 1997 for \$81,462.80 (secured), \$3,201.47 (unsecured) and \$3,505.03 (unknown). The only asset you identified for administration was some bank stock with a limited market, and I understand that the stock certificates had been lost. In view of its large claims, it seems clear that from early on in this case the only possible creditor beneficiary was the IRS.

We had a few exchanges about this case, especially after it became a "target" case. It appeared to me then (and appears to me now) that there was some significant delay on your part in pursuing liquidation of the stock, even in view of the difficulties posed by the lost certificates and the limited market. In view of this, and the overall results of this case, I cannot support maximum compensation. At most, I could envision 50% of your request as reasonable compensation. I do not object to your expenses being allowed in full.

Please let me know whether you are agreeable to this proposal, or whether I should file your report with my objection. If there are other facts or circumstances you would like me to consider, please advise.

Sincerely,



Timothy W. O'Neal
Assistant United States Trustee

STEPHEN J. ZAYLER
ATTORNEY AT LAW
CHAPTER 7 TRUSTEE EASTERN DISTRICT OF TEXAS
123 E. LUFKIN AVENUE
P.O. BOX 150743
LUFKIN, TEXAS 75915-0743

FIRM SITE: www.zayler.com
 TRUSTEE SITE: www.bankruptcylink.com
 LOGIN: sjzch7

EMAIL: zayler@cox-internet.com
 PHONE: 936-634-1020
 FAX: 936-634-1050

December 30, 2002

Mr. Timothy W. O'Neal
 Assistant United States Trustee
 300 Plaza Tower, 110 N. College
 Tyler, TX 75702

RE: Case No. 97-90470; Leonard & Rochelle Smith

Dear Tim:

I am in receipt of your letter of December 24, 2002, concerning my Trustee's Final Report in the above referenced case and Request for Compensation. I have carefully considered your observations; however, I do not believe that a reduction in compensation is justified in this particular instance for the following reasons:

As I reviewed the six-inch thick file in this case, I noticed a couple of things which make this case somewhat different than the norm. This particular case was filed on March 19, 1997. In the original petition and schedules of what appeared to be an otherwise unremarkable case, the Debtors did list this bank stock as 195 shares of stock in Commercial Bank with a market value of \$585.00. The Debtors chose the Texas exemptions, therefore, the stock was non-exempt property. The Debtors also listed Internal Revenue Service tax claims in excess of \$80,000.00 for the 1990 and 1992 tax years. One of the things that I first noticed about this case was that there had been a previous bankruptcy filed December 29, 1995, in Case No. 95-91815 as a Chapter 13 proceeding. When I obtained a copy of the schedules in that case, the bank stock was not even listed as an asset, but had, in fact, been owned by Mrs. Smith for some period of time. Subsequent to the examination of the Debtors at the 341a meeting, the Debtors did file an amended Schedule B on or about May 7, 1997, amending the value of the stock to \$21,450.00.

Mr. Timothy W. O'Neal
December 30, 2002
Page Two

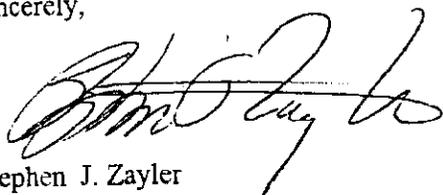
While in the ordinary case which has a significant outstanding IRS claim, especially one secured by a tax lien, it is not my practice to administer those assets solely for the benefit of the IRS, I felt the facts and circumstances of this case were different. First off, the IRS had not been able to collect on their taxes for seven years, despite an IRS lien and attempted levy. More importantly, the failure of the Debtors to list the bank stock in the previous bankruptcy, as well as their significant under-valuation in this proceeding raised serious questions in my mind as to the Debtors' good faith and whether or not it would be likely that the Internal Revenue Service would be able to liquidate this asset. Apparently, the Debtors had been successful in keeping its existence unknown to the IRS for some period.

Concerning the length of time it took to administer this case, I would point out that the asset involved was bank stock, which traditionally is very difficult to market and sell. There is no ready exchange for sales of this type of stock. I had innumerable contacts with the banking officers concerning liquidating this stock. The only way it can be sold is if someone else is in the market to buy, even if the stock itself has value. For a long period of time the bank was considering re-purchasing the stock itself as treasury stock, but ultimately declined to do so. Moreover, after the crash of the financial industry in the late 80's and early 90's, bank stock was not a very attractive investment. By the time this case was filed, it had only just begun to regain some of its attractiveness as an investment vehicle to some people. I felt very fortunate to obtain the \$21,500 sales price for this asset.

There was the additional problem of dealing with the lost stock certificate which caused an inordinate delay in my dealings with the bank. This was simply an issue that took some time to resolve.

I understand and respect the position of the United States Trustee when it comes to dealing with IRS claims in situations where there will be no other assets for general unsecured creditors. As I stated, it is my usual practice to allow the IRS to look out for itself. However, based upon the points raised above, and the fact that I have duties to all creditors of the estate including the IRS, I believe that the course of action which I took in this case was necessary and proper. I believe the fact that approximately \$18,000.00 is being sent to the United States Treasury is a good outcome in this case and justifies the fees requested.

Sincerely,



Stephen J. Zayler
Chapter 7 Trustee

SJZ:mlb

zayler.cox-internet.com

From: "O'Neal, Timothy" <Timothy.W.O'Neal@usdoj.gov>
To: <zayler@cox-internet.com>
Sent: Thursday, January 02, 2003 4:05 PM
Subject: Smith 97-90470 TFR

I have reviewed your response and am going to file the final report as is in view of the additional information and background you supplied. With your permission I'd like to include your letter in the report in case the judge reviews it (which he often does).

Let me know if this is ok.

Timothy W. O'Neal
Asst. U.S. Trustee
(903) 590-1450 Ext. 215
(903) 590-1461 (FAX)

SCHEDULE A-1

FINAL ACCOUNT AS OF September 17, 2002

A. RECEIPTS \$22,439.93

B. DISBURSEMENTS

(1) Secured creditors 0.00

(2) Administrative 350.00

(3) Priority 0.00

(4) Other Fiduciary Taxes for 2001 109.88

TOTAL DISBURSEMENTS \$459.88

BALANCE OF FUNDS \$21,980.05

TRUSTEE'S FINAL REPORT CASE SUMMARY

TRUSTEE:

ZAYLER

COMMENTS:

CASE NAME:

SMITH, LEONARD/ROCHELLE

CASE NUMBER:

97-90470

DATE UST APPROVED:

12-03-02

ESTATE INCOME:

TOTAL RECEIPTS:

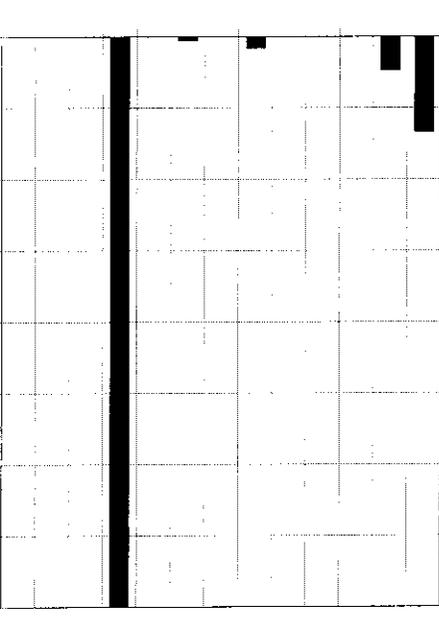
\$22,439.93

100.00%

ESTATE EXPENSES:

TRUSTEE'S COMMISSION
 TRUSTEE'S EXPENSES
 FIRM'S PROFESSIONAL FEES
 FIRM'S PROFESSIONAL EXPENSES
 OTHER ATTORNEY FEES
 OTHER PROFESSIONAL FEES
 COURT COSTS
 ESTATE EXPENSES(TAXES, ETC)
 PRIOR CHAPTER COSTS
 SECURED CLAIMS PAID
 PRIORITY CLAIMS PAID
 UNSECURED CLAIMS PAID
 OTHER(RETURN TO DEBTOR, ETC)

2,993.99
 1,053.33
 0.00
 0.00
 0.00
 350.00
 0.00
 109.88
 0.00
 17,932.73
 0.00
 0.00
 0.00



UNSECURED CLAIMS ALLOWED

6,706.50

UNSECURED CLAIMS PAID

0.00

PERCENT RECOVERED FOR UNSECURED

0.00%

**FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES**

Case No: 97-90470 BP9 Judge: BILL PARKER
Case Name: SMITH, LEONARD L.
SMITH, ROCHELLE
For Period Ending: 09/17/02

Trustee Name: Stephen J. Zayler
Date Filed (F) or Converted (C): 03/19/97 (F)
341(a) Meeting Date: 05/01/97
Claims Bar Date: 08/06/97

1	2	3	4	5	6
Asset Description (Scheduled and Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs)	Property Abandoned OA=554(a) Abandon DA=554(c) Abandon	Sale/Funds Received by the Estate	Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1. HOMESTEAD	113,000.00	0.00		0.00	FA
2. CASH ON HAND	50.00	50.00	DA	0.00	FA
3. CKG. ACCT.	150.00	150.00	DA	0.00	FA
4. HOUSEHOLD GOODS	2,000.00	0.00		0.00	FA
5. WEARING APPAREL	500.00	0.00		0.00	FA
6. FURS AND JEWELRY	750.00	0.00		0.00	FA
7. FIREARMS	450.00	0.00		0.00	FA
8. TEACHER RETIREMENT	32,400.00	0.00		0.00	FA
9. STK-COMMERCIAL BANK	585.00	21,450.00		21,500.00	FA
10. ACCOUNTS RECEIVABLE Worthless investment	0.00	0.00		0.00	FA
11. '88 LINCOLN	4,000.00	0.00		0.00	FA
12. '92 FORD PICKUP	10,000.00	0.00		0.00	FA
13. THREE HORSES One horse sold with Asset No. 14 per Agreed Order on Debtors Exemptions	1,000.00	0.00		0.00	FA
14. '77 FISHING BOAT	1,200.00	1,200.00		700.00	FA
15. Post-Petition Interest Deposits (u)	Unknown	N/A		193.13	Unknown
16. DIVIDEND (u) ON COMMERCIAL STOCK	23.40	23.40		46.80	FA
17. SECURITY DEPOSITS Swift Water Co. \$50.00 Deep East Texas Electric	100.00	100.00	DA	0.00	FA

TOTALS (Excluding Unknown Values) \$166,208.40

\$22,973.40

\$22,439.93

Gross Value of Remaining Assets

\$0.00

(Total Dollar Amount in Column 6)

**FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES**

Case No: 97-90470 BP9 Judge: BILL PARKER
Case Name: SMITH, LEONARD L.
SMITH, ROCHELLE

Trustee Name: Stephen J. Zayler
Date Filed (f) or Converted (c): 03/19/97 (f)
341(a) Meeting Date: 05/01/97
Claims Bar Date: 08/06/97

Major activities affecting case closing which are not reflected above, and matters pending, date of hearing or sale, and other action:

Initial Projected Date of Final Report (TFR): 09/30/99 Current Projected Date of Final Report (TFR): 12/31/02

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 97-90470 BP9
 Case Name: SMITH, LEONARD L.
 SMITH, ROCHELLE
 Taxpayer ID No: 95-7031530
 For Period Ending: 09/17/02

Trustee Name: Stephen J. Zayler
 Bank Name: BANK OF AMERICA
 Account Number: 3754885798 Checking - Non Interest
 Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1 Transaction Date	2 Check or Reference	3 Paid To / Received From	4 Description Of Transaction	5 Deposits (\$)	6 Disbursements (\$)	7 Account Balance (\$)
05/15/02 09/17/02	001001	Transfer from Acct #3753856045 INTERNAL REVENUE SERVICE MEMPHIS, TN 37501-0030	BALANCE FORWARD Transfer In From MMA Account 1041 TAXES DUE FOR 12/31/01 PER COURT ORDER ENTERED 7/23/02	22,089.93	109.88	22,089.93 21,980.05

COLUMN TOTALS
 Less: Bank Transfers 22,089.93 109.88 0.00
 Subtotal 0.00 109.88
 Less: Payments to Debtors 0.00
 Net 0.00 109.88

Page Subtotals 22,089.93 109.88

**FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD**

Case No: 97-90470 BP9
 Case Name: SMITH, LEONARD L.
 SMITH, ROCHELLE
 Taxpayer ID No: 95-7031530
 For Period Ending: 09/17/02

Trustee Name: Stephen J Zayler
 Bank Name: UNION BANK
 Account Number: 2130310497 Money Market
 Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1 Transaction Date	2 Check or Reference	3 Paid To / Received From	4 Description Of Transaction	5 Deposits (\$)	6 Disbursements (\$)	7 Account Balance (\$)
08/11/97	14	LEONARD SMITH	BALANCE FORWARD	700.00	0.00	700.00
08/29/97		UNION BANK	PER AGREED ORDER GRANTING IN PART TEE'S OBJECTION TO EXEMPTIONS	0.61		700.61
09/30/97		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.88%	1.22		701.83
10/31/97		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 2.00%	1.18		703.01
11/28/97		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.99%	1.06		704.07
12/31/97		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.98%	1.25		705.32
01/30/98		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.98%	1.14		706.46
02/27/98		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.98%	1.06		707.52
03/31/98		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.97%	1.22		708.74
04/30/98		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.98%	1.14		709.88
05/29/98		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.97%	1.10		710.98
06/30/98		UNION BANK	INTEREST EARNED - ANNUAL PERCENTAGE YIELD: 1.96%	1.25		712.23
07/31/98		UNION BANK	INTEREST REC'D FROM BANK	1.21		713.44
08/19/98		UNION BANK	INTEREST REC'D FROM BANK	0.70		714.14
08/19/98		TRANSFER TO ACCT #3753856045	Bank Funds Transfer		714.14	0.00

**FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD**

Case No: 97-90470 BP9
 Case Name: SMITH, LEONARD L.
 SMITH, ROCHELLE
 Taxpayer ID No: 95-7031530
 For Period Ending: 09/17/02

Trustee Name: Stephen J. Zayler
 Bank Name: UNION BANK
 Account Number: 2130310497 Money Market
 Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1 Transaction Date	2 Check or Reference	3 Paid To / Received From	4 Description Of Transaction	5 Deposits (\$)	6 Disbursements (\$)	7 Account Balance (\$)
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COLUMN TOTALS				714.14	714.14	0.00
Less: Bank Transfers				0.00	714.14	
Subtotal				714.14	0.00	
Less: Payments to Debtors					0.00	
Net				714.14	0.00	

Page Subtotals 0.00 0.00

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 97-90470 BP9
 Case Name: SMITH, LEONARD L.
 SMITH, ROCHELLE
 Taxpayer ID No: 95-7031530
 For Period Ending: 09/17/02

Trustee Name: Stephen J. Zayler
 Bank Name: BANK OF AMERICA
 Account Number: 3753856045 Money Market - Interest Bearing
 Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
08/19/98		TRANSFER FROM ACCT #2130310497	BALANCE FORWARD	714.14	0.00	0.00
08/31/98		NATIONSBANK	INTEREST REC'D FROM BANK	0.76		714.14
09/30/98		NATIONSBANK	INTEREST REC'D FROM BANK	1.76		716.66
10/30/98		NATIONSBANK	INTEREST REC'D FROM BANK	1.67		718.33
11/30/98		NATIONSBANK, N.A.	INTEREST REC'D FROM BANK	1.53		719.86
12/31/98		NATIONSBANK, N.A.	INTEREST REC'D FROM BANK	1.53		721.39
01/29/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.43		722.82
02/26/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.39		724.21
03/31/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.64		725.85
04/30/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.49		727.34
05/28/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.40		728.74
06/30/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.56		730.30
07/30/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.41		731.71
08/31/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.51		733.22
09/30/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.42		734.64
10/29/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.37		736.01
11/30/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.52		737.53
12/31/99	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.47		739.00
01/31/00	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.47		740.47
02/29/00	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.38		741.85
03/31/00	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.48		743.33
04/28/00	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	1.34		744.67
05/31/00	15	BANK OF AMERICA	Interest Rate 2.350	1.58		746.25
06/30/00	15	BANK OF AMERICA	Interest Rate 2.350	1.44		747.69
07/31/00	15	BANK OF AMERICA	Interest Rate 2.350	1.49		749.18
08/31/00	15	BANK OF AMERICA	Interest Rate 2.350	1.49		750.67
09/29/00	15	BANK OF AMERICA	Interest Rate 2.350	1.40		752.07
10/31/00	15	BANK OF AMERICA	Interest Rate 2.350	1.55		753.62

Page Subtotals

753.62

0.00

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 97-90470 BP9
 Case Name: SMITH, LEONARD L.
 Trustee Name: Stephen J. Zayler
 Taxpayer ID No: 95-7031530
 Account Name: BANK OF AMERICA
 For Period Ending: 09/17/02
 Account Number: 3753856045 Money Market - Interest Bearing
 Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
1	2	3	4	5	6	7
11/30/00	15	BANK OF AMERICA	Interest Rate 2.350	1.45		755.07
12/29/00	15	BANK OF AMERICA	Interest Rate 2.350	1.41		756.48
01/31/01	15	BANK OF AMERICA	Interest Rate 2.350	1.61		758.09
02/28/01	15	BANK OF AMERICA	Interest Rate 2.350	1.37		759.46
03/30/01	15	BANK OF AMERICA	Interest Rate 2.350	1.47		760.93
04/30/01	15	BANK OF AMERICA	Interest Rate 2.350	1.52		762.45
05/31/01	15	BANK OF AMERICA	Interest Rate 2.350	1.52		763.97
06/29/01	15	BANK OF AMERICA	Interest Rate 2.100	1.28		765.25
07/31/01	15	BANK OF AMERICA	Interest Rate 2.100	1.41		766.66
08/31/01	15	BANK OF AMERICA	Interest Rate 2.100	1.37		768.03
09/28/01	15	BANK OF AMERICA	Interest Rate 2.100	1.24		769.27
10/30/01	16	NACOGDOCHES COMMERCIAL BANCSHARES, INC.	PROCEEDS FROM DIVIDENDS OF STOCK	23.40		792.67
10/31/01	15	BANK OF AMERICA	Interest Rate 2.100	1.46		794.13
11/30/01	15	BANK OF AMERICA	Interest Rate 1.500	1.14		795.27
12/17/01	9	JERRY NICHOLS	PROCEEDS FROM SALE OF STOCK	21,500.00		22,295.27
12/31/01	15	BANK OF AMERICA	Interest Rate 1.500	11.57		22,306.84
01/31/02	15	BANK OF AMERICA	Interest Rate 1.500	28.44		22,335.28
02/04/02	16	COMMERCIAL BANCSHARES, INC.	PROCEEDS FROM DIVIDENDS OF STOCK	23.40		22,358.68
02/28/02	15	BANK OF AMERICA	Interest Rate 1.500	25.74		22,384.42
03/26/02	000101	DAVID S. TAMMINGA CPA	ACCOUNTANT FEES PER ORDER DATED 3/26/02		350.00	22,034.42
03/29/02	15	1403 TURTLE CREEK LUFKIN, TX 75901	Interest Rate 1.200	23.56		22,057.98
04/05/02		BANK OF AMERICA	Bank Adj. due to release of dormant	0.01		22,057.99
04/05/02		Reverses Adjustment IN on 04/05/02	Bank Adj. due to release of dormant	-0.01		22,057.98
04/05/02		Bank of America	Bank Adj. due to release of dormant	0.01		22,057.99
Page Subtotals				21,654.37	350.00	22,057.99

**FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD**

Case No: 97-90470 BP9
 Case Name: SMITH, LEONARD L.
 SMITH, ROCHELLE
 Taxpayer ID No: 95-7031530
 For Period Ending: 09/17/02

Trustee Name: Stephen J. Zayler
 Bank Name: BANK OF AMERICA
 Account Number: 3753856045 Money Market - Interest Bearing
 Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1 Transaction Date	2 Check or Reference	3 Paid To / Received From	4 Description Of Transaction	5 Deposits (\$)	6 Disbursements (\$)	7 Account Balance (\$)
* 04/05/02	15	Reverses Adjustment IN on 04/05/02	Bank Adg. due to release of dormant	-0.01		22,057.98
04/30/02	15	BANK OF AMERICA	Interest Rate 1.200	21.79		22,079.77
05/15/02	15	BANK OF AMERICA	INTEREST REC'D FROM BANK	10.16		22,089.93
05/15/02		Transfer to acct #3754885798	Final Posting Transfer		22,089.93	0.00

COLUMN TOTALS		22,439.93	22,439.93	0.00
Less: Bank Transfers		714.14	22,089.93	
Subtotal		21,725.79	350.00	
Less: Payments to Debtors			0.00	
Net		21,725.79	350.00	

TOTAL - ALL ACCOUNTS	NET DEPOSITS	DISBURSEMENTS	NET ACCOUNT BALANCE
Checking - Non Interest - 3754885798	0.00	109.88	21,980.05
Money Market - 2130310497	714.14	0.00	0.00
Money Market - Interest Bearing - 3753856045	21,725.79	350.00	0.00
	<u>22,439.93</u>	<u>459.88</u>	<u>21,980.05</u>

Page Subtotals 31.94 22,089.93

EOD

OCT 23 2001

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
BEAUMONT DIVISION

FILED
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
2001 OCT 23 AM 8:26
CLERK U.S. BANKRUPTCY COURT
BY _____ DEPUTY

IN RE:

LEONARD L. SMITH
& ROCHELLE SMITH

DEBTORS

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CASE NO. 97-90470
CHAPTER 7

**ORDER AUTHORIZING SALE OF INTEREST
IN COMMON STOCK**

On this day came on to be considered the Motion for Authority to Sell Interest in Common Stock, filed by Stephen J. Zayler, the Trustee in the above captioned proceeding. The Court, being apprised that no objection has been filed within the time required by law, is of the opinion the Motion is good and should be GRANTED.

IT IS THEREFORE ORDERED that the sale by the Trustee of the following property in a private sale to LEONARD L. SMITH and ROCHELLE SMITH, for the amount of TWENTY-ONE THOUSAND FIVE HUNDRED AND NO/100 (\$21,500.00) DOLLARS is AUTHORIZED, DIRECTED and RATIFIED:

All the debtor's right, title, interest and claim, if any, in the following:

Approximately 975 shares of common stock in Nacogdoches Commercial Bancshares held by the Debtor through her ownership as shareholder.

Including, but not limited to, all dividends received post-petition on the 975 shares of common stock in Nacogdoches Commercial Bancshares.

The Trustee is authorized to execute any necessary documents to transfer this debtor estates' interest in the above property, upon the sale of the common stock for the price of TWENTY-ONE THOUSAND FIVE HUNDRED AND NO/100 (\$21,500.00) DOLLARS.

The property is to be sold free and clear of all liens, claims and encumbrances provided, however, that if liens in appropriate priority should arise, that such liens shall be paid from the proceeds of sale upon proper application by such lien holders.

DATED this the 22nd day of October 2001.


U. S. BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

02 MAR 26 AM 8:48

IN RE: **EOD**]
LEONARD L. SMITH]
SSN: 463-54-3276] **MAR 26 2002**]
ROCHELLE SMITH]
SSN: 451-66-5603]

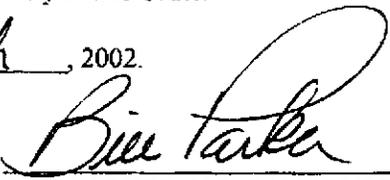
U.S. BANKRUPTCY COURT
97-00470
CASE NO. 97-00470
CHAPTER 7

ORDER ALLOWING COMPENSATION TO ACCOUNTANT

CAME ON this day to be considered the *Motion for Allowance of Compensation to Accountant* filed by STEPHEN J. ZAYLER, Trustee, on behalf of David S. Tamminga, Certified Public Accountant for the Bankruptcy Estate. The Court finds that the Motion was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that it contained the appropriate twenty (20) day negative notice language, pursuant to Local Rule of Bankruptcy Procedure 9007, which directed any party opposed to the granting of the relief sought by the Motion to file a written response within twenty (20) days or the Motion would be deemed by the Court to be unopposed. The Court finds that no objection or other written response to the motion has been timely filed by any party. The Court, having reviewed the Application and determined whether the services outlined in the Application were actual, reasonable and necessary, finds that good cause exists for the entry of the following Order.

IT IS, THEREFORE, ORDERED that the Motion for Allowance of Compensation to Accountant is approved; and the Trustee is authorized to pay to David S. Tamminga, as an administrative expense compensation for services rendered as Accountant for the Bankruptcy Estate, the sum of \$350.00, and that this amount be paid from the funds of this estate upon entry of this Order.

DATED this 25th day of March, 2002.


BILL PARKER, U.S. BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

IN RE:

LEONARD SMITH
AND
ROCHELLE SMITH
DEBTORS

EOD
JUL 23 2002

CASE NO. 97-90470
CHAPTER 7

ORDER ALLOWING PAYMENT OF FIDUCIARY TAXES FOR 2001

ON THIS DAY CAME ON TO BE CONSIDERED the Motion Of Stephen J. Zayler, the Trustee in the above captioned proceeding, for Order allowing the Trustee to pay from the funds of the Bankruptcy Estate the sum of \$103.00 plus any interest or penalties to Internal Revenue Service, for taxes owed for the 2001 year. The court finds that the Motion was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that it contained the appropriate twenty (20) day negative notice language, pursuant to Local Rule of Bankruptcy Procedure 9007, which directed any party opposed to the granting of the relief sought by the Motion to file a written response within twenty days or the Motion would be deemed by the Court to be unopposed. The Court finds that no objection or other written response to the Motion has been timely filed by any party. Due to the failure of any party to file a timely written response, the allegations contained in the Motion stand unopposed and, therefore, the Court finds that good cause exists for the entry of the following order. It is, therefore,

ORDERED that the Trustee pay as an administrative expense, from the funds in this estate, to Internal Revenue Service the sum of \$103.00 plus any interest or penalties, in payment of the taxes due for 2001.

SIGNED this the 23rd day of July, 2002.

Bill Parker

U. S. BANKRUPTCY JUDGE

SCHEDULE B

APPLICATION FOR COMPENSATION

COMPUTATION OF COMMISSIONS

Receipts	\$22,439.93	25% of First \$5,000	\$1,250.00
Less	-\$5,000	(\$1,250.00 Max)	
Balance	\$17,439.93	10% of Next \$45,000	\$1,743.99
Less	-\$45,000	(\$4,500.00 Max)	
Balance	\$0.00	5% of Next \$950,000	\$0.00
Less	-\$950,000	(\$47,500.00 Max)	
Balance	\$0.00	3% of Balance	\$0.00

TOTAL COMPENSATION REQUESTED \$2,993.99

TRUSTEE EXPENSES:

Premium on Trustee's Bond	\$0.00
Travel (0.00 at 0.00cents per mile)	\$0.00
Copies (598.00 page at 0.25 cents per copy)	\$149.50
Postage	\$45.43
Telephone Charges	\$23.00
Clerical/Secretarial (8.30 at 15.00 per hour)	\$124.50
Paralegal/Assistance (11.40 at 50.00 per hour)	\$570.00
Supplies/Stationary	\$0.90
Distribution Expenses	\$0.00
Miscellaneous	\$140.00
TOTAL EXPENSES	\$1,053.33

Records : Trustee did not take possession of
business or personal records of Debtor.

X

Notice given debtor on
to pick up business or personal records
in hands of Trustee.

Compensation and Expenses Worksheet

Case Number: 97-90470 BP9

Debtor: SMITH, LEONARD L.

1. COMPUTATION OF COMPENSATION

Total disbursements to other than the debtor are:

Pursuant to 11 U.S.C. § 326, compensation is computed as follows:			\$22,439.93
	\$22,439.93	25% of First \$5,000	\$1,250.00
Less -	\$5,000.00	(\$1,250 Maximum)	
Balance	\$17,439.93	10% of Next \$45,000	\$1,743.99
Less -	\$17,439.93	(\$4,500 Maximum)	
Balance	\$0.00	5% of Next \$950,000	\$0.00
Less -	\$0.00	(\$47,500 Maximum)	
Balance	\$0.00	3% of Balance	\$0.00
 TOTAL COMPENSATION CALCULATED:			\$2,993.99
Less Previously Paid Compensation:			\$0.00
 TOTAL COMPENSATION REQUESTED:			\$2,993.99

2. TRUSTEE EXPENSES

The Trustee has incurred the following expenses:

05/14/97	COPY: Photocopy/Duplication Expense 2 pages @ 0.2500 / page	\$0.50
05/16/97	COPY: Photocopy/Duplication Expense 18 pages @ 0.2500 / page	\$4.50
05/16/97	POST: Postage 1 each @ 0.5500 / each	\$0.55
05/16/97	POST: Postage 3 each @ 0.3200 / each	\$0.96
06/13/97	COPY: Photocopy/Duplication Expense 25 pages @ 0.2500 / page	\$6.25
06/13/97	COPY: Photocopy/Duplication Expense 2 pages @ 0.2500 / page	\$0.50
06/13/97	PHONE: Telephone Expense 1 @ 1.0000 717-220-0000	\$1.00
06/13/97	PHONE: Telephone Expense 1 @ 1.0000 717-220-0000	\$1.00
06/26/97	PHONE: Telephone Expense 1 @ 4.0000 409-569-8251	\$4.00
07/21/97	PHONE: Telephone Expense 1 @ 3.0000 409-562-1232	\$3.00
07/21/97	PHONE: Telephone Expense 1 @ 1.0000 409-564-0445	\$1.00
08/11/97	COPY: Photocopy/Duplication Expense 4 pages @ 0.2500 / page	\$1.00

Compensation and Expenses Worksheet

Case Number: 97-90470 BP9

Debtor: SMITH, LEONARD L.

10/15/98	COPY: Photocopy/Duplication Expense 1 page @ 0.2500 / page	\$0.25
10/15/98	POST: Postage 1 each @ 0.3200 / each	\$0.32
08/18/99	POST: Postage 3 each @ 0.6600 / each	\$1.98
08/18/99	POST: Postage 1 each @ 0.3300 / each	\$0.33
10/18/99	COPY: Photocopy/Duplication Expense 12 pages @ 0.2500 / page	\$3.00
05/16/01	COPY: Photocopy/Duplication Expense 2 pages @ 0.2500 / page	\$0.50
05/16/01	POST: Postage 2 each @ 0.3400 / each	\$0.68
05/29/01	COPY: Photocopy/Duplication Expense 4 pages @ 0.2500 / page	\$1.00
05/31/01	COPY: Photocopy/Duplication Expense 4 pages @ 0.2500 / page	\$1.00
06/05/01	PHONE: Telephone Expense 1 @ 3.0000 LD call to IRS (214)767-1253	\$3.00
06/06/01	PHONE: Telephone Expense 1 @ 2.0000	\$2.00
07/02/01	POST: Postage 1 each @ 4.1700 / each	\$4.17
07/03/01	COPY: Photocopy/Duplication Expense 1 page @ 0.2500 / page	\$0.25
07/03/01	COPY: Photocopy/Duplication Expense 8 pages @ 0.2500 / page	\$2.00
07/03/01	MISC: Miscellaneous Expense 1 @ 140.0000 Lost Securities Bond - Bartlett, Baggett, and Shands	\$140.00
07/12/01	PHONE: Telephone Expense 1 @ 1.0000 936-569-5103	\$1.00
07/16/01	COPY: Photocopy/Duplication Expense 21 pages @ 0.2500 / page	\$5.25
07/16/01	COPY: Photocopy/Duplication Expense 3 pages @ 0.2500 / page	\$0.75
07/16/01	POST: Postage 1 each @ 0.8000 / each	\$0.80
07/16/01	POST: Postage 4 each @ 0.3400 / each	\$1.36
07/19/01	COPY: Photocopy/Duplication Expense 40 pages @ 0.2500 / page	\$10.00
07/19/01	POST: Postage 2 @ 0.3400	\$0.68
07/19/01	POST: Postage 1 each @ 4.1700 / each	\$4.17
07/19/01	POST: Postage 1 each @ 1.0300 / each	\$1.03
07/19/01	POST: Postage 1 each @ 0.5700 / each	\$0.57
07/23/01	COPY: Photocopy/Duplication Expense 2 pages @ 0.2500 / page	\$0.50
07/23/01	POST: Postage 2 each @ 0.3400 / each	\$0.68
07/31/01	PHONE: Telephone Expense 1 @ 2.0000 936-569-5171	\$2.00
08/07/01	COPY: Photocopy/Duplication Expense 1 page @ 0.2500 / page	\$0.25
08/07/01	POST: Postage 1 each @ 0.3400 / each	\$0.34
08/08/01	COPY: Photocopy/Duplication Expense 14 pages @ 0.2500 / page	\$3.50
08/08/01	POST: Postage 4 each @ 0.3400 / each	\$1.36
08/08/01	POST: Postage 1 each @ 0.5700 / each	\$0.57

Compensation and Expenses Worksheet

Case Number: 97-90470 BP9

Debtor: SMITH, LEONARD L.

09/04/01	PHONE: Telephone Expense 1 @ 1.0000 Fax to 936-569-1232	\$1.00
09/14/01	COPY: Photocopy/Duplication Expense 59 pages @ 0.2500 / page	\$14.75
09/14/01	POST: Postage 1 each @ 0.3400 / each	\$0.34
09/14/01	POST: Postage 1 each @ 0.8000 / each	\$0.80
10/25/01	COPY: Photocopy/Duplication Expense 10 pages @ 0.2500 / page	\$2.50
10/25/01	COPY: Photocopy/Duplication Expense 12 pages @ 0.2500 / page	\$3.00
10/30/01	COPY: Photocopy/Duplication Expense 1 page @ 0.2500 / page	\$0.25
11/02/01	COPY: Photocopy/Duplication Expense 1 page @ 0.2500 / page	\$0.25
11/09/01	PHONE: Telephone Expense 1 @ 1.0000 936-564-0445	\$1.00
11/19/01	COPY: Photocopy/Duplication Expense 43 pages @ 0.2500 / page	\$10.75
11/19/01	POST: Postage 11 each @ 0.3400 / each	\$3.74
11/19/01	POST: Postage 2 each @ 0.3400 / each	\$0.68
12/03/01	PHONE: Telephone Expense 1 @ 1.0000 936-564-0445	\$1.00
12/04/01	PHONE: Telephone Expense 1 @ 1.0000 936-569-1232	\$1.00
01/09/02	COPY: Photocopy/Duplication Expense 2 pages @ 0.2500 / page	\$0.50
01/09/02	POST: Postage 1 each @ 4.1700 / each	\$4.17
02/04/02	PHONE: Telephone Expense 1 @ 1.0000 936-569-5103	\$1.00
02/19/02	COPY: Photocopy/Duplication Expense 2 pages @ 0.2500 / page	\$0.50
02/19/02	COPY: Photocopy/Duplication Expense 32 pages @ 0.2500 / page	\$8.00
02/19/02	POST: Postage 1 each @ 0.8000 / each	\$0.80
02/19/02	POST: Postage 1 each @ 0.3400 / each	\$0.34
02/19/02	POST: Postage 1 each @ 1.2600 / each	\$1.26
02/19/02	POST: Postage 1 each @ 0.8000 / each	\$0.80
02/19/02	POST: Postage 1 each @ 0.3400 / each	\$0.34
04/15/02	COPY: Photocopy/Duplication Expense 58 pages @ 0.2500 / page	\$14.50
09/17/02	COPY: Photocopy/Duplication Expense 192 pages @ 0.2500 / page	\$48.00
09/17/02	COPY: Photocopy/Duplication Expense 22 pages @ 0.2500 / page	\$5.50
09/17/02	PARA: Paralegal Expense 11.4 @ 50.0000	\$570.00
09/17/02	POST: Postage 2 each @ 0.8000 / each	\$1.60
09/17/02	POST: Postage 2 each @ 3.9700 / each	\$7.94
09/17/02	POST: Postage 5 each @ 0.3400 / each	\$1.70
09/17/02	POST: Postage 1 each @ 0.3740 / each	\$0.37

Compensation and Expenses Worksheet

Case Number: 97-90470 BP9

Debtor: SMITH, LEONARD L.

09/17/02	SEC: Secretarial Expense 8.3 @ 15.0000	\$124.50
09/17/02	SUPPLY: Supplies & Stationery 9 @ 0.1000 Manilla Folders	\$0.90

Expense Summary

COPY: Photocopy/Duplication Expense	\$149.50
MISC: Miscellaneous Expense	\$140.00
PARA: Paralegal Expense	\$570.00
PHONE: Telephone Expense	\$23.00
POST: Postage	\$45.43
SEC: Secretarial Expense	\$124.50
SUPPLY: Supplies & Stationery	\$0.90

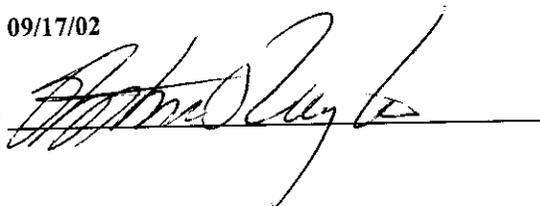
TOTAL EXPENSES CALCULATED:	\$1,053.33
Less Previously Paid Expenses:	\$0.00

TOTAL EXPENSES REQUESTED:	\$1,053.33
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TOTAL EXPENSES AND COMPENSATION REQUESTED:	\$4,047.32
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DATED: 09/17/02

SIGNED



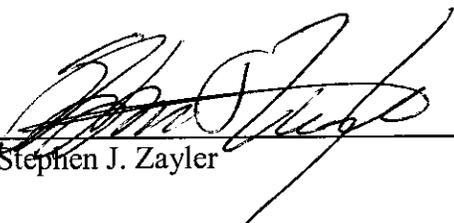
TRUSTEE: Stephen J. Zayler
P. O. Box 150743
Lufkin, TX 75915-0743

THE STATE OF TEXAS)

COUNTY OF PETE SMITH)

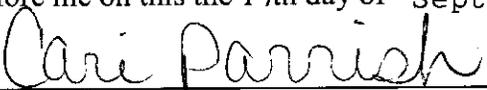
BEFORE ME, the undersigned authority on this date personally appeared Stephen J. Zayler, and under oath stated the following:

"I, Stephen J. Zayler, am the duly appointed Trustee in the Leonard and Rochelle Smith bankruptcy proceeding. I am hereby making application for the maximum amount of Trustee fees, as it is my opinion that the maximum amount was earned by me in carrying out my duties as Trustee. I held the 341a meeting, sold Commercial Bank Stock, and had numerous conferences and correspondence with the debtor, and the debtors' attorney in this bankruptcy proceeding. Further, I performed all other numerous duties of a Trustee, including, but not limited to, preparing Trustee's Final Report, will make disbursements and will prepare the Supplemental Final Report.

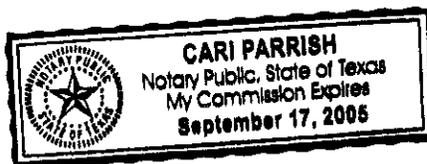


Stephen J. Zayler

SWORN TO AND SUBSCRIBED TO before me on this the 17th day of September, 2002.



NOTARY PUBLIC, THE STATE OF TEXAS



ITEMIZATION OF SECRETARIAL AND CLERICAL TIME

May 14, 1997 - Office conference with Trustee regarding IRS lien filed during Chapter 13 Proceeding;
(RA - .10)

May 16, 1997 - Receive and review Federal Tax lien of IRS and discuss with Trustee regarding date of filing during Chapter 13 proceeding;
(RA - .10)

June 10, 1997 - Prepare letter to Commercial Bank Nacogdoches regarding stock;
(SC - .20)

June 24, 1997 - Office conference with Trustee regarding Trustee's Objection to Exemptions;
(RA - .10)

August 11, 1997 - Open new account, load new account information;
(RA - .10)

August 11, 1997 - Prepare W-9 Form;
(RA - .10)

August 11, 1997 - Prepare deposit, post, and transmit;
(RA - .10)

September 9, 1997 - Post interest and reconcile bank statement;
(RA - .10)

October 10, 1997 - Post interest and reconcile bank statement;
(RA - .10)

November 10, 1997 - Post interest and reconcile bank statement;
(RA - .10)

December 9, 1997 - Post interest and reconcile bank statement;
(RA - .10)

January 12 1998 - Post interest and reconcile bank statement;
(RA - .10)

February 9, 1998 - Post interest and reconcile bank statement;
(RA - .10)

March 10, 1998 - Post interest and reconcile bank statement;
(RA - .10)

April 8, 1998 - Post interest and reconcile bank statement;
(RA - .10)

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May 8, 1998 - Post interest and reconcile bank statement;
(RA - .10)

June 5, 1998 - Post interest and reconcile bank statement;
(RA - .10)

July 16, 1998 - Post interest and reconcile bank statement;
(BH - .10)

August 18, 1998 - Post interest and reconcile bank statement;
(RA - .10)

August 18, 1998 - Verified tax I.D. number for NationsBank W-9 Form;
(BH - .10)

September 8, 1998 - Reconcile Bank Statement;
(BH - .10)

September 21, 1998 - Reconcile Bank Statement;
(RA - .10)

October 20, 1998 - Reconcile Bank Statement;
(RA - .10)

November 11, 1998 - Reconcile Bank Statement;
(RA - .10)

December 14, 1998 - Reconcile Bank Statement;
(RA - .10)

January 13, 1999 - Reconcile Bank Statement;
(RA - .10)

February 16, 1999 - Reconcile Bank Statement;
(BH - .10)

March 11, 1999 - Reconcile Bank Statement;
(BH - .10)

April 12, 1999 - Reconcile Bank Statement;
(BH - .10)

May 18, 1999 - Reconcile Bank Statement;
(BH - .10)

June 16, 1999 - Reconcile Bank Statement;
(BH - .10)

July 14, 1999 - Reconcile Bank Statement;
(BH - .10)

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August 16, 1999 - Reconcile Bank Statement;
(BH - .10)

September 14, 1999 - Reconcile Bank Statement;
(BH - .10)

October 14, 1999 - Reconcile Bank Statement;
(CP - .10)

November 15, 1999 - Reconcile Bank Statement;
(BH - .10)

December 15, 1999 - Reconcile Bank Statement;
(SC - .10)

January 18, 2000 - Reconcile Bank Statement;
(JW - .10)

February 16, 2000 - Reconcile Bank Statement;
(RA - .10)

March 22, 2000 - Reconcile Bank Statement;
(RA - .10)

April 13, 2000 - Reconcile Bank Statement;
(SB - .10)

May 16, 2000 - Reconcile Bank Statement;
(SB - .10)

June 16, 2000 - Reconcile Bank Statement;
(SB - .10)

July 14, 2000 - Reconcile Bank Statement;
(SB - .10)

August 11, 2000 - Reconcile Bank Statement;
(SB - .10)

September 14, 2000 - Reconcile Bank Statement;
(SB - .10)

October 20, 2000 - Reconcile Bank Statement;
(SB - .10)

November 15, 2000 - Reconcile Bank Statement;
(SB - .10)

December 13, 2000 - Reconcile Bank Statement;
(SB - .10)

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January 16, 2001 - Reconcile Bank Statement;
(MR - .10)

February 13, 2001 - Reconcile Bank Statement;
(MR - .10)

March 13, 2001 - Reconcile Bank Statement;
(MR - .10)

April 12, 2001 - Reconcile Bank Statement;
(MR - .10)

May 15, 2001 - Reconcile Bank Statement;
(MR - .10)

June 13, 2001 - Reconcile Bank Statement;
(MR - .10)

July 12, 2001 - Reconcile Bank Statement;
(MR - .10)

August 13, 2001 - Reconcile Bank Statement;
(MR - .10)

September 17, 2001 - Reconcile Bank Statement;
(MR - .10)

October 15, 2001 - Reconcile Bank Statement;
(MR - .10)

October 20, 2001 - Prepare deposit, post, and transmit;
(CP - .20)

November 16, 2001 - Reconcile Bank Statement;
(MR - .10)

December 13, 2001 - Reconcile Bank Statement;
(MR - .10)

December 17, 2001 - Prepare deposit, post, and transmit;
(CP - .20)

January 17, 2002 - Reconcile Bank Statement;
(MR - .10)

February 4, 2002 - Prepare deposit, post, and transmit;
(CP - .20)

February 12, 2002 - Reconcile Bank Statement;
(MR - .10)

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February 19, 2002 - Request Court Costs;
(CP - .10)

March 11, 2002 - Reconcile Bank Statement;
(MR - .10)

April 11, 2002 - Reconcile Bank Statement;
(MR - .10)

May 15, 2002 - Reconcile Bank Statement;
(MR - .10)

June 13, 2002 - Reconcile Bank Statement;
(MR - .10)

July 12, 2002 - Reconcile Bank Statement;
(MR - .10)

August 13, 2002 - Reconcile Bank Statement;
(MR - .10)

September 11, 2002 - Reconcile Bank Statement;
(MR - .10)

May 11, 2002 - Compile Trustee's Final Report for Submission to U. S. Trustee;
(CP - .30)

May 11, 2002 - Transfer funds from MMA to checking account at Bank of America
and post accrued interest;
(CP - .20)

RECAP OF SECRETARIAL & CLERICAL TIME:

REBECCA ALLEN -	2.40 hrs. @ \$15.00/per hr. =	\$ 36.00
CARI PARRISH -	1.30 hrs. @ \$15.00/per hr. =	19.50
SHERRI CARNLEY -	0.30 hrs. @ \$15.00/per hr. =	4.50
MILLIE REEVES -	2.10 hrs. @ \$15.00/per hr. =	31.50
BEVERLY HATCHER -	1.20 hrs. @ \$15.00/per hr. =	18.00
JANIE WINSLOW -	0.10 hrs. @ \$15.00/per hr. =	1.50
SANDY BELSHNER -	0.90 hrs. @ \$15.00/per hr. =	<u>13.50</u>
TOTAL:	8.30 hrs. @ \$15.00/per hr. =	\$ 124.50

bankrupt.trustee.paraleg.smith

ITEMIZATION OF PARALEGAL TIME

May 16, 1997 - Prepare Motion to Extend Time for Objecting to Discharge or Exemptions and proposed Order;
(SC - 1.00)

June 10, 1997 - Prepare Objection to Exemptions and proposed Order;
(SC - 1.00)

July 21, 1997 - Prepare Agreed Order on Trustee's Objection to Exemptions;
(SC - .50)

May 29, 2001 - Prepare Application for Bond for lost securities;
(RA - .70)

June 28, 2001 - Complete Affidavit of Facts;
(RA - .20)

July 18, 2001 - Prepare Objection to Claim 2 by Nacogdoches CAD along with its proposed Order;
(MR - .80)

July 19, 2001 - Prepare Trustee's Affidavit for Objection to Proof of Claim;
(MR - .20)

July 19, 2001 - Prepare Trustee's Motion for Turnover of Common Stock with its proposed Order;
(MR - 1.00)

August 8, 2001 - Prepare Withdrawal of Trustee's Objection to Claim 2 of Nacogdoches CAD;
(MR - .80)

September 4, 2001 - Prepare Motion for Authority to Sell Common Stock and its proposed Order;
(MR - 1.00)

November 2, 2001 - Prepare Nunc Pro Tunc Motion to Employ Attorney for Trustee with Order Approving;
(MR - 1.00)

November 2, 2001 - Prepare Affidavit of proposed attorney;
(MR - .20)

November 2, 2001 - Prepare Trustee's motion to Employ CPA with Order;
(MR - .90)

November 2, 2001 - Prepare Affidavit of Accountant;
(MR - .20)

February 10, 2002 - Prepare Application to pay David Tamminga, Accountant, along with its proposed Order;
(MR - 1.00)

June 17, 2002 - Prepare Application to pay fiduciary taxes along with its proposed Order;
(SC - .90)

bankrupt.trustee.paraleg.smith

RECAP OF PARALEGAL TIME:

REBECCA ALLEN (RA)	-	0.90 hrs.	@ \$50.00/per hr.	=	\$	45.00
SHERRY CARNLEY (SC)	-	3.40 hrs.	@ \$50.00/per hr.	=		170.00
MILLE REEVES (MR)	-	7.10 hrs.	@ \$50.00/per hr.	=		<u>355.00</u>
TOTALS:		11.40 hrs.	@ \$50.00/per hr.		\$	570.00

RESUMES OF PARALEGAL ASSISTANTS TO THE TRUSTEE

Sherry Carnley

Employed by the Trustee December 1, 1994. Has 18 years broad legal experience in all areas of law.

Her duties performed for the Trustee include organizing files, preparation of various pleadings including applications and motions in contested matters, principal assistant to the attorney for the Trustee in the preparation of adversary proceeding complaints, discovery, pre-trial and post-trial pleadings, preparing monthly reports in operating Chapter 7's, principally responsible for assisting with the location, collection, and disposition of assets, assisting in the collection of sale proceeds and accounts receivable, answering general questions from creditors, preparation of correspondence, preparation of objections to claims, preparation of various miscellaneous and other legal documents.

Rebecca Allen

Employed by the Trustee September 1, 1990. Has 24 years bankruptcy and other legal experience and was formerly employed by another Chapter 7 Trustee. Left Trustee's Employment in September, 2001 for a position with a large company.

Her duties performed for the Trustee include loading information into the case management system when files are received, preparation of Trustee's Report of No Distribution, preparation of various correspondence between Trustee and interested parties, answer telephone calls regarding routine questions, assisting with the location, collection and disposition of assets, assisting in the collection of sale proceeds and accounts receivable, answering questions from creditors, opening bank accounts, securing Tax ID Nos., preparing deposits and disbursement checks, posting deposits and disbursements into computer, reconciling bank statements, organizing files, preparation of objections to claims, preparation of various pleadings including applications and motions in contested matters, preparation of semi-annual reports, preparation of Trustee's Final Reports and Request for Compensation and preparation of Trustee's Supplemental Final Reports.

Millie Lowry Reeves

Employed by the Trustee February 1989. Formerly employed by an attorney, but had no bankruptcy experience prior to coming to work for the Trustee. Left Trustee's employment in August, 1990 to raise family and returned to work for the Trustee in January, 2001. During the time that she was off raising a family, she occasionally worked for her former husband, who was an attorney.

Her duties include assisting in the set-up of files, filing, occasionally preparing receipts of checks, assisting in the mailing of notices, assisting in posting to ledger and reconciling bank statements, occasionally preparing deposits for mailing to Bank of America by Airborne Express, preparation of general correspondence and answering various telephone calls between the Trustee and interested parties regarding routine questions, verifying receipts against bank statements, assisting in the copying and mailing of notices, pleadings and general correspondence, preparation of objections to claims, preparation of various pleadings, and assisting in the preparation of semi-annual reports.

SCHEDULE C
EXPENSES OF ADMINISTRATION

	(1) Amount Claimed	(2) Amount Allowed	(3) Previously Paid	(4) Due
1. 11 U.S.C. Sec. 507(a)(1) Court Costs and Fees	0.00	0.00	0.00	0.00
2. 11 U.S.C. Sec. 503(b)(1)(a) Preservation of Estate	0.00	0.00	0.00	0.00
3. 11 U.S.C. Sec. 503(b)(2) Post-Petition taxes and related penalties	0.00	0.00	0.00	0.00
4. 11 U.S.C. Sec. 503(b)(2) Compensation and Reimbursements				
A. Trustee - Compensation	2,993.99	2,993.99	0.00	2,993.99
B. Trustee - Expense	1,053.33	1,053.33	0.00	1,053.33
C. ACCOUNTANT FEES	350.00	350.00	350.00	0.00
5. Court Special Charges (Excess Notices)	0.00	0.00	0.00	0.00
6. United States Trustee Fees	0.00	0.00	0.00	0.00
BkMk6 TOTALS:	\$4,397.32	\$4,397.32	\$350.00	\$4,047.32

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS**

In Re:	Case No: 97-90470 bp	DISTRICT OF TEXAS
Leonard L. Smith Rochelle Smith	Chapter: 7	02 FEB 26 PM 4:16
Debtor(s)		U.S. BANKRUPTCY COURT

BILL OF COURT COSTS

To: **Stephen J. Zayler**
123 E. Lufkin Ave.
P.O. Box 150743
Lufkin, TX 75915-0743

Notice is hereby given that court costs (and deferred adversary filing fees, if applicable) are due and owing, pursuant to 28 USC Section 1930, in the above case in the amount of \$0.00.

These costs are itemized as follows:

NOTICES

\$.25 per notice in excess of 50 notices mailed prior to 1/1/87.	\$0.00
\$.50 per notice for all notices mailed 1/1/87 between 1/1/98.	\$0.00

NOTE: For Chapter 7 cases filed after 12/1/92, there will be NO NOTICE FEES.
 (Do Not Bill for \$.50 per notice)

NOTE: For all other chapters filed after 1/1/98, there will be NO NOTICE FEES. (Do Not Bill for \$.50 per notice)

PROCESSING CLAIMS

NOTE: Eliminated is the fee of \$.25 for clerical processing of each claim in excess of 10 in cases filed under the Act or Code.

DEFERRED ADVERSARY FILING FEES

0 Chapter 7 Adversary Proceeding filed @ \$120.00/150.00 each.	\$0.00
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NOTE: For all Adversary Proceedings filed after 12/18/96 the filing fee is \$150.00.

TOTAL AMOUNT DUE	\$0.00
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Check to be made payable to Clerk, U.S. Bankruptcy Court

Date: 2/26/02

JAMES D. TOKOPH
 Clerk of Court

By: *Johnnie Juarez*
 Deputy Clerk

NOTE: For Chapter 11 Cases Only: Court costs are due on or before the confirmation hearing. The Judge will confirm that these cases have been paid at the hearing.

SCHEDULE D

SECURED CLAIMS

Claim no.	Amount Claimed	Amount Not Determined	Amount Allowed	Previously Paid	Due
00001B	81,462.80	0.00	81,462.80	0.00	81,462.80
TOTALS	81,462.80		81,462.80	0.00	81,462.80

IDENTIFICATION OF SECURED PARTIES AFFECTED:

Claim No.	Name of Creditor	Claim No.	Name of Creditor
00001B	INTERNAL REVENUE SERVICE	00002	NACOGDOCHES COUNTY CAD

SCHEDULE E

PRIORITY CLAIMS OTHER THAN ADMINISTRATIVE EXPENSES
IN THE FOLLOWING ORDER OF PRIORITY

	(1) Amount Claimed	(2) Amount Allowed	(3) Amount Paid	(4) Due
1. For Credit extended - Sec. 364(e)(1)	0.00	0.00	0.00	0.00
2. Claims from failure of adequate protection - Sec. 307(a)(b)	0.00	0.00	0.00	0.00
3. "Gap Claims" - Sec. 507(a)(2)	0.00	0.00	0.00	0.00
4. Wages, etc. - Sec. 507(a)(3)	0.00	0.00	0.00	0.00
5. Contributions to benefit plans - Sec. 507(a)(4)	0.00	0.00	0.00	0.00
6. Consumer deposits - Sec. 507(a)(6)	0.00	0.00	0.00	0.00
7. Taxes - Sec. 507(a)(7)	0.00	0.00	0.00	0.00
8. Other (No Basis):	0.00	0.00	0.00	0.00
TOTALS:	\$0.00	\$0.00	\$0.00	\$0.00

SCHEDULE E

PARTIES AFFECTED:

Priority No. Name of Creditor			Priority No. Name of Creditor	
FILED UNSECURED CLAIMS TOTAL:	6,816.38	6,816.38	109.88	6,706.50
SUBORDINATED UNSECURED CLAIMS TOTAL:	0.00	0.00	0.00	0.00

EXHIBIT A
ANALYSIS OF CLAIMS REGISTER

Case Number: 97-90470

Page 1

Date: September 17, 2002

Debtor Name: SMITH, LEONARD L.

Claim Type Sequence

Code #	Creditor Name & Address	Claim Class	Notes	Amount Allowed	Paid to Date	Claim Balance
025 AF	DAVID S. TAMMINGA CPA 1403 TURTLE CREEK LUFKIN, TX 75901	Administrative		\$350.00	\$350.00	\$0.00
00001B 050 SC	Internal Revenue Service 1100 Commerce Street, Rm. 9A20 Stop 5026 DAL Dallas, TX 75242	Secured		\$81,462.80	\$0.00	\$81,462.80
00002 000 SC	Nacogdoches County CAD c/o Lorri Michel PO Box 17428 Austin, TX 78760	Secured	Withdrawal of Claim FILED 8/2/01	\$15,662.17	\$0.00	\$15,662.17
070 UC	INTERNAL REVENUE SERVICE MEMPHIS, TN 37501-0030	Unsecured		\$109.88	\$109.88	\$0.00
00001A 070 UC	Internal Revenue Service 1100 Commerce Street, Rm. 9A20 Stop 5026 DAL Dallas, TX 75242	Unsecured		\$3,201.47	\$0.00	\$3,201.47
00001C 070 UC	Internal Revenue Service 1100 Commerce Street, Rm. 9A20 Stop 5026 DAL Dallas, TX 75242	Unsecured		\$3,505.03	\$0.00	\$3,505.03
Case Totals:				\$104,291.35	\$459.88	\$103,831.47

Code #: Trustee's Claim Number, Priority Code, Claim Type

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

IN RE:)	
SMITH, LEONARD L.)	CASE NO. 97-90470
SMITH, ROCHELLE)	
)	CHAPTER 7
DEBTOR(S))	

TRUSTEE'S REPORT OF
PROPOSED FINAL DISTRIBUTIONS

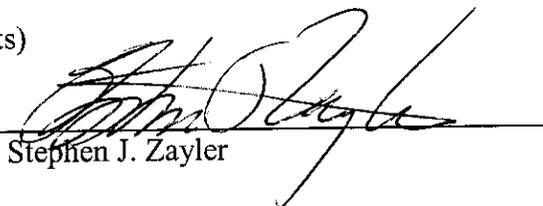
The undersigned trustee of the estate hereby submits to the Court and to the United States Trustee this Report of Proposed Final Distributions.

1. The Court has entered orders which have become final, and which dispose of all objections to claims, all objections to the trustee's Final Report, all applications for compensation, and all other matters which must be determined by the Court before final distribution can be made.

2. The trustee proposes to make final distribution of the funds of the estate as follows, and will make such distribution unless written objection thereto is made, filed and served on the trustee and on the United States trustee.

1. BALANCE ON HAND	\$21,980.05
2. ADMINISTRATIVE EXPENSES TO BE PAID * (note)	\$4,047.32
3. SECURED CLAIMS TO BE PAID * (note)	\$17,932.73
4. PRIORITY CLAIMS TO BE PAID * (note)	\$0.00
5. UNSECURED CLAIMS TO BE PAID * (note)	\$0.00
6. OTHER DISTRIBUTIONS TO BE PAID * (note)	\$0.00
7. TOTAL DISTRIBUTIONS TO BE MADE (Sum of lines 2 through 6)	\$21,980.05
8. ZERO BALANCE AFTER ALL DISTRIBUTIONS (Line 1 less line 7)	\$0.00

* (See attached schedule of payees and amounts)


 _____ (Trustee)
 Stephen J. Zayler

PROPOSED DISTRIBUTION

Case Number: 97-90470

Page 1

Date: September 17, 2002

Debtor Name: SMITH, LEONARD L. \ SMITH, ROCHELLE

Claim #	Payee Name	Class	Priority	Amount	Paid to Date	Claim Balance	Proposed Pymt	Funds Remaining
	Beginning Balance							\$21,980.05
	Stephen J. Zayler COMPENSATION	Admin		\$2,993.99	\$0.00	\$2,993.99	\$2,993.99	\$18,986.06
	Stephen J. Zayler EXPENSES	Admin		\$1,053.33	\$0.00	\$1,053.33	\$1,053.33	\$17,932.73
	DAVID S. TAMMINGA	Admin	025	\$350.00	\$350.00	\$0.00	\$0.00	\$17,932.73
00001B	Internal Revenue Service	Sec	050	\$81,462.80	\$0.00	\$81,462.80	\$17,932.73	\$0.00
	INTERNAL REVENUE SERVICE	Unsec	070	\$109.88	\$109.88	\$0.00	\$0.00	\$0.00
00001A	Internal Revenue Service	Unsec	070	\$3,201.47	\$0.00	\$3,201.47	\$0.00	\$0.00
00001C	Internal Revenue Service	Unsec	070	\$3,505.03	\$0.00	\$3,505.03	\$0.00	\$0.00
<< Totals >>				\$92,676.50	\$459.88	\$92,216.62	\$21,980.05	\$0.00

Proposed distribution is dependent on the Court's rulings on administrative expenses, contest of claims, and/or objections made to this proposed distribution.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

IN RE: LEONARD & ROCHELLE / BANKRUPTCY CASE: 97-90470
SMITH /
/ CHAPTER 7

**NOTICE OF FILING OF FINAL REPORT OF TRUSTEE.
APPLICATION FOR COMPENSATION AND PROPOSED DISTRIBUTIONS**

NOTICE IS GIVEN that the Trustee's Final Report and Account, report of Proposed Final Distribution and Applications for Compensation have been filed. These documents are available for public inspection at the office of the Bankruptcy Clerk, 300 Willow, Suite 100, Beaumont, Texas 77701, or at the trustee's office whose name and address is as follows:

STEVE ZAYLER 123 E. LUFKIN PO BOX 150743 LUFKIN, TX 75915

The following Applications for Compensation have been filed:

<u>Applicants</u>	<u>Fees Requested</u>	<u>Expenses Requested</u>
<u>STEVE ZAYLER</u> Trustee	<u>2993.99</u>	<u>1053.33</u>
<u>Attorney for Trustee</u>	<u> </u>	<u> </u>
<u>U. S. Bankruptcy Court</u>	<u>0.00</u>	<u> </u>

The trustee's account shows:

Total Receipts	Total Disbursements	Balance
<u>\$ 22439.93</u>	<u>\$ 459.88</u>	<u>\$ 21980.05</u>

In addition to the commissions and fees that may be allowed by the Court, liens and priority claims which must be paid in advance of general creditors have been allowed in the total amount of \$ 81462.80 ; general unsecured claims have been allowed in the amount of \$ 6706.50 .
The debtor has/has not been discharged.

Written objections to the Final Report, Application for Compensation and/or proposed Distributions must be filed with the Clerk of the Court and served on the trustee at the above mentioned address within 30 days from the date of this notice. If no objections are filed, the Court may consider the Report and Applications without hearing.
If objections are filed, a hearing will be held on _____

at The Jack Brooks Federal Courthouse, Room 112, Beaumont, Texas 77701

Date: _____

JAMES D. TOKOPH, Clerk of Court

By: _____
Deputy Clerk