

MARSHALL BRUBACHER, #199100
mbrubacher@mohlaw.com
MUNDELL, ODLUM & HAWS, LLP
650 East Hospitality Lane, Suite 470
San Bernardino, CA 92408-3595
Phone: (909) 890-9500
Facsimile: (909) 890-9580

Attorneys for Objecting Limited Partner
Neal Bricker, M.D.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**CHARLES P. COPELAND,
COPELAND WEALTH
MANAGEMENT, A FINANCIAL
ADVISORY CORPORATION; and
COPELAND WEALTH
MANAGEMENT, A REAL ESTATE
CORPORATION,**

Defendants.

CASE NO. 2:11-cv-08607-R-DTB

**OBJECTING LIMITED
PARTNER NEAL BRICKER
M.D.'S OBJECTIONS TO
EVIDENCE SUBMITTED BY
RECEIVER IN CONNECTION
WITH THE RECEIVER'S REPLY
IN SUPPORT OF THE
RECEIVER'S MOTION FOR
ORDER: (1) APPROVING
RECEIVER'S DISTRIBUTION OF
ASSETS TO THE INVESTORS
OF COPELAND PROPERTIES 18,
L.P.; AND (2) AUTHORIZING
TERMINATION AND
CANCELLATION OF
COPELAND PROPERTIES 18,
L.P. AS AN ENTITY**

Date: October 21, 2013
Time: 10:00 a.m.
Dept: 8, 2nd Floor
The Honorable Manuel R. Real

1 Objecting Limited Partner Neal Bricker, M.D. (“Dr. Bricker”) objects to the
2 following portions of the evidence submitted by the Thomas C. Hebrank, the court
3 appointed permanent receiver, for Copeland Wealth Management, a Financial
4 Advisory Corporation, Copeland Wealth Management, a Real Estate Corporation,
5 and their subsidiaries and affiliates (the “Receiver”), on the grounds set forth
6 below:
7
8

9
10 **1. Reply Declaration Of Thomas C. Hebrank To Oppositions To**
11 **Motion For Order (1) Approving Receiver’s Distribution Of Assets To The**
12 **Investors Of Copeland Properties 18, L.P.; And (2) Authorizing Termination**
13 **And Cancellation Of Copeland Properties 18, L.P. As An Entity (“Hebrank’s**
14 **Declaration”)**
15

16 A. Hebrank’s Declaration, page 4, Ins. 6 through 7, which reads as
17 follows: “The total Initial Contributions of CP18 were \$4,407,122,83 (Column H),
18 of which the Opposing Partners contributed about 39%.” Dr. Bricker objects to the
19 foregoing portion of the Declaration on the following grounds: (1) lacks
20 foundation, F.R. Evid. 602; and (2) violates the best evidence rule, F.R. Evid.
21 1002.
22

23 B. Hebrank’s Declaration, page 6, Ins. 6 through 8, which reads as
24 follows: “The CP18 Audit Trail again shows the \$1,730,000 transfer, together
25 with two capital contributions by Copeland Real Estate, Inc. (“CRI”) totaling
26
27
28

1 \$700,000.” Dr. Bricker objects to the foregoing portion of the Declaration on the
2 following grounds: (1) lacks foundation, F.R. Evid. 602; and (2) violates the best
3 evidence rule, F.R. Evid. 1002.
4

5 C. Hebrank’s Declaration, page 7, Ins. 6 through 9, which reads as
6 follows: “I am informed and believe that Opposing Partners’ counsel have had
7 CP18’s QuickBooks accounting records, and know or should know the contents of
8 the Transaction Detail and QuickReports to which I refer.” (Emphasis added). Dr.
9 Bricker objects to the foregoing portion of the Declaration on the following
10 grounds: (1) lacks foundation, F.R. Evid. 602; (2) violates the best evidence rule,
11 F.R. Evid. 1002; and (3) violates the prohibition against hearsay, F.R. Evid. 802.
12
13

14 D. Hebrank’s Declaration, page 7, Ins. 26 through 27, which reads as
15 follows: “the books and records reflect otherwise.” Dr. Bricker objects to the
16 foregoing portion of the Declaration on the ground that it violates the best evidence
17 rule, F.R. Evid. 1002.
18
19

20 E. Hebrank’s Declaration, page 8, Ins. 5 through 6, which reads as
21 follows: “The Opposing Partners received full credit for their initial contributions
22 in CP3 as interests in CP18.” Dr. Bricker objects to the foregoing portion of the
23 Declaration on the following grounds: (1) lacks foundation, F.R. Evid. 602; and
24 (2) relevance, F.R. Evid. 401.
25
26
27
28

1 F. Hebrank's Declaration, page 8, Ins. 17 through 23, which reads as
2 follows: "The Capital accounts for the CP3 investors show their initial
3 contributions into CP3, which are journal entries with no indication of the
4 consideration given for the interests. The cash draws made by each CP3 investor,
5 including the Opposing Partners also are shown. The Capital accounts end with full
6 credit being given to each Opposing Partner for the full amount of their initial
7 contributions as interests in CP14, which was then transferred to CP18. (see, Ex.
8 13)." Dr. Bricker objects to the foregoing portion of the Declaration on the
9 following grounds: (1) lacks foundation, F.R. Evid. 602; and (2) violates the best
10 evidence rule, F.R. Evid. 1002.
11
12
13
14

15 G. Hebrank's Declaration, page 9, Ins. 20 through 23, which reads as
16 follows: "As a result CP3's transfer of \$1,705,000 in equity distributions to the
17 Opposing Partners for interests in CP18, and CP3's transfer of \$423,544.11 on
18 CP18's remaining debt obligation to CRI, the full amount of CP18's debt owed to
19 CP3 has been cancelled. CP18 owes nothing." Dr. Bricker objects to the foregoing
20 portion of the Declaration on the ground that it lacks foundation because there is
21 no standing of personal knowledge by Mr. Hebrank, F.R. Evid. 602.
22
23
24

25 H. Hebrank's Declaration, page 10, Ins. 20 through 22, which reads
26 as follows: "By the time the note became due in April 2009, I am informed and
27 believe that CP3 no longer had assets available to pay the debt because of the
28

1 distributions made and expenses paid.” (Emphasis added). Dr. Bricker objects to
2 the foregoing portion of the Declaration on the following grounds: (1) lacks
3 foundation, F.R. Evid. 602; and (2) violates the prohibition against hearsay, F.R.
4 Evid. 802.
5

6
7 **2. Reply Declaration of Lisa Ryan To Oppositions To Motion For**
8 **Order (1) Approving Receiver’s Distribution Of Assets To The Investors Of**
9 **Copeland Properties 18, L.P.; And (2) Authorizing Termination And**
10 **Cancellation Of Copeland Properties 18, L.P. As An Entity (the “Ryan’s**
11 **Declaration”)**
12

13
14 A. Ryan’s Declaration, page 3, Ins. 23 through 26, which reads as
15 follows: “Mr. Copeland confirmed that CRI was the purchaser of a portion of the
16 Rancho Cordova property (the adjacent land) but was not paid out of the sales
17 proceeds when the Rancho Cordova property was sold to Tri Tool, Inc.”
18 (Emphasis added). Dr. Bricker objects to the foregoing portion of the Declaration
19 on the ground that it violates the prohibition against hearsay, F.R. Evid. 802.
20

21
22 B. Ryan’s Declaration, page 3, Ins. 28 through page 4, Ins 1 through
23 7, which reads as follows: “I am informed and believe that the CP18 note payable
24 that was transferred from CP3 to CRI (see Exhibits 12 and 14 to the Declaration of
25 Thomas C. Hebrank filed concurrently herewith) resulted from CP3’s unpaid debt
26 to CRI related to CRI’s ownership interest in the Rancho Cordova property,
27
28

1 previous obligations shown on the CP3 QuickReport for the CRI Note Payable
2 (Exhibit 2), and CRI’s assumption of assets and liabilities (Exhibit 4).” (Emphasis
3 added). Dr. Bricker objects to the foregoing portion of the Declaration on the
4 following grounds: (1) lacks foundation, F.R. Evid. 602; (2) violates the best
5 evidence rule, F.R. Evid. 1002; and (3) violates the prohibition against hearsay,
6 F.R. Evid. 802.
7
8

9
10 **3. Reply Declaration of John H. Stephens To Oppositions To Motion**
11 **For Order (1) Approving Receiver’s Distribution Of Assets To The Investors**
12 **Of Copeland Properties 18, L.P.; And (2) Authorizing Termination And**
13 **Cancellation Of Copeland Properties 18, L.P. As An Entity (“Stephens’s**
14 **Declaration”)**
15

16
17 A. Stephens’s Declaration, page 5, Ins. 22 through 26, which reads as
18 follows: “Before the Motion was filed, my firm’s billing records show no fewer
19 than 60 billing entries relating to communications with Messrs. Ziprick, Brubacher,
20 and Peterson during 2013 alone. There has been the need to meet with only one
21 other attorney concerning Receivership matters during the entire time this firm has
22 been counsel for the Receiver.” Dr. Bricker objects to the foregoing portion of the
23 Declaration on the following grounds: (1) violates the best evidence rule, F.R.
24 Evid. 1002; and (2) relevance, F.R. Evid. 401.
25
26
27
28

1 B. Stephens's Declaration, page 7, lns. 1 through 5, which reads as
2 follows: "Whether the funds were used by CP3 to buy a partnership interest or to
3 make a loan makes no difference to the Receivership because the asset was
4 immediately transferred into CP18 partnership interests for the Opposing Parties
5 and to CRI to eliminate a debt owned by CP3 to CRI." Dr. Bricker objects to the
6 foregoing portion of the Declaration on the ground that it lacks foundation because
7 Mr. Stephens has no personal knowledge of these facts, F.R. Evid. 602.
8
9
10

11 C. Stephens's Declaration, page 7, lns. 6 through 11, which reads as
12 follows: "Opposing Parties largely repeat their arguments made in support of Tri
13 Tool's motion for modification of the stay in which both Opposing Partners and
14 Bricker joined. The Court denied the motion, because among other things their
15 claims appear to be time barred. A copy of the Transcript of the 8/19/13 hearing is
16 attached hereto as Exhibit 9, as is incorporated herein." Dr. Bricker objects to the
17 foregoing portion of the Declaration on the following grounds: (1) violates the
18 best evidence rule, F.R. Evid. 1002; (2) relevance, F.R. Evid. 401; and (3)
19 misstates the record.
20
21
22
23

24 Dated: October 7, 2013

MUNDELL, ODLUM & HAWS, LLP
MARSHALL BRUBACHER

25
26
27 By: /s/ Marshall Brubacher
Marshall Brubacher
Attorneys for Objecting Limited
28 Partner Neal Bricker, M.D.