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– and –

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Attorneys for the Debtor and
Debtor in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

-----X	
In re	: Chapter 11
	:
LandAmerica Financial Group, Inc., <u>et al.</u> ,	: Case No. 08-35994 (KRH)
	:
Debtors.	: (Jointly Administered)
-----X	

**APPLICATION PURSUANT TO 11 U.S.C. SECTIONS 327(e), 328, AND 330
FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND
RETENTION OF QUINN EMANUEL URQUHART & HEDGES, LLP
AS SPECIAL COUNSEL NUNC PRO TUNC TO MAY 21, 2009**

The debtors and debtors in possession in the above captioned cases (each, a “**Debtor**” and, collectively, the “**Debtors**”), hereby apply for entry of an order, substantially in the form annexed hereto as Exhibit A (the “**Proposed Order**”), authorizing them to employ and retain Quinn Emanuel Urquhart Oliver & Hedges, LLP (“**Quinn**”), as special litigation counsel,

effective as of May 21, 2009 (the “**Application**”). In support of the Application, the Debtors submit the Declaration of Richard I. Werder, Jr. in Support of the Application Pursuant to 11 U.S.C. Sections 327(e), 328, and 330 for Entry of an Order Authorizing the Employment and Retention of Quinn as Special Counsel *Nunc Pro Tunc* to May 21, 2009 (the “**Werder Declaration**”), which is annexed hereto as Exhibit B. In further support of this Application, the Debtors respectfully state as follows:

Jurisdiction

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are sections 327(e), 328, and 330 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the “**Local Bankruptcy Rules**”).

BACKGROUND

2. On November 26, 2008 (the “**Petition Date**”), LandAmerica Financial Group, Inc. (“**LFG**”) and LandAmerica 1031 Exchange Services, Inc. (“**LES**”) filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code. On March 6, 2009, March 27, 2009 and March 31, 2009, various other LFG affiliates (LandAmerica Assessment Corporation, LandAmerica Title Company, Southland Title Corporation, Southland Title of Orange County, and Southland Title of San Diego) each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. Pursuant to orders of this Court dated November 28, 2008, March 11, 2009, April 8, 2009, and April 9, 2009, the chapter 11 cases of the Debtors are being

jointly administered under case number 08-35994. The Debtors continue to manage their properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors' chapter 11 cases.

3. On December 3, 2008, the United States Trustee for the Eastern District of Virginia (the "**U.S. Trustee**") appointed an Official Committee of Unsecured Creditors in the case of (a) LFG (the "**LFG Creditors' Committee**") and (b) LES (the "**LES Creditors' Committee**"), and, together with the LFG Creditors' Committee, the "**Creditors' Committees**").

EVENTS LEADING TO THE CHAPTER 11 CASES

4. LFG is a holding company that, prior to the Petition Date, operated through its various subsidiaries (the "**Company**"), including LES. Before the Petition Date, LES operated as a "qualified intermediary" under section 1031 of the Internal Revenue Code (the "**Tax Code**"). Generally, the Tax Code imposes taxes when property is sold or transferred and a gain is realized. Pursuant to section 1031 of the Tax Code, if a taxpayer adheres to certain guidelines, then all or a portion of the gains from the disposition of business or investment property can be deferred or reinvested into a new replacement property. These deferred gains, as well as the gains from the new property, are not taxed unless and until the new property is transferred and fails to qualify for tax deferral. To qualify for such tax deferral, the taxpayer must structure the transaction as an exchange of one property for another of "like kind." 1031 exchanges typically are facilitated by a qualified intermediary, like LES.

5. During the course of its operations, LES entered into agreements with its customers (the "**Exchange Agreements**") whereby it acquired the net proceeds of the sales of relinquished properties (the "**Exchange Funds**") in order to facilitate like kind exchanges in accordance with the requirements of the Tax Code.

6. Since 2002, LES invested a portion of the Exchange Funds transferred to it in investment grade securities rated A or stronger at the time of the investment, including auction rate securities (“ARS’s”) backed by federally guaranteed student loans. An ARS typically is a debt instrument with a long-term nominal maturity for which the interest rate is regularly reset through a dutch auction. Until early 2008, banks pitched ARS’s to corporations and wealthy individuals as highly-liquid and safe alternatives to cash, and LES’s investment goals on the Exchange Funds were to maintain the full liquidity necessary to meet customer claims.

7. Unfortunately, as has been widely publicized, the ARS’s market froze in 2008 and LES has been unable to liquidate the ARS’s previously purchased at any price near their par value. Indeed, although the aggregate amount of the cash and par value of the ARS’s held by LES exceeds the value of all funds received from LES’s customers, LES’s inability to sell, or borrow against, these securities ultimately precipitated its decision to cease additional customer transactions, terminate operations, and file its chapter 11 case.

8. Prior to making this determination, LES pursued numerous other liquidity options. In the approximately two months preceding the Petition Date, LFG advanced approximately \$65 million¹ to LES to enable LES to honor customer claims notwithstanding the illiquidity of the ARS’s investments. However, given the severe liquidity constraints also confronting LFG, as a result of the prior advances made to LES coupled with the effect of the stresses in the real estate market on LFG, it was not in a position to make any further

¹ The transfers from LFG to LES totaling a net \$65 million were made by LFG in the following amounts on the following dates: (a) on September 25, 2008, LFG transferred \$35 million to LES, (b) on October 8, 2008, LFG transferred \$10 million to LES, (c) on October 14, 2008, LFG transferred \$10 million to LES, and (d) on October 17, 2008, LFG transferred \$10 million and \$15 million to LES in two separate transactions. On September 30, 2008, LES transferred \$15 million back to LFG.

advancements to LES. After exploring all possible options and finding no available alternatives, both LFG and LES were forced to file for bankruptcy protection on November 26, 2008. As of the date of this Application, approximately 104 of LES's customers have commenced adversary proceedings in this Court regarding the Exchange Funds, and several related actions have been filed in various state courts.

9. Further, because of the financial uncertainty surrounding LFG's bankruptcy and fears about LFG's subsidiaries' ongoing viability, customers and vendors ceased doing business with many of the Company's businesses as a direct result of LFG's bankruptcy filing. In most instances, the loss of key relationships permanently damaged the Company's businesses, causing a significant loss of value and irreparable harm to those entities. The drastic decline in business forced several of LFG's subsidiaries to cease operations. With no other options available, LFG began evaluating the Company's remaining businesses to determine the manner in which to best maximize value, including through one or more sales of the Company's remaining businesses and/or the prompt and orderly wind-down and liquidation of such businesses. Unfortunately, the deterioration in the value of LFG's subsidiaries has resulted in substantial harm to creditors of the Company. Further, the forced sales and wind-down of the Company's remaining businesses has resulted in the termination of hundreds of employees.

RELIEF REQUESTED

10. By this Application, the Debtors seek entry of an order pursuant to sections 327(e), 328 and 330 of the Bankruptcy Code, and Bankruptcy Rules 2014(a) and 2016, authorizing them to retain and employ Quinn as special litigation counsel in accordance with the terms and conditions set forth in the Engagement Letter, dated May 21, 2009 (the "**Engagement Letter**"), a copy of which is attached as Exhibit C and incorporated by reference herein.

Specifically, the Debtors request authority to employ and retain Quinn to represent the entities in connection with the analysis, investigation and/or pursuit of claims arising from the sale, promotion and distribution of ARS's to the Debtors (the "**ARS Litigation**").

QUINN'S QUALIFICATIONS

11. By the Application, the Debtors seek to employ and retain Quinn in the capacity described herein because of Quinn's recognized expertise in the area of complex business litigation against major commercial and investment banks, and Quinn's familiarity with the potential causes of action in the ARS Litigation. In particular, Quinn attorneys have extensive experience and familiarity with the facts and legal issues relating to the marketing and purchase of ARS's by virtue of Quinn's representation of other clients in disputes involving ARS's.

12. Further, Quinn has represented the Debtors since October 24, 2008. Prior to the Petition Date, Quinn preliminarily analyzed and advised the Debtors as to their potential causes of action in connection with the ARS Litigation. At that time, Quinn attorneys researched and analyzed potential litigation strategies and claims related to the purchase of the ARS's. Moreover, as part of its analysis, Quinn attorneys interviewed several employees of LFG and LES, and conducted a preliminary review of relevant documents. Thus, Quinn is familiar with the specific factual and legal issues and disputes underlying the ARS Litigation.

JOINT REPRESENTATION

13. The Debtors believe that Quinn's joint representation of the Debtors in the ARS Litigation will not only preserve assets of the estates by minimizing legal fees, but will present a unified case in the ARS Litigation. Although the measure of damages suffered by each Debtor may be different, the acts and omissions of the parties (the "**Bank Defendants**") that sold

the ARS's to LES and harmed the Debtors that serve as the basis for the Debtors' actions are the same.

14. Accordingly, Quinn's mandate is to investigate and analyze all potential claims against the Bank Defendants, prepare a report on same (which report will be shared on a confidential basis with the Creditors' Committees) and ultimately bring all causes of action against the Bank Defendants. Given this, the Debtors believe it is important for one qualified firm to commence suits on behalf of all Debtors with a cause of action (each, a "**Debtor Plaintiff**") to avoid competing strategies and theories of the case that may inadvertently diminish this important asset of the estates. Moreover, Quinn has been charged to periodically consult with the Creditors' Committees in addition to the Debtors to keep them apprised of the status of the actions and seek guidance on matters of strategy and any settlement opportunities that may arise.

**QUINN DOES NOT REPRESENT AN ADVERSE INTEREST
WITH RESPECT TO MATTERS ON WHICH IT IS TO BE EMPLOYED**

15. To the best of the Debtors' knowledge, except to the extent set forth in the Werder Declaration, the members and associates of Quinn do not have any connection with the Debtors, their creditors or any other party in interest, or their attorneys, and neither Quinn, nor its members and associates, has any connection with the U.S. Trustee, or any key person employed in the office of the U.S. Trustee, or any Bankruptcy Judge currently serving on the United States Bankruptcy Court for the Eastern District of Virginia. Accordingly, the Debtors believe that Quinn does not hold or represent an interest adverse to their estates in respect of the matters on which it is to be employed.

PREPETITION FEES AND EXPENSES.

16. Prior to the Petition Date, the Debtors paid Quinn the aggregate amount of \$142,260.70 for fees and expenses incurred prior to the Petition Date. On November 25, 2008, the Debtors also provided \$100,000.00 to Quinn as a general retainer in connection with Quinn Emanuel's anticipated engagement after the Petition Date (the "**Retainer**").²

PROFESSIONAL COMPENSATION³

17. Subject to the Court's approval, and in accordance with section 330(a) of the Bankruptcy Code, Quinn intends to (a) charge for the legal services provided pursuant to its retention as special litigation counsel in accordance with the terms outlined below, and (b) seek reimbursement of actual and necessary out of pocket expenses in connection with such retention.

18. Quinn's Engagement Letter and compensation structure were heavily negotiated after consultation with both Creditors' Committees. Several of the terms of Quinn's engagement were included upon the request of the LES Creditors' Committee, who supports Quinn's engagement and the structure of its proposed compensation.

19. A portion of Quinn's requested compensation for professional services rendered to the Debtors will be based upon the hours actually expended by each assigned lawyer, law clerk, paralegal and case assistant at their respective discounted hourly billing rate (the

² Subsequent to the Petition Date and with the expectation that it would be retained as special counsel in the chapter 11 cases, Quinn provided certain services to the Debtors prior to May 21, 2009. Quinn incurred approximately \$44,000 in fees (billed at its regularly hourly rates) and expenses in connection with such services. Quinn has agreed to waive its entitlement to any fees and expenses incurred after the Petition Date but prior to May 21, 2009. To the extent that any such fees and expenses were charged against the Retainer, Quinn will refund such amount to the Retainer.

³ To the extent there are any inconsistencies between the summary description of the Engagement Letter contained herein and the terms and conditions of the Engagement Letter, the terms of the Engagement Letter shall control.

“**Hourly Fees**”), with the total Hourly Fees capped at \$2 million.⁴ The Hourly Fees charged by Quinn professionals, reflect a reduction of 50% from Quinn’s normal and customary rates (e.g., a total of \$4 million of incurred time at Quinn’s usual rates).⁵

20. Further, Quinn will be paid an additional amount over the Hourly Fees and expenses, based on the following two (2) options (the “**Contingency Fee**”):⁶

- (i) Option A:
 - (A) 15% of “net recovery” up to \$100 million; plus
 - (B) 10% of “net recovery” over \$100 million up to \$200 million; plus
 - (C) 5% of “net recovery” over \$200 million up to \$500 million, plus; and
 - (D) 2.5% of “net recovery” over \$500 million; OR
- (ii) Option B: Four (4) times the actual lodestar calculation (i.e., the total number of hours worked times the applicable, undiscounted hourly rate of the professionals involved).

21. Quinn also will seek reimbursement for reasonable necessary expenses incurred, which shall include meals, lodging, travel, photocopying, messenger charges, facsimile charges, secretarial overtime, word processing charges, deposition videography and transcript charges, administrative charges, computerized legal research fees, postage, other vendor charges

⁴ The \$2 million fee cap is applicable solely for purposes of calculating monthly invoices and not for purpose of any lodestar determination.

⁵ In the normal course of Quinn’s business, the hourly rates are subject to periodic increase. To the extent such hourly rates are increased, Quinn requests that beginning in 2010, with respect to the work to be performed after such increase, the rates be amended to reflect the increase.

⁶ The Debtors will be entitled to select Option A or Option B in the event of a “net recovery” up to and including \$150 million and Quinn will be entitled to select Option A or Option B in the event of a “net recovery” exceeding \$150 million. The term “net recovery” as used in the Engagement Letter and this Application means the total amounts cumulatively recovered by the Debtors’ bankruptcy estates in connection with the representation. Specifically, the “net recovery” is the gross amount obtained before any reduction for costs.

and other out-of-pocket expenses incurred in providing professional services. Further, where the cost exceeds \$1,000, Quinn may forward an invoice from an outside vendor directly to the Debtors for payment.

22. Should Quinn's representation be terminated by the Debtors at any time before an award is obtained, Quinn will be paid a "make-whole amount" equal to the actual time at Quinn's actual, undiscounted rates which Quinn has incurred during its representation, minus amounts previously paid by the Debtors pursuant to the terms of the Engagement Letter.

23. Quinn will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described above by category and nature of the services rendered.

24. Quinn will apply to the Court for payment of fees and reimbursement of expenses in accordance with the procedures set forth in the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the U.S. Trustee Guidelines and any other applicable orders or procedures established by the Court. Quinn will submit with its fee applications detailed daily time entries for each individual providing services in one-tenth (.10) hour increments, explaining the services provided as well as a categorized summary of disbursements and expenses for which Quinn is seeking reimbursement.

INDEMNIFICATION PROVISION

25. By this Application, the Debtors are seeking approval of the indemnification provision contained in the Engagement Letter. The indemnification provision generally provides that Quinn will be indemnified for attorney's fees and expenses incurred in defending claims arising out of Quinn's representation of the Debtors in the ARS Litigation, unless there is a final order by a court, finding that Quinn acted fraudulently, negligently or is

guilty of gross misconduct. Further, if as a result of Quinn's engagement in this matter, Quinn is required to produce documents or appear as a witnesses in any examination, investigation or proceeding involving the Debtors or related persons or entities, the Debtors shall be responsible for the costs and expenses incurred.

BASIS FOR RELIEF

26. The Debtors seek approval of the fee structure and Engagement Letter pursuant to sections 327(e) and 328(a) of the Bankruptcy Code. Section 327(e) of the Bankruptcy Code provides that a debtor in possession, subject to court approval:

[M]ay employ, for a specified special purpose, other than to represent the [debtor in possession] in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

11 U.S.C. § 327(e).

27. Further, the Debtors seek approval of the Contingency Fee pursuant to section 328(a) of the Bankruptcy Code, which provides, in relevant part, that the Debtors “with the court’s approval, may employ or authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a *contingent fee* basis” 11 U.S.C. § 328(a) (emphasis added). Accordingly, section 328 of the Bankruptcy Code permits the compensation of professionals, including lawyers, on flexible terms that reflect the nature of their services and market conditions.

28. Moreover, Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection,

the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

FED. R. BANKR. P. 2014(a).

29. Moreover, section 1107(b) provides that "a person is not disqualified for employment under section 327 of this title by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case." 11 U.S.C. § 1107(b).

30. The Debtors submit that the retention of Quinn under the terms described herein, and as set forth more fully in the Werder Declaration, is appropriate under sections 327(e) and 330 of the Bankruptcy Code. The Debtors have selected Quinn as special litigation counsel to analyze, investigate, and pursue the ARS Litigation because of Quinn's expertise in the area of complex business litigation, and Quinn's familiarity with the potential causes of action in these cases.

31. Further, by this Application, the Debtors seek approval of the Contingency Fee pursuant to section 328(a) of the Bankruptcy Code. Quinn's substantial experience in litigating disputes against commercial banks, the potential results to be achieved, and the ultimate benefit to the Debtors' estates of the services performed by Quinn, were important factors to the Debtors in determining the Contingency Fee. The Debtors believe that the ultimate benefit of Quinn's services hereunder cannot be measured merely by reference to the number of hours to be expended by Quinn professionals in the performance of such services. Instead, the Debtors believe that tying Quinn's compensation to the results achieved in the ARS Litigation will provide incentive for the Quinn professionals to achieve the best possible results for the

Debtors' estates. In light of the foregoing, the Debtors believe that the Contingency Fee is both fair and reasonable under the standards set forth in section 328(a) of the Bankruptcy Code.

32. In addition, as set forth more fully in the Werder Declaration, Quinn does not hold or represent an interest adverse to the Debtors' estates with respect to the matters on which Quinn is to be employed. Moreover, Quinn will not otherwise render any services with respect to the administration of the Debtors' chapter 11 cases absent separate application to the Court. Quinn does not anticipate that it will be involved in appearing before the Court, except as it may relate to the limited matters of the ARS Litigation. Therefore the Debtors believe that Quinn is well-qualified to serve as special litigation counsel and that Quinn's retention is in the best interests of the estates.

ALLOCATION OF FEES AND AWARD

33. Although the Debtors believe that the retention of Quinn to represent the Debtor Plaintiffs is in the best interest of the estates, the Debtors seek to preserve the rights of each Debtor Plaintiff to assert an interest in any net recovery (judgment or settlement) obtained in connection with the ARS Litigation. Moreover, although the Debtors intend to pay Quinn's monthly fees and expenses from the LFG and LES estates on a 50/50 basis, upon allocation of such recovery, the Debtors shall reallocate such costs to the Debtor Plaintiffs in the same proportion.

NO PRIOR REQUEST

34. No previous request for the relief sought in this Application has been made to this or any other Court.

WAIVER OF MEMORANDUM OF LAW

35. Pursuant to Rule 9013-1(G) of the Local Rules of the United States Bankruptcy Court for the Eastern District of Virginia, and because there are no novel issues of law presented in the Application and all applicable authority is set forth in the Application, the Debtors respectfully request that the requirement that all motions be accompanied by a separate written memorandum of law be waived.

NOTICE

36. Notice of this Application will be given to: (a) the U.S. Trustee; (b) counsel to the Creditors' Committees; (c) all parties who have requested notice in the Debtors' chapter 11 cases; and (d) such other parties entitled to receive notice pursuant to this Court's December 23, 2008, amended administrative order entered in these cases. The Debtors submit that no other or further notice is required.

CONCLUSION

WHEREFORE, for the reasons set forth herein and in the Werder Declaration, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form annexed hereto as Exhibit A, (a) authorizing the Debtors to employ and retain Quinn as special litigation counsel as of May 21, 2009, and (b) granting such other and further relief as is appropriate.

Dated: Richmond, Virginia
June 4, 2009

/s/ John H. Maddock III
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John H. Maddock III (VSB No. 41044)
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Attorneys for the Debtor and
Debtor in Possession

EXHIBIT A

PROPOSED ORDER

Paul V. Shalhoub (Admitted *Pro Hac Vice*)
Rachel C. Strickland (Admitted *Pro Hac Vice*)
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Attorneys for the Debtor and
Debtor in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

-----X	
In re	: Chapter 11
	:
LandAmerica Financial Group, Inc., <u>et al.</u> ,	: Case No. 08-35994 (KRH)
	:
Debtors.	: (Jointly Administered)
-----X	

**ORDER AUTHORIZING THE EMPLOYMENT AND
RETENTION OF QUINN EMANUEL URQUHART & HEDGES, LLP AS
SPECIAL COUNSEL NUNC PRO TUNC TO MAY 21, 2009**

Upon the application (the “**Application**”)¹ of the debtors and debtors in possession in the above captioned cases (the “**Debtors**”), for the entry of an order authorizing the Debtors to employ and retain Quinn Emanuel Urquhart Oliver & Hedges, LLP (“**Quinn**”) as special

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

litigation counsel *nunc pro tunc* to May 21, 2009, pursuant to sections 327(e), 328, and 330 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the “**Local Bankruptcy Rules**”); and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. § 157 and 1334; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. § 1408 and 1409; and the Court having reviewed the Application and the Werder Declaration; and the Court being satisfied based on the representations made in the Application and the Werder Declaration that Quinn does not hold or represent an interest adverse to the Debtors’ estates with respect to the matters for which it is to be employed, as required by section 327(e) of the Bankruptcy Code; and it appearing to the Court that the relief requested is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and good, adequate and sufficient cause has been shown to justify the immediate entry of this order; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is GRANTED.
2. In accordance with sections 327(e) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1, the Debtors are authorized to employ and retain Quinn as special litigation counsel *nunc pro tunc* to May 21, 2009 in accordance with the terms and conditions of that certain engagement letter dated May 21, 2009 (the “**Engagement Letter**”), which is hereby approved.

3. Quinn is authorized to render professional services to the Debtors as described in the Engagement Letter.

4. Quinn shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with its representation of the Debtors in the ARS Litigation in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, guidelines established by the Office of the U.S. Trustee and any other applicable procedures and orders of the Court.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order in accordance with the Application.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. Nothing herein shall prejudice a Plaintiff Debtor's right to its allocable share of any net recovery (judgment or settlement) obtained pursuant to the ARS Litigation.

8. LFG and LES shall pay allowed fees and expenses to Quinn on a joint and several basis with such fees and expenses to be reallocated in the same proportion as net recoveries are allocable pursuant to paragraph 7 herein.

9. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____

HON. KEVIN R. HUENNEKENS
UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

Paul V. Shalhoub (*Admitted Pro Hac Vice*)
Rachel C. Strickland (*Admitted Pro Hac Vice*)
Jordana Linder (*Admitted Pro Hac Vice*)
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Attorneys for the Debtor and
Debtor in Possession

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Rule 9022-1 (C), I hereby certify that the foregoing order has been endorsed by or served upon all necessary parties.

Dion W. Hayes (VSB No. 34304)
John H. Maddock III (VSB No. 41044)
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EXHIBIT B

WERNER DECLARATION

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

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In re                               : Chapter 11
                                   :
LandAmerica Financial Group, Inc. et al., : Case No. 08-35994 (KRH)
                                   :
Debtors.                            : (Jointly Administered)
-----X

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**DECLARATION OF RICHARD I. WERDER, JR. IN SUPPORT
OF APPLICATION PURSUANT TO 11 U.S.C. SECTIONS 327(e), 328, AND
330 FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND
RETENTION OF QUINN EMANUEL URQUHART OLIVER & HEDGES,
LLP AS SPECIAL COUNSEL NUNC PRO TUNC TO MAY 21, 2009**

Richard I. Werder, Jr., hereby declares, under penalty of perjury:

1. I am a member of the firm of Quinn Emanuel Urquhart Oliver & Hedges, LLP ("**Quinn Emanuel**" or the "**Firm**"), a law firm with offices at 51 Madison Avenue, New York, New York 10010, and in Los Angeles, San Francisco, Silicon Valley, California, London, England, and Tokyo, Japan.

2. I submit this Declaration in support of the application (the "**Application**"), pursuant to sections 327(e), 328 and 330 of title 11 of the United States Code (the "**Bankruptcy Code**"), of the debtors and debtors in possession in the above-captioned cases (collectively, the "**Debtors**"), to retain Quinn Emanuel as special litigation counsel ("**Special Litigation Counsel**") to the Debtors to provide services in connection with the analysis, investigation and/or pursuit of claims arising from the sale, promotion and distribution of auction rate securities to the Debtors, including the commencement and prosecution of litigation, if required (the "**ARS Litigation**"), *nunc pro tunc* to May 21, 2009, and to provide the disclosures required under section 329 of the Bankruptcy Code, the rules of this Court, and Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"). Unless

otherwise stated in this declaration, I have personal knowledge of the facts set forth herein. I will supplement this Declaration if additional relevant information becomes available to me during the pendency of these chapter 11 cases.

BACKGROUND

3. On November 26, 2008 (the "**Petition Date**"), LandAmerica Financial Group, Inc. ("**LFG**") and LandAmerica 1031 Exchange Services, Inc. ("**LES**") filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code. Periodically thereafter, certain affiliated entities also filed for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors' chapter 11 cases.

4. On December 3, 2008, the United States Trustee for the Eastern District of Virginia (the "**U.S. Trustee**") appointed an Official Committee of Unsecured Creditors in the case of (a) LFG (the "**LFG Creditors' Committee**") and (b) LES (the "**LES Creditors' Committee**"), and, together with the LFG Creditors' Committee, the "**Creditors' Committees**").

Events Leading to the Chapter 11 Cases¹

5. LFG is a holding company that, prior to the Petition Date, operated through its various subsidiaries (the "**Company**"), including LES. Before the Petition Date, LES operated as a "qualified intermediary" under section 1031 of the Internal Revenue Code (the "**Tax Code**"). Generally, the Tax Code imposes taxes when property is sold or transferred and a gain is realized. Pursuant to section 1031 of the Tax Code, if a taxpayer adheres to certain guidelines, then all or a portion of the gains from the disposition of business or investment

¹ The factual statements in this section are derived from the Application.

property can be deferred or reinvested into a new replacement property. These deferred gains, as well as the gains from the new property, are not taxed unless and until the new property is transferred and fails to qualify for tax deferral. To qualify for such tax deferral, the taxpayer must structure the transaction as an exchange of one property for another of "like kind." 1031 exchanges typically are facilitated by a qualified intermediary, like LES.

6. During the course of its operations, LES entered into agreements with its customers whereby it acquired the net proceeds of the sales of relinquished properties (the "**Exchange Funds**") in order to facilitate like-kind exchanges in accordance with the requirements of the Tax Code.

7. Since 2002, LES invested a portion of the Exchange Funds transferred to it in investment grade securities rated A or stronger at the time of the investment, including certain auction rate securities ("**ARS**") backed by federally guaranteed student loans. An ARS typically is a debt instrument with a long-term nominal maturity for which the interest rate is regularly reset through a dutch auction. Until early 2008, banks pitched ARS's to corporations and wealthy individuals as highly-liquid and safe alternatives to cash, and LES's investment goals on the Exchange Funds were to maintain the full liquidity necessary to meet customer claims.

8. Unfortunately, as has been widely publicized, the ARS's market froze in 2008 and LES has been unable to liquidate the ARS's previously purchased at any price near their par value. Indeed, although the aggregate amount of the cash and par value of the ARS's held by LES exceeds the value of all funds received from LES's customers, LES's inability to sell, or borrow against, these securities ultimately precipitated its decision to cease additional customer transactions, terminate operations, and file its chapter 11 case.

QUINN EMANUEL'S PRE-PETITION RELATIONSHIP WITH THE DEBTORS

9. On October 24, 2008, the Debtors retained Quinn Emanuel in connection with providing preliminary advice and assistance in connection with the ARS Litigation. At that time, Quinn Emanuel attorneys researched and analyzed potential litigation strategies and claims related to the Debtors' purchase of the ARS. Moreover, as part of its analysis, Quinn Emanuel attorneys interviewed several employees of LES and LFG, and conducted a preliminary review of relevant documents. Accordingly, Quinn Emanuel is familiar with the specific factual and legal issues and disputes underlying the ARS Litigation

10. Prior to the Petition Date, the Debtors paid Quinn Emanuel the aggregate amount of \$142,260.70 for fees and expenses incurred prior to the Petition Date. On November 25, 2008, the Debtors also provided \$100,000.00 to Quinn Emanuel as a general retainer in connection with Quinn Emanuel's anticipated engagement after the Petition Date (the "**Retainer**").²

SERVICES TO BE PROVIDED BY QUINN EMANUEL

11. The Debtors determined that it would be necessary for them to retain separate counsel for the limited purpose of representing them in connection with the ARS Litigation. By the Application, the Debtors seek to employ and retain Quinn Emanuel in the capacity described herein and in the Engagement Letter (as defined in the Application) because of Quinn Emanuel's recognized expertise in the area of complex business litigation against major

² Subsequent to the Petition Date and with the expectation that it would be retained as special counsel in the chapter 11 cases, Quinn Emanuel provided certain services to the Debtors prior to May 21, 2009. Quinn Emanuel incurred approximately \$44,000 in fees (billed at its regularly hourly rates) and expenses in connection with such services. Quinn Emanuel has agreed to waive its entitlement to any fees and expenses incurred after the Petition Date but prior to May 21, 2009. To the extent that any such fees and expenses were charged against the Retainer, Quinn Emanuel will refund such amount to the Retainer.

commercial and investment banks, and Quinn Emanuel's familiarity with the potential causes of action in the ARS Litigation. In particular, Quinn attorneys have extensive experience and familiarity with the facts and legal issues relating to the marketing and purchase of ARS's by virtue of Quinn's representation of other clients in disputes involving ARS's.

12. The Debtors have requested that Quinn Emanuel jointly represent them in the ARS Litigation. The Debtors believe that Quinn Emanuel's joint representation of the Debtors in the ARS Litigation will not only preserve assets of the estates by minimizing legal fees, but will present a unified case in the ARS Litigation. Although the measure of damages suffered by each Debtor may be different, the acts and omissions of the parties (the "**Bank Defendants**") that sold the ARS's to LES and harmed the Debtors that serve as the basis for the Debtors' actions are the same.

13. Accordingly, Quinn Emanuel's mandate is to investigate and analyze all potential claims against the Bank Defendants, prepare a report on same (which report will be shared on a confidential basis with the Creditors' Committees) and ultimately bring all causes of action against the Bank Defendants. Moreover, Quinn Emanuel has been charged to periodically consult with the Creditors' Committees in addition to the Debtors to keep them apprised of the status of the actions and seek guidance on matters of strategy and any settlement opportunities that may arise.

QUINN EMANUEL'S DISCLOSURE PROCEDURES

14. In preparing this Declaration, I used a set of procedures developed by Quinn Emanuel to ensure compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals under the Bankruptcy Code (the "**Quinn Emanuel Disclosure Procedures**"). Pursuant to the Quinn Emanuel Disclosure

Procedures, I performed, or caused to be performed, the following actions to identify the parties relevant to this Declaration and to ascertain Quinn Emanuel's connection to such parties:

(a) Quinn Emanuel obtained from Debtors' counsel a list of the significant entities involved in the chapter 11 cases, including: (i) the Debtors and their significant non-debtor affiliates; (ii) LFG's directors and officers; (iii) LES' directors and officers; (iv) the Debtors' lenders and Citibank; (v) the Debtors' insurers; (vi) employees of the Office of the United States Trustee for the Eastern District Of Virginia, Richmond office ("**U.S. Trustee**"); (vii) the Debtors' and the Creditors' Committee's professionals; (viii) the Debtors' noteholder; (ix) the indenture trustee of notes issued by the Debtors; and (x) the largest twenty unsecured creditors of each Debtor (the "**Potential Party List**"). Attached hereto as Schedule I are entities appearing on the Potential Party List that were provided to Quinn Emanuel by counsel to the Debtors.

(b) Quinn Emanuel maintains and regularly updates a database containing the name of each current and former client, the name of the parties who are or were related or adverse to such current or former client, and the names of the Quinn Emanuel personnel who are or were responsible for current or former matters for such client (the "**Database**"). Quinn Emanuel maintains the Database to include additional entities that become related to current and former clients.

(c) Quinn Emanuel compared the names included in the Potential Party List to the names in the Database to identify any matches, determine whether such matches are current or former clients, and identify the Quinn Emanuel personnel responsible for such matters (the "**Client Match List**").

(d) Using information in the Database and by making specific inquiries of Quinn Emanuel personnel, I and an attorney working under my supervision verified that Quinn Emanuel does not represent any entity on the Client Match List in connection with the Debtors and these chapter 11 cases. The client connections were compiled for purposes of preparing this Declaration. Attached hereto as Schedule II is the Client Match List from parties identified on the Potential Party List, and the nature of Quinn Emanuel's connection to such entities. Based upon the foregoing, I have determined that Quinn Emanuel does not represent or hold any adverse interest to the Debtors or their estates with respect to the matters on which Quinn Emanuel is to be engaged.

QUINN EMANUEL'S CONNECTIONS WITH PARTIES IN INTEREST IN MATTERS UNRELATED TO THESE CHAPTER 11 CASES

15. Quinn Emanuel is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code in that Quinn Emanuel, its partners, counsel, and associates: (a) are not creditors, equity security holders, or insiders of the Debtors; (b) are not and were not, within two (2) years before the date of the filing of the Debtors' chapter 11 petitions, a director, officer, or employee of the Debtors; and (c) do not have an interest materially adverse to the Debtors' estates or of any class of creditors, by reason of any direct or indirect relationship to, connection with, or interest in the Debtors.³ Nor does Quinn Emanuel have any relationship to, connection with, or interest in the Debtors, except as otherwise set forth herein.

16. Quinn Emanuel, which employs approximately 400 attorneys in six offices across three continents, has a large and diversified legal practice that encompasses the

³ Quinn Emanuel currently represents the Official Committee of Unsecured Creditors in the chapter 11 cases of Lehman Bros. Holding, Inc., et al. It is Quinn Emanuel's understanding that LFG and one of its non-debtor affiliates, MSTD, Inc., may be unsecured creditors in those cases.

representation of, and representations adverse to, select financial institutions, partnerships, limited liability companies, corporations, and creditors' committees, some of which are or may consider themselves to be creditors or parties in interest in the Debtors' chapter 11 cases, or otherwise to have interests in these cases. Quinn Emanuel does not and will not represent any such entities in connection with the Debtors' chapter 11 cases.

17. In addition to the specific disclosures herein, Quinn Emanuel represents and may in the future represent, creditors of the Debtors or their affiliates in matters unrelated to the Debtors, their affiliates, or these chapter 11 cases. With the exception of AIG, no such entity represented more than 1% of the Firm's revenues in 2008.

18. Quinn Emanuel has reviewed the relationship that its partners and employees have with the U.S. Trustee, those persons employed in the office of the U.S. Trustee, and the Bankruptcy Judges currently serving on the United States Bankruptcy Court for the Eastern District of Virginia. Based upon such a review, I do not believe that Quinn Emanuel has any material connections with the U.S. Trustee, any person employed in the office of the U.S. Trustee or any of the Bankruptcy Judges currently serving on the United States Bankruptcy Court for the Eastern District of Virginia.

19. As a matter of retention and disclosure policy, Quinn Emanuel will continue to apply the Quinn Emanuel Disclosure Procedures as additional information concerning entities having a connection to the Debtors is developed and will file appropriate supplemental disclosures with this Court.

COMPENSATION OF QUINN EMANUEL

20. Subject to the Court's approval, and in accordance with section 330(a) of the Bankruptcy Code, Quinn Emanuel intends to (a) charge for the legal services provided pursuant to its retention as special litigation counsel in accordance with the terms outlined below,

and (b) seek reimbursement of actual and necessary out of pocket expenses in connection with such retention.

21. Quinn Emanuel's Engagement Letter and compensation structure were heavily negotiated after consultation with both Creditors' Committees. Several of the terms of Quinn Emanuel's engagement were included upon the request of the LES Creditors' Committee, who supports Quinn Emanuel's engagement and the structure of its proposed compensation.

22. A portion of Quinn Emanuel's requested compensation for professional services rendered to the Debtors will be based upon the hours actually expended by each assigned lawyer, law clerk, paralegal and case assistant at their respective discounted hourly billing rate (the "**Hourly Fees**"), with the total Hourly Fees capped at \$2 million.⁴ The Hourly Fees charged by Quinn Emanuel professionals, reflect a reduction of 50% from Quinn Emanuel's normal and customary rates (e.g., a total of \$4 million of incurred time at Quinn Emanuel's usual rates).⁵

23. Further, Quinn Emanuel will be paid an additional amount over the Hourly Fees and expenses, based on the following two (2) options (the "**Contingency Fee**"):⁶

(i) Option A:

(A) 15% of "net recovery" up to \$100 million; plus

⁴ The \$2 million fee cap is applicable solely for purposes of calculating monthly invoices and not for purpose of any lodestar determination.

⁵ In the normal course of Quinn Emanuel's business, the hourly rates are subject to periodic increase. To the extent such hourly rates are increased, Quinn Emanuel requests that beginning in 2010, with respect to the work to be performed after such increase, the rates be amended to reflect the increase.

⁶ The Debtors will be entitled to select Option A or Option B in the event of a "net recovery" up to and including \$150 million and Quinn Emanuel will be entitled to select Option A or Option B in the event of a "net recovery" exceeding \$150 million. The term "net recovery" as used in the Engagement Letter and this Application means the total amounts cumulatively recovered by the Debtors' bankruptcy estates in connection with the representation. Specifically, the "net recovery" is the gross amount obtained before any reduction for costs.

- (B) 10% of “net recovery” over \$100 million up to \$200 million; plus
 - (C) 5% of “net recovery” over \$200 million up to \$500 million, plus; and
 - (D) 2.5% of “net recovery” over \$500 million; OR
- (ii) Option B: Four (4) times the actual lodestar calculation (i.e., the total number of hours worked times the applicable, undiscounted hourly rate of the professionals involved).

24. Quinn Emanuel also will seek reimbursement for reasonable necessary expenses incurred, which shall include meals, lodging, travel, photocopying, messenger charges, facsimile charges, secretarial overtime, word processing charges, deposition videography and transcript charges, administrative charges, computerized legal research fees, postage, other vendor charges and other out-of-pocket expenses incurred in providing professional services. Further, where the cost exceeds \$1,000, Quinn Emanuel may forward an invoice from an outside vendor directly to the Debtors for payment.

25. Should Quinn Emanuel’s representation be terminated by the Debtors at any time before an award is obtained, Quinn Emanuel will be paid a “make-whole amount” equal to the actual time at Quinn Emanuel’s actual, undiscounted rates which Quinn Emanuel has incurred during its representation, minus amounts previously paid by the Debtors pursuant to the terms of the Engagement Letter.

26. Quinn Emanuel will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described above by category and nature of the services rendered.

27. Quinn Emanuel will apply to the Court for payment of fees and reimbursement of expenses in accordance with the procedures set forth in the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the U.S. Trustee Guidelines and any

other applicable orders or procedures established by the Court. Quinn Emanuel will submit with its fee applications detailed daily time entries for each individual providing services in one-tenth (.10) hour increments, explaining the services provided as well as a categorized summary of disbursements and expenses for which Quinn Emanuel is seeking reimbursement.

INDEMNIFICATION PROVISION

28. By the Application, the Debtors are seeking approval of the indemnification provision contained in the Engagement Letter. The indemnification provision generally provides that Quinn Emanuel will be indemnified for attorney's fees and expenses incurred in defending claims arising out of Quinn Emanuel's representation of the Debtors in the ARS Litigation, unless there is a final order by a court, finding that Quinn Emanuel acted fraudulently, negligently or is guilty of gross misconduct. Further, if as a result of Quinn Emanuel's engagement in this matter, Quinn Emanuel is required to produce documents or appear as a witnesses in any examination, investigation or proceeding involving the Debtors or related persons or entities, the Debtors shall be responsible for the costs and expenses incurred.

FURTHER DISCLOSURES

29. In connection with the chapter 11 cases, the Debtors have retained other advisors to provides services to them in the cases. To minimize duplication of services in order to reduce professional costs, Quinn Emanuel will work closely with the Debtors and each professional to ensure that there is no unnecessary duplication of effort or cost.

30. No promises have been received by Quinn Emanuel or any member, counsel, or associate thereof as to payment or compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code. Quinn Emanuel has no

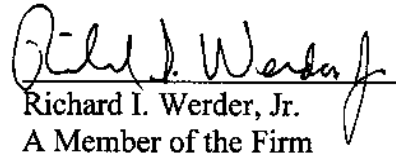
agreement with any other entity to share any compensation received by Quinn Emanuel or by any such entity.

31. By reason of the foregoing, I believe Quinn Emanuel is eligible for employment and retention by the Debtors pursuant to sections 327(e), 328 and 330 of the Bankruptcy Code and the applicable Bankruptcy Rules and the Local Bankruptcy Rules.

32. The foregoing constitutes the statement of Quinn Emanuel pursuant to Bankruptcy Rule 2014.

33. The foregoing statements are true and correct to the best of my knowledge, information, and belief.

June 4, 2009


Richard I. Werder, Jr.
A Member of the Firm

SCHEDULE I

(POTENTIAL PARTIES LIST)

Debtors and their Affiliates	
1031 ExchangePoint, Inc.	LandAmerica Lawyers Title of San Antonio, Inc.
8 Broad Street, LLC	LandAmerica LoanSource, Inc.
Accurate Transaction Services, LLC	LandAmerica New Mexico Title Company
Advantage Title Agency, LLC	LandAmerica NJ Title Insurance Company
AdvantageWare, Inc.	LandAmerica OneStop, Inc.
All Counties Courier, Inc.	LandAmerica Partners Title Company
America Land Title Affiliates, LLC	LandAmerica Production Center, LLC
American Title Company of Livingston	LandAmerica Property Inspection Services, Inc. (formerly Inspectech, Inc.)
American Title Group, Inc.	LandAmerica Services of Mexico, S.A. de C.V.
APEX Title Insurance Corporation	LandAmerica Services of Mexico, S.A. de C.V.
Arbor Land Abstract I, LLC	LandAmerica Services, Inc.
Arden Echelon Partners, LLC	LandAmerica Texas OneStop, Inc.
Ashton Woods Title, LLC	LandAmerica Texas Title Company
ATACO, Inc.	LandAmerica Tile Company (f/k/a United Title Company)
Atlanta Title Company	LandAmerica Title Agency Inc (f/k/a Lawyers Title of Arizona, Inc.)
Atlantic Title & Abstract Company	LandAmerica Title Insurance Company of Mexico, S.A.
Beech Fly, LLC	LandAmerica Title Insurance Company of Mexico, S.A.
Biltmore Abstract Limited Partnership	LandAmerica Valuation Corporation
Biltmore Abstract, LLC	LandAmerica Wilson Title Company
BT Processing, LLC	Lawyers Holding Corporation
Buckeye State Title Agency, LLC	Lawyers Title Agency of Arizona, LLC
Building Exchange Company	Lawyers Title Agency of North Florida, West

	Division, Inc.
Building Exchange Properties G.P., LLC	Lawyers Title Agency of the Emerald Coast, Inc.
Buyers Real Estate Services, Inc.	Lawyers Title Canada Corporation
California Land Title Company	Lawyers Title Company
Cancellation Services, Inc.	Lawyers Title Insurance Corporation
Capital Title Group, Inc.	Lawyers Title of Nevada, Inc.
Cedar Hill Title Agency, LLC	Lawyers Title Realty Services, Inc.
Centennial Bank	LC Insurance Agency, Inc.
CFS Title Insurance Agency, LLC	LEISA of Connecticut, Inc.
Channel Islands Escrow, Inc.	LFG Processing Corporation
Charlottesville Title & Settlement Services, LLC	Liberty 1031 Exchange Services, Inc.
Charter Title Company – Galveston, LLC	Liberty Information Services, Inc.
Charter Title/Sugarland, Ltd.	Liberty Investors Group, Inc.
Chisholm Nurser & Partners, Limited	Liberty Title Company
Clarion Closing Services, LLC	Lighthouse Escrow Company
Closingguard, Inc.	Lion Abstract Limited Partnership
CLTIC – RELO, Inc.	Lion Abstract, LLC
Colorado National Title, Inc.	Livingston Title Agency, LLC
Commerce Title Guaranty Co.	LoanCare Servicing Center, Inc.
Commercial Settlements, Inc.	Longworth Insured Title Agency, LLC
Commonwealth Land Title Company	Louisville Title Agency of Central Ohio, Inc.
Commonwealth Land Title Company of Puget Sound	LT-CFS. LLC
Commonwealth Land Title Company of San Antonio	LTIC Alliance, LLC
Commonwealth Land Title Company of Washington	LTTM, Inc. (f/k/a Ten Mile Title, Inc.)

Commonwealth Land Title Corporation	Magic City Title Associates, LLC
Commonwealth Land Title Insurance Company	MBC Title Agency, LLC
Commonwealth Relocation Services, Inc.	Member Advantage Title Agency, LLC
Complete Closing Services, Incorporated	Memphis, TN Joint Plant, LLC
Congress Abstract Corporation	Merrill Title Company, LLC
Consolidated Services of Central America, Inc. (d/b/a LandAmerica – Lawyers Title of Central America)	Metropolitan Title and Escrow Company, LLC
Cooperative Title, LLC	Mid-South Title Corporation
County Title Holding Corp.	MSTD Inc.
Crestview Lawyers Service	NAC1031 Exchange Services
Crossroads Title Services, LLC	Napa Land Title Company
CRS Financial Services, Inc.	National Land Title Services Agency, LLC
CTCA Services (d/b/a LandAmerica-Commonwealth Title of Central America)	National Land Transfer of New Jersey, LLC
CTRD Services (d/b/a LandAmerica – Commonwealth Title Republica Dominicana)	Nations Holding Group
CW Title Agency, LLC	Network Title Services, Inc.
CWLT Roseland Exchange, LLC	New Century Holding Company
Data Trace Information Services II, LLC	New Mexico Title – Comanche, LLC
Data Trace Information Services, LLC	New Mexico Title Company – Barbara Loop, LLC
Developers National Title Agency, LLC	New York Land Services, Inc.
DO Holding Company, Inc.	North Carolina Title Associates, LLC
Docusign, Inc.	Northpoint Escrow & Title, LLC
Expert Title Abstract, LLC	Ocean Abstract Company
Far West Credit, Inc.	Oklahoma OneStop, LLC
First Colorado Title Company, LLC	Old Northwest Title Agency, LLC

Founders Title Company	Orange County Bancorp
Four Star Title Agency, LLC	Osage Corporation
G & S Reconveyance Company	OTV Construction Exchange, LLC
Gateway Title Company	Palma, LaZar and Ulsh, LP
Geodata Research Systems, Inc.	Partner Title Services Group, LLC
Geologix Flood Services, LLC	Performance Tax Services, Inc
Global Corporate Services, Inc.	Pinnacle Title Agency of Arizona, LLC d/b/a Transnation Title Agency
Golden Escrow, Inc.	Portland Financial Services Corporation
Golden State Title Company	Portland Title Agency, LLC
Goliath Four, L.P.	Prestige Title Agency, LLC
Goliath, Inc.	Professional Title, LLC
Great Rivers Title Company, LLC	Property Services, Inc.
Guarantee Title Co., Inc.	Property Title Insurance Corporation
Gulf Group Title Affiliates, LLC	Rainier Title, LLC
Harbour Title Company	RE/Affirm Title Agency, LLC
HBI Title Company of Texas, LLC	Real Estate eTax Service, LLC
HL Title Agency, LLC	Real Estate Title Company, Incorporated
Home Title Services, LLC	Residential Abstract, LLC
Intellihub Solutions and Services, LLC	Residential Property Maintenance, Inc.
Jones & Tatom Title & Trust, LLC	RQ Holdings, Inc.
Kitsap County Title Agency, LLC	RTC Holding Company
Lake States Title Agency, LLC	Rutherford County Title Insurance Co.
Lakeshore Title Services Agency, LLC	San Diego County Holding Company
Land America Insurance Services, Inc.	Sibcy Cline Title Agency, LLC
Land Canada Limited	Silver Star Title, LLC (d/b/a Sendera Title)

Land Title Agency, Inc.	Silver State Title and Escrow, LLC
Land Title Associates, LLC	Southern Escrow and Title, LLC
Land Title of Nevada, Inc.	Southland Title Corporation
LandAmerica – Lake Settlement, LLC	Southland Title Equities
LandAmerica (Europe) Sarl	Southland Title of Orange County
LandAmerica (Europe) Sarl	Southland Title of San Diego
LandAmerica 1031 Exchange Services, Inc.	State Street Title Agency, LLC
LandAmerica Account Servicing, Inc.	StoneRidge Escrow Corporation
LandAmerica Albuquerque Title Company	Taft Title/LA Agency, LLC
LandAmerica Alliance Company	The Indianapolis Joint Plant Partnership
LandAmerica American Title Company	The Title Guarantee & Trust Company
LandAmerica Appraisal Services, Inc.	Title Associates Agency, LLC
LandAmerica Assessment Corporation	Title Associates, LLC (formerly JB-LAC, LLC)
LandAmerica Austin Title Company	Title Guarantee Company of Rhode Island
LandAmerica Capitol City Title Services, Inc.	Title Investors Group, Inc.
LandAmerica Charter Title Company	Transnation Title & Escrow, Inc.
LandAmerica Commercial Search Services Company	TransOhio Residential Title Agency Ltd.
LandAmerica Commonwealth Title of Austin, Inc.	Trident Abstract Title Agency, LLC
LandAmerica Commonwealth Title of Dallas, Inc.	Trinity Title Insurance Agency, Inc.
LandAmerica Commonwealth Title of Fort Worth, Inc.	United Capital Title Insurance Company
LandAmerica Commonwealth Title of Houston, Inc.	United Title Agency, Inc.
LandAmerica Company UK Limited	Universal Land Title of North Texas, LLC
LandAmerica Credit Services, Inc.	USA Title Affiliates, Inc.
LandAmerica Espanola Abstract Company, Inc.	ValuTree Title, LLC

LandAmerica Home Warranty Company	Vineyard Investment Group, LLC
LandAmerica Insurance Agency, Inc.	VIP Title Agency, LLC
LandAmerica International Holding Company	Virginia USA Title Agency, LLC
LandAmerica International Holding Company B.V.	Waterside Title Agency, LLC
LandAmerica Lawyers Title of Amarillo, Inc.	West Side Title Agency, LLC
LandAmerica Lawyers Title of El Paso, Inc.	Wilson Title Insurance & Escrow Services, LLC
LandAmerica Lawyers Title of Roswell, Inc.	Xenia Property Company

Top 20 Creditors of LandAmerica Financial Group, Inc.	
Arc Partners, Inc.	AT&T
Bank of New York Mellon	CapGemini
Data Tree LLC	Ernst & Young LLP
FTI Consulting	Indecomm Corporation
JPMorgan Chase Bank	Property Insight, LLC
Monument Consulting	SoftPro, LLC
Prudential Capital Group	Sutherland
SunTrust Bank	Vangent Inc.
Technology Leasing Concepts	Verizon

Top 20 Creditors of LandAmerica 1031 Exchange Services, Inc.	
Health Care Reit	Arboleda Corporation
Millard Refrigerated Services	David Ash
LubeExpress Operating Co.	Kelly Smith
Kurt L. Wallach, acting through Arbor Oaks 1 LLC	MB Venture, LTD.
Millmar Holdings, LLC	Petalluma Southpoint LLC

Polygon Enterprises Inc.	Sessan Investments, Inc.
Sonia Rivera Associates, L.P. (The Penson Companies)	Texas AC360 LP, A Texas Limited Partnership
Endless Ocean LLC	Amarillo Tower Limited Partnership
Chino Wings, LLC	

Combined Top 20 Creditors of Southland Entities	
3435 Ocean Park LLC	Market Share Resources, Inc.
AP Victorville LLC	Miramar Office Furniture
Archive Management Service, Inc.	Moore Wallace Inc.
Arden Realty Finance Partnership, L.P.	Pitney Bowes Inc.
AT&T	Plaza Del Sol Shopping Center LLC
BRE Commercial/NAI	Printelligent
Canon Financial Services Inc.	Rancon Realty Fund V Subsidiary LLC
CIT Group Inc.	Real Estate Research
CIT Technology Financial Services Inc.	RRF V Tri City Limited
Datatree Corp.	Southern California Edison
Deluxe Business Forms	Sprint
Direct Choice Printing & Graphics LLC	State of California Department of Insurance
DL Peterson Trust	SZA Real Estate, Inc.
Eric Anthony Burroughs	Temecula Corporate Plaza Center LLC
FedEx	Temecula Self Storage
GE Capital	Terra West Investment Company
Granite Software Inc.	The Certif-A-Gift Company
Ikon Office Solutions	The Irvine Company
Janelle R. Ramirez	Toshiba American Business Solutions

KW Burbank Executive Plaza LLC	Tycoon Development
Lawyers Title Insurance Corp.	Union Bank of California
LPS Applied Analytics	Utility Bell Analysis Center

Top 20 Creditors of LandAmerica Title Company	
Altos Research	LPS Applied Analytics
AT&T	The Certif-A-Gift Company
Burgess Moving & Storage	The Inside Tract Inc.
CMR Mortgage Fund II, LLC	Title-Tax Inc.
Cor O Van Records	Trophy Award Company
Data Trace Information Services LLC	USA Digital Solutions Inc.
Datatree Corp.	Verizon Business
FedEx	Visicom
First American Corelogic, Inc.	Williams Mullen
Granite Telecommunications	

Top 20 Creditors of LandAmerica Assessment Corporation	
BVT Institutional Investments, Inc.	Seyfarth Shaw LLP
U.S. Retail Income Fund, VIII-D L.P.	Martin & Associates Environmental Services
Metroplaza Associates	Glorious Sun Robert Martin LLC c/o Mack Cali Realty
Miles & Stockbridge PC	Kennedy Wilson Properties Ltd.
Commercial Realty & Resources Corp.	Nasim Ahmed
8000-8008 Corporate Drive LLC	Staples Business Advantage
Morgan Lewis & Bockius LLP	BC Group
Stites & Harbison PLLC	GeoLogic

Managed Business	John Komar
Workplace Compliance Solutions, LLC	Patti Weber

Directors and Officers of LandAmerica Financial Group, Inc. as of 11/26/08	
Alpert, Janet	McCann, John
Astheimer, Kenneth	Neal, Dianne
Caruso, Gale	Norfleet, Robert
Chandler, Theodore	Saylors, Pam
Dinkins, Michael	Skunda, Robert
Dorneman, Ross	Smith, Julious
Evans, G. William	Snead, Thomas
Foster, Charles	Trani, Eugene
Gluck, Michelle	Vlahcevic, Christine
Gonzalez, Richard	Will, Albert
Hill, Melissa	Wishnack, Marshall

Lenders	
JPMorgan Chase Bank	Union Bank of California, N.A.
SunTrust Bank	U.S. Bank, National Association
SunTrust Capital Markets, Inc.	Wachovia Bank, National Association

Insurers	
ACE Advantage	HRH Insurance of Virginia
ACE American Insurance Company	Illinois Union Insurance Company

ACE USA	Lexington Insurance Company
AIG Casualty Company	Lloyd's Syndicate
AIG WorldSource	Max Bermuda Ltd.
Allied World National Assurance Company	RLI Insurance Company
Arch Insurance Company	Sentry Insurance
Ariel Reinsurance Company Ltd.	St. Paul Mercury Insurance Company
Chubb Group of Insurance Companies	St. Paul Travelers Companies, Inc., The
CNA Global Specialty Lines	Travelers Companies, The
Colonial American Casualty and Surety Company	Travelers Excess Casualty
Fidelity and Deposit Company of Maryland	U.S. Specialty Insurance Company
Fireman's Fund Insurance Companies	United States Aviation Underwriters, Incorporated
HCC Global Financial Products	Willis (Bermuda) Limited
HILB Rogal & Hobbs	Zurich American Insurance Company
Hilb, Rogal & Hamilton of VA	Zurich North America

Employees of the Office of the United States Trustee for the Eastern District of Virginia, Richmond Office	
Flinchum, Peggy T.	Sutton, Gloria P.
Franklin, Shannon D.	Turner, June E.
Hodges, Frances B.	Van Arsdale, Robert
McDow, W. Clarkson	

Debtors' Professionals	
McGuireWoods LLP	Zolfo Cooper
Williams Mullen	Deloitte Tax LLP
Willkie Farr & Gallagher LLP	Sandler O'Neill & Partners

Committee Professionals	
Akin Gump Strauss Hauer & Feld LLP	Alvarez & Marsal
Bingham McCutchen LLP	LeClairRyan
Protiviti, Inc.	Tavener & Beran, PLC

Noteholder	
Prudential Capital Group	

Indenture Trustee	
Bank of New York Mellon	

SCHEDULE II

(CLIENT MATCH LIST)

1. Quinn Emanuel currently represents CNA Global Specialty Lines in matters unrelated to the Debtors and these chapter 11 cases.
2. Quinn Emanuel currently represents Lexington Insurance Company in matters unrelated to the Debtors and these chapter 11 cases.
3. Quinn Emanuel currently represents Zurich American Insurance Company in matters unrelated to the Debtors and these chapter 11 cases. Zurich American Insurance Company is an affiliate of Zurich North America.
4. Quinn Emanuel currently represents Bingham McCutcheon in matters unrelated to the Debtors and these chapter 11 cases.
5. Quinn Emanuel currently represents Akin Gump Strauss Hauer & Feld, LLP in matters unrelated to the Debtors and these chapter 11 cases.
6. Quinn Emanuel currently represents Seyfarth Shaw LLP in matters unrelated to the Debtors and these chapter 11 cases.
7. Quinn Emanuel currently represents Sprint in matters unrelated to the Debtors and these chapter 11 cases. Quinn Emanuel also formerly represented Sprint in matters unrelated to the Debtors and these chapter 11 cases.
8. Quinn Emanuel currently represents The Irvine Company in matters unrelated to the Debtors and these chapter 11 cases.
9. Quinn Emanuel currently represents affiliates of ACE Advantage, ACE American Insurance Company, and ACE USA Inc. in matters unrelated to the Debtors and these chapter 11 cases.
10. Quinn Emanuel currently represents affiliates of AIG Casualty Company and AIG WorldSource in matters unrelated to the Debtors and these chapter 11 cases.

11. Quinn Emanuel currently represents affiliates of GE Capital in matters unrelated to the Debtors and these chapter 11 cases.
12. Quinn Emanuel formerly represented Bank of New York Mellon in matters unrelated to the Debtors and these chapter 11 cases.
13. Quinn Emanuel formerly represented CapGemini U.S. LLC in matters unrelated to the Debtors and these chapter 11 cases.
14. Quinn Emanuel formerly represented Colonial American Casualty and Surety Company in matters unrelated to the Debtors and these chapter 11 cases.
15. Quinn Emanuel formerly represented Union Bank of California, N.A. in matters unrelated to the Debtors and these chapter 11 cases.
16. Quinn Emanuel formerly represented Willkie Farr & Gallagher LLP in matters unrelated to the Debtors and these chapter 11 cases.
17. Quinn Emanuel formerly represented Morgan Lewis & Bockius LLP in matters unrelated to the Debtors and these chapter 11 cases.
18. Quinn Emanuel formerly represented Southern California Edison in matters unrelated to the Debtors and these chapter 11 cases.

EXHIBIT C

ENGAGEMENT LETTER

quinn emanuel trial lawyers | new york

51 Madison Avenue, 22nd Floor, New York, New York 10010 | TEL 212-849-7000 FAX 212-849-7100

WRITER'S DIRECT DIAL NO.
(212) 849-7231

WRITER'S INTERNET ADDRESS
rickwerder@quinnemanuel.com

May 21, 2009

Michelle H. Gluck
Executive Vice President and Chief Legal Officer
LandAmerica Financial Group, Inc.
5600 Cox Road
Glen Allen, VA 23060

Re: Retention as Special Counsel

Dear Ms. Gluck:

We are pleased to confirm that, subject to approval by the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the "Bankruptcy Court"), LandAmerica Financial Group, Inc. and LandAmerica 1031 Exchange Services, Inc., in their capacities as debtors in possession (collectively or individually, the "Client(s)" or "you"), have asked Quinn Emanuel Urquhart Oliver & Hedges, LLP ("Quinn Emanuel" or "we") to act as special counsel in connection with the analysis, investigation, and/or pursuit of claims and litigation arising under, arising in, or in any way relating to the auction rate securities purchased by one or more of the Clients (the "Representation"). Subject to Bankruptcy Court approval, the Representation began on February 1, 2009.

Scope of our engagement

Quinn Emanuel solely represents the Clients in connection with the Representation. Quinn Emanuel does not and will not represent the interests or rights of any other party in connection with the Representation, including any non-debtor affiliates of the Clients, unless we specifically agree to do so in writing; *provided, however*, that, any debtor affiliates that are jointly administered in the Chapter 11 Cases, or become jointly administered, shall be deemed a Client.

quinn emanuel urquhart oliver & hedges, llp

LOS ANGELES | 865 South Figueroa Street, 10th Floor, Los Angeles, California 90017 | TEL 213-443-3000 FAX 213-443-3100

SAN FRANCISCO | 50 California Street, 22nd Floor, San Francisco, California 94111 | TEL 415-875-6600 FAX 415-875-6700

SILICON VALLEY | 555 Twin Dolphin Drive, Suite 560, Redwood Shores, California 94065 | TEL 650-801-5000 FAX 650-801-5100

TOKYO | Akasaka Twin Tower Main Building, 6th Floor, 17-22 Akasaka 2-Chome, Minato-ku, Tokyo 107-0052, Japan | TEL +81-3-5561-1711 FAX +81-3-5561-1712

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Prior to commencing any litigation, we will prepare a report on potential claims and the associated damages that will be shared with each of the Clients, as well as their respective creditors' committees.

Our representation will conclude with the settlement of the case or entry and enforcement through a final, non-appealable order of an arbitration award or a judgment after trial in any particular dispute. The \$2 million cap on our hourly fees set forth below does not include the defense or prosecution of a proceeding to enforce an arbitration award or an appeal from a trial court judgment. If an arbitration award enforcement proceeding or an appeal (or defense of any of the foregoing) is necessary and appropriate, we reserve the right to require a separate engagement for that representation.

Our fees

Each of our lawyers, law clerks, paralegals and case assistants who provides specialized support maintains time records. Each of them is assigned an hourly rate based upon their seniority and expertise. Our billing rates and charges are normally adjusted at least annually and may change during the course of our engagement, but in any event not sooner than the end of the year following the commencement of this engagement. We will notify you in advance at least 30 days prior to the effectiveness of any change in our rates. Following any revision, our new rates and charges will be applied to your representation consistent with their application to other matters generally.

We have agreed to provide you with a 50% discount off of our standard hourly billing rates, subject to the following terms:

1. Our hourly fees charged at the discounted 50% rate will not exceed \$2 million (i.e., a total of \$4 million of incurred time at our usual rates). This cap is applicable solely for purposes of calculating monthly invoices and not for purposes of any lodestar determination referenced below in Option B, which it is understood will be calculated based on the total amount of time that we incur in the Representation.

2. Unless we withdraw or are discharged before any award (i.e., via settlement or judgment) is obtained, we will be paid an additional amount, over and above any hourly fees and expenses, based on the following two options, it being understood that the Clients will be entitled to select Option A or Option B in the event of a "net recovery" up to and including \$150 million and that Quinn Emanuel will be entitled to select Option A or Option B in the event of a "net recovery" exceeding \$150 million:

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Option A:

- 15% of "net recovery" up to \$100 million, plus
- 10% of "net recovery" over \$100 million up to \$200 million, plus
- 5% of "net recovery" over \$200 million up to \$500 million, plus
- 2.5% of "net recovery" over \$500 million

Option B:

Four (4) times the actual lodestar calculation (i.e., the total number of hours worked times the applicable, undiscounted hourly rate of the professionals involved).

The term "net recovery" as used in this Engagement Letter means the total amounts cumulatively recovered by any of the Clients' bankruptcy estates in connection with the Representation. Specifically, the "net recovery" is the gross amount obtained before any reduction for costs; in other words, the "net recovery" will not be reduced by the amount of any costs incurred, including but not limited to those described in the following section of this Engagement Letter entitled "Ancillary Costs."

3. Our fee will be computed based on the total value of any settlement, arbitration award, or monetary judgment that is not reversed on appeal and is actually received by the Clients before any reduction for "costs" incurred, including but not limited to those described in the following section of this agreement entitled "Ancillary Costs."

4. The Clients will be responsible for expenses incurred in prosecuting the cases, including costs relating to document production, depositions, expert witnesses, and other usual expenses associated with litigation. Subject to any applicable orders of the Bankruptcy Court and any guidelines promulgated by the Office of the United States Trustee, we will invoice such expenses on a monthly basis. In some instances, we may ask the Clients to pay certain expenses in excess of \$1,000 directly.

5. If the Clients terminate our representation at any time before an award is obtained, we will be paid a make-whole amount equal to the actual time at our actual, undiscounted rates that we have incurred on the Representation, minus amounts paid pursuant to the fee agreement set forth herein.

You are informed that attorneys' fees are not set by law but are negotiable between you and us.

Subject to any applicable orders of the Bankruptcy Court and guidelines promulgated by the Office of the United States Trustee, our standard billing practice is to bill each month for our services, disbursements and other charges, and we reserve the right to bill more frequently. You are responsible for any invoices for services rendered and expenses incurred while we represented you. We expect that the amounts due in these statements will be paid promptly

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when due in accordance with orders of the Bankruptcy Court. If our bills are not promptly paid, that will be grounds, subject to our professional and ethical obligations, in our sole discretion, to withdraw from our representation. If we do withdraw or if you terminate our representation for any reason, our outstanding fees (at our usual, undiscounted rates) and costs, to the extent allowed by the Bankruptcy Court, will become due and payable immediately.

Ancillary costs

In addition to our hourly rates, subject to any applicable orders of the Bankruptcy Court and any guidelines promulgated by the Office of the United States Trustee, we charge market rates for certain ancillary services we provide, and we pass along out-of-pocket costs and charges that we incur on our clients' behalf. These typically include messenger charges, facsimile charges, secretarial overtime, word processing charges, deposition videography and transcript charges, administrative charges, printing and photocopying charges, computerized legal research fees, travel costs, meal charges and parking charges (when we are working exclusively on your matter), filing fees, telephone toll charges, fees for experts and other consultants retained on your behalf (with your prior approval), and similar charges. In some cases, particularly if the amount exceeds \$1,000, we may forward an invoice from an outside vendor or service directly to you for payment, which will also be due and payable upon receipt. Your failure to pay such an invoice upon request will, subject to our professional and ethical obligations, be grounds for us to withdraw from our representation of you.

Document retention

You will be responsible for providing us with all documents relevant to any matter for which we are engaged. Even if there is in effect a document retention policy that might result in the scheduled destruction or discarding of documents that could be relevant to a litigation, you will not destroy or discard any possibly relevant documents without consulting us first.

It is our policy and practice to destroy our files seven years after the file is first closed unless the client requests a shorter or longer retention period in writing. Files are generally closed at the conclusion of a lawsuit or arbitration.

No guarantee of results

Although we may offer an opinion about the possible or probable course or results of our engagement, we cannot and do not guarantee or represent that we can obtain any particular result.

Bankruptcy provisions

We understand that the Clients are debtors in possession in the Chapter 11 Cases and, as such, all of the terms and conditions of the Representation, and the compensation and reimbursement contemplated hereby, are subject to approval by the Bankruptcy Court. Notwithstanding anything to the contrary herein, we agree that our fees and expenses will be subject to approval

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by the Bankruptcy Court pursuant to 11 U.S.C. §§ 330 and 331. We further understand and agree that any and all disputes arising hereunder shall be determined by the Bankruptcy Court.

Other Litigation or Proceedings

If as a result of our engagement we are required to produce documents or appear as witnesses in any governmental or regulatory examination, audit, investigation or other proceeding or any litigation, arbitration, mediation or dispute involving you or related persons or entities, you shall be responsible for the costs and expenses we reasonably incur (including professional and staff time at our then-standard hourly rates). Similarly, if we are sued or subjected to legal or administrative proceedings as a result of our representation of you in this matter, you agree to indemnify us for any attorney's fees and expenses (including our own professional and staff time at our then-standard hourly rates), we incur as a result unless it is determined by a court of competent jurisdiction that Quinn Emanuel acted fraudulently, negligently, or is guilty of gross misconduct.

Settlement

We will notify you promptly of the terms of any settlement offer we receive on your behalf. You will have the absolute right to accept (subject to Bankruptcy Court approval) or reject any settlement. We will not settle your claim without your approval.

Our Discharge or Withdrawal

You may discharge us at any time by written notice effective when we receive it. Unless we agree otherwise in writing with you, we will provide no further services after we receive that notice. If we are your attorney of record in any proceeding, you will execute and return a substitution of attorney form immediately upon receipt of one from us.

Subject to ethical and professional obligations, we reserve the right to withdraw from representing you at any time, including but not limited to (a) with your consent; (b) if, in our sole judgment, we determine that your conduct has made it unreasonably difficult for us to carry out our representation effectively; or (c) your failure to pay for any costs or disbursements upon request.

If we are discharged or we withdraw from our representation reimbursed for any outstanding costs (including expenses) we have advanced on your behalf before withdrawing and to be paid for the fees earned under this engagement letter through the date of discharge or termination. If our fees and costs are not paid within 30 days of our submission to you of our statement, you agree that we will be entitled to interest on the unpaid balance at the rate of 1.5% per month until paid.

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Joint representation

To save legal fees and to present a unified case, we are representing each of the Clients in this matter. Based on the information you have given us and based on our review of our records relating to the parties that may become parties to the litigation within the scope of the Representation, we are not aware of any conflict of interest or other circumstance that would preclude us from handling the Representation to completion in accordance with this engagement letter. In the event a court disqualifies us from any litigation commenced in connection with this Representation for an ethical conflict or any other reason, we agree that your liability to us for fees shall be limited to those fees set forth in Paragraph No. 1 in the "Our Fees" section of this engagement letter; in any such event, you shall be liable to us for expenses in accordance with this engagement letter. You understand and agree that, because we will be jointly representing each of the Clients, any information disclosed to us by one Client may also be shared with the other Clients.

If, as events unfold and more information comes to light, it turns out that there is a conflict of interest that would preclude us from representing each of the Clients, you agree that, with your consent at that time and subject to any necessary Bankruptcy Court approval we may withdraw from representing certain of the Clients and continue to represent the other Clients, and each of the Clients waive any right to seek to disqualify us from representing any of the other Clients in connection with the Representation. You further agree that we may continue to use any information we have obtained from any Client for any purpose in the continued Representation of the other Clients in this matter.

If you have any questions about the scope and effect of our joint representation, you should obtain the advice of independent counsel.

Other terms of our engagement

If any provision of our engagement agreement is held unenforceable in whole or in part for any reason, the remainder of that provision and of the entire agreement will be severable and remain in effect.

This letter is a fully integrated agreement and contains all of our agreements and understandings. In entering into it, neither you nor we have made or relied on any promise, representation or warranty not expressly contained in this letter and the accompanying statement. No parol or other evidence will be admissible to contradict, alter or amend this agreement, which both of us agree is clear and comprehensive on what we have agreed to.

Our agreement may be modified only in writing and only if (a)-signed by both you and us, and (b) where applicable, approved by the Bankruptcy Court.

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The attorney-client relationship

Above all, our relationship with you must be based on trust, confidence and clear understanding. If you have any questions at any time about this letter or the work that the firm, or any attorney, is performing, please call me or, if you prefer, John Quinn or Bill Urquhart in our Los Angeles office at (213) 443-3000 to discuss it. Clients may, of course, terminate our representation at any time for any reason. Subject to ethical and professional obligations, we reserve the right to withdraw from our engagement if our statements are not paid when due.

By signing below, you agree that you have had enough time to review this letter, that you have been advised that you have the right to consult another independent lawyer about it and that you are satisfied that you understand our agreement. You also agree that this is an arm's length agreement between parties of equal bargaining strength and that you have freely determined, without any duress, to sign and agree to these terms.

If this letter correctly sets forth the agreement between you and Quinn Emanuel, please sign in the space below and return an executed copy of this letter. Please note that we will send separate wire instructions for payment of our invoices.

Sincerely,



Richard I. Werder, Jr.

AGREED AND ACCEPTED:



Name: *Michelle Gluck*

Title: *EVP + CCO*

On behalf of LandAmerica Financial Group, Inc. and
LandAmerica 1031 Exchange Services, Inc., Debtors in Possession