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10 Attorneys for Receiver
KRISTA L. FREITAG

11
12 **UNITED STATES DISTRICT COURT**
13 **SOUTHERN DISTRICT OF CALIFORNIA**
14 **SOUTHERN DIVISION**

15 Consumer Financial Protection Bureau
and Maria T. Vullo, Acting
16 Superintendent of Financial Services of
the State of New York,

17 Plaintiffs,

18 v.

19 Pension Funding, LLC; Pension
20 Income, LLC; Steven Covey; Edwin
Lichtig; and Rex Hofelter,

21 Defendants.
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25
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27
28

Case No. 8:15-cv-1329

**SECOND INTERIM FEE
APPLICATION OF ALLEN
MATKINS LECK GAMBLE
MALLORY & NATSIS LLP,
GENERAL COUNSEL TO THE
RECEIVER FOR PAYMENT OF
FEES AND REIMBURSEMENT OF
EXPENSES**

Date: September 30, 2016
Time: 2:30 p.m.
Ct. No.: 10A
Judge: Hon. Josephine L. Staton

1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"),
 2 general counsel to Krista L. Freitag ("Receiver"), the Court-appointed receiver for
 3 Defendants Pension Funding, LLC, Pension Income, LLC, and their subsidiaries,
 4 affiliates, and successors-in-interest (collectively, "Receivership Entities"), hereby
 5 submits this first interim application for approval and payment of fees and
 6 reimbursement of expenses ("Application"). This Application covers the period
 7 from April 1, 2016, through June 30, 2016 ("Second Application Period"), and seeks
 8 interim approval of \$30,655.35 in fees and \$600.06 in expenses, and an order
 9 authorizing the Receiver to pay, on an interim basis, 80% of the fees incurred
 10 (\$24,524.28) and 100% of expenses incurred. As it has throughout this case, Allen
 11 Matkins has discounted its customary hourly rates by 10%.

12 I. INTRODUCTION

13 This equity receivership arises from the Complaint for Violations of the
 14 Consumer Financial Protection Act and New York Banking and Financial Services
 15 Laws ("Complaint") (Dkt. No. 1) filed on August 20, 2015, by the Consumer
 16 Financial Protection Bureau ("Bureau") and Superintendent of Financial Services of
 17 the State of New York ("Superintendent"). On or about January 8, 2016, pursuant to
 18 the Court's Order Entering Stipulated Preliminary Injunction, Appointment of a
 19 Receiver, and Related Matters ("Appointment Order"), the Receiver took control of
 20 the Receivership Entities, their books and records, bank accounts, and assets.

21 The Appointment Order confers full powers of an equity receiver, including
 22 full power over all funds, assets, books, records, and other real or personal property
 23 of the Receivership Entities, and including all funds and assets transferred from
 24 Pension Funding, LLC or Pension Income, LLC to entities controlled or managed by
 25 Edwin Lichtig or Rex Hofelter, including PGR, LLC. The Appointment Order also
 26 authorizes the Receiver to "engage and employ attorneys, accountants, and other
 27 persons" to assist her in the performance of her duties. Dkt. No. 61, Section III(C).

28

The Receiver promptly determined that her experienced staff at E3 Realty Advisors, Inc., dba E3 Advisors ("E3"), as well as experienced, qualified counsel was critical due to the number of people involved, the transactional volume, and complex issues facing the receivership estate. Accordingly, the Receiver has cost-effectively used her team at E3 to assist in carrying out receivership duties and engaged Allen Matkins to act as her counsel.

In an abundance of caution, the Receiver sought specific Court approval of Allen Matkins' employment, which was granted as reflected in the minutes of the hearing on April 13, 2016. Dkt. Nos. 71, 86. The Court also approved the Receiver's proposal to file reports and fee applications on a quarterly basis. *Id.*

II. FEE APPLICATION

This fee application should be read in conjunction with the Receiver's Second Interim Report ("Second Report") filed on July 29, 2016 (Dkt. No. 100), which describes in detail the Receiver's activities during the Second Application Period. So as to avoid repetition, references are made to relevant portions of the Second Report in the below descriptions of Allen Matkins' work.

This Application seeks interim approval of \$30,655.35 in fees for a total of 61.7 hours worked, and payment on an interim basis of 80% of that amount, or \$24,524.28. The work performed is described task-by-task on Exhibit A and is broken down into the following categories:

Category	Hours	Amount
General Receivership	12.00	\$5,962.95
Asset Investigation	35.30	\$17,694.00
Reporting	7.10	\$3,450.60
Claims & Distributions	1.70	\$826.20
Pending Litigation	1.40	\$680.40
Employment/Fees	4.20	\$2,041.20
Total Fees	61.70	\$30,655.35

Allen Matkins has worked diligently and efficiently to assist the Receiver with urgent legal issues facing the receivership estate. The firm's work has allowed the Receiver to preserve and protect the substantial value of receivership estate assets, including approximately \$2.1 million in cash, a \$1.1 million participating interest in a commercial real estate loan, as well as pension payments owed by pensioners. Allen Matkins' work has assisted the Receiver in carrying out her Court-ordered duties and the firm should be compensated on an interim basis.

III. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED

A. Categories and Descriptions of Work

1. General Receivership

Allen Matkins' work in this category focused on analyzing issues raised by the bankruptcy case of Defendant Edwin Lichtig. On March 1, 2016, Mr. Lichtig filed a Chapter 13 bankruptcy petition in the Northern District of California in an effort to discharge his \$282,000 obligation to the receivership estate pursuant to the Court-approved stipulated final judgment entered on February 10, 2016. Dkt. No. 69. Allen Matkins assisted the Receiver in reviewing key documents, analyzing issues raised by the bankruptcy, conferring with counsel for the plaintiffs, and developing a strategy to protect the receivership estate's interests. The bankruptcy case was later dismissed on April 20, 2016.

Additionally, with respect to the Motion for Order in Aid of Receivership (Dkt. No. 71), the hearing for which was continued by the Court *sua sponte* from April 1, 2016. to April 8, 2016, Allen Matkins contacted the Court and the parties concerning a scheduling conflict on April 8, 2016, and prepared and filed a stipulation to continue the hearing. The stipulation was approved and the hearing was moved to April 13, 2016. Edward Fates of Allen Matkins attended the April 13, 2016 hearing, along with the Receiver, at which time the motion was granted with one modification regarding filing a schedule of known creditors. The reasonable and necessary fees for Allen Matkins' work in this category total \$5,962.95.

1 2. Asset Investigation

2 Allen Matkins' time in this category focused on protecting the receivership
3 estate's interests with respect to bankruptcy cases filed by pensioners. This included
4 reviewing and analyzing pensioner agreements and drafting a detailed explanation
5 of the pension advance transactions in support of the necessary proofs of claim,
6 which were filed in the applicable bankruptcy cases. Much of this work is non-
7 recurring as it involved developing a proof of claim template describing the details
8 of the pension advance transactions, which has since been used in other pensioner
9 bankruptcy cases and has reduced the fees incurred in connection with those
10 matters. Allen Matkins also monitored the bankruptcy cases and corresponded with
11 the bankruptcy courts and bankruptcy trustees as necessary to ensure proper receipt
12 and acceptance of the proofs of claim and to address developments in the
13 bankruptcy cases.

14 In addition, Allen Matkins assisted the Receiver in preparing and issuing
15 subpoenas for documents necessary for her investigation and accounting, including
16 following up with subpoena recipients to ensure compliance and reviewing
17 documents received. Finally, the firm assisted in investigating transfers from the
18 Receivership Entities to Mr. Lichtig's retirement accounts and evaluating potential
19 claims relating to such transfers. The reasonable and necessary fees for work in this
20 category total \$17,694.00.

21 3. Reporting

22 Allen Matkins' time in this category focused preparing the Receiver's First
23 Interim Report, which was filed on April 29, 2016. Dkt. No. 87. The First Interim
24 Report contains a detailed description of the Receiver's activities during the first
25 quarter of 2016, including cash recovered, the takeover of the Receivership Entities'
26 operations, books and records, and assets, interviews with employees and witnesses,
27 an initial analysis of assets, compliance with 28 U.S.C. § 754, investor
28 communications, the Lightig bankruptcy, and post-receivership receipts and

1 disbursements. The report also includes the Receiver's initial recommendations for
2 the continued administration of the receivership estate. Finally, initial work on the
3 Receiver's Second Interim Report was also performed in late June 2016. The
4 reasonable and necessary fees for work in this category total \$3,450.60.

5 4. Claims and Distributions

6 Allen Matkins' time in this category focused on responding to specific
7 inquiries from investors concerning their claims, distributions, and other issues
8 related to the receivership. The firm also helped the Receiver draft Frequently
9 Asked Questions for the receivership website to address common questions from
10 investors. The reasonable and necessary fees for work in this category total
11 \$826.20.

12 5. Pending Litigation

13 Prior to the receivership, the Receivership Entities had sued a pensioner in
14 state court to collect an amount owed under his pension advance contract. Allen
15 Matkins assisted the Receiver in reviewing the litigation, communicating with
16 counsel that had been retained by the Receivership Entities to prosecute the case,
17 and in dismissing the case without prejudice to later pursuing collection in a
18 separate action. The reasonable and necessary fees for work in this category total
19 \$680.40.

20 6. Employment/Fees

21 Allen Matkins time in this category focuses on preparing the First Interim Fee
22 Applications of the Receiver and Allen Matkins, as required by the Court's Local
23 Rules (L.R. 66-7(f)) and the Appointment Order (Dkt. No. 61, Section VIII). The
24 First Interim Fee Applications were filed on May 11, 2016 (Dkt. Nos. 88, 89) and
25 granted by the Court on July 7, 2016 (Dkt. No. 95). Time spent preparing required
26 fee applications has been held to be compensable time. *See In re Nucorp*
27 *Energy, Inc.*, 764 F.2d 655, 662 (9th Cir. 1985). The reasonable and necessary fees
28 for work in this category total \$2,041.20.

B. Summary of Expenses Requested for Reimbursement

Allen Matkins requests the Court approve reimbursement of \$600.06 in out-of-pocket costs. The itemization of such expenses is summarized below by category. The majority of the expenses incurred relate to the issuance and service of subpoenas, payments for documents produced, and the 28 U.S.C. § 754 filings noted above. As explained above, Allen Matkins issued eight subpoenas to banks, financial institutions, and other third parties to obtain documents necessary to the Receiver's investigation and accounting. Each of these subpoenas required proper service. The total for costs incurred by Allen Matkins during the Application Period is \$2,057.79 and is broken down by category as follows:

Category	Total
Legal Research (Lexis, Pacer, etc.)	\$35.20
Service of Process	288.25
Subpoena Document Production Costs	108.00
Messenger Fees	83.09
Word Processing	27.00
Duplication/Postage	58.52
TOTAL	\$ 600.06

**IV. THE FEES AND COSTS ARE REASONABLE
AND SHOULD BE ALLOWED**

"As a general rule, the expenses and fees of a receivership are a charge upon the property administered." *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994). These expenses include the fees and expenses of this Receiver and his professionals, including Allen Matkins. Decisions regarding the timing and amount of an award of fees and costs to the Receiver and his Professionals are committed to the sound discretion of the Court. See *SEC v. Elliot*, 953 F.2d 1560, 1577 (11th Cir. 1992) (rev'd in part on other grounds, 998 F.2d 922 (11th Cir. 1993)).

In allowing fees, a court should consider "the time, labor and skill required, but not necessarily that actually expended, in the proper performance of the duties

1 imposed by the court upon the receiver[], the fair value of such time, labor and skill
2 measured by conservative business standards, the degree of activity, integrity and
3 dispatch with which the work is conducted and the result obtained." *United States v.*
4 *Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks
5 omitted). In practical terms, receiver and professional compensation thus ultimately
6 rests upon the result of an equitable, multi-factor balancing test involving the
7 "economy of administration, the burden that the estate may be able to bear, the
8 amount of time required, although not necessarily expended, and the overall value of
9 the services to the estate." *In re Imperial 400 Nat'l, Inc.*, 432 F.2d 232, 237 (3d Cir.
10 1970). Regardless of how this balancing test is formulated, no single factor is
11 determinative and "a reasonable fee is based [upon] all circumstances surrounding
12 the receivership." *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*,
13 374 F. Supp. 465, 480 (S.D. Tex. 1974).

14 As a preliminary matter, the Appointment Order confers on the Receiver
15 substantial duties and powers, including to conduct such investigation and discovery
16 as is necessary to locate and account for all receivership assets, take such action as is
17 necessary and appropriate to assume control over and preserve receivership assets,
18 and employ attorneys and others to investigate and, where appropriate, institute,
19 pursue, and prosecute all claims and causes of action of whatever kind and nature.
20 See Appointment Order, Section III.

21 The Receiver promptly determined that experienced, qualified counsel was
22 necessary due to the size and complexity of the receivership estate and the Court
23 agreed, specifically approving Allen Matkins' employment. Dkt. No. 86. The Court
24 also approved the Receiver's proposal to file interim reports and fee applications on
25 a quarterly basis. *Id.*

26 Allen Matkins has submitted a detailed fee application which describes the
27 nature of the services rendered, and the identity and billing rate of each individual
28 performing each task. *See* Exhibit A. Allen Matkins has endeavored to staff matters

1 as efficiently as possible while remaining cognizant of the complexity of issues.
 2 The request for fees is based on Allen Matkins' customary billing rates charged for
 3 comparable services provided in other matters, less a 10% discount.

4 The work performed by Allen Matkins was essential to carrying out the
 5 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked
 6 diligently since the Receiver's appointment to preserve and protect the assets of the
 7 receivership estate, to investigate and recover sums transferred to third parties, and
 8 to maximize the funds available for ultimate distribution to investors. Moreover,
 9 Allen Matkins seeks payment of only 80% of fees incurred on an interim basis in
 10 recognition of the fact that its work in assisting the Receiver is ongoing. Payment of
 11 the proposed 20% holdback will be sought at the conclusion of the receivership.
 12 Allen Matkins' fees are fair and reasonable and should be approved and paid on an
 13 interim basis.

14 V. CONCLUSION

15 Allen Matkins therefore respectfully requests this Court enter an Order:

- 16 1. Approving Allen Matkins' fees, on an interim basis, of \$30,655.35;
- 17 2. Authorizing and directing the Receiver to pay 80% of approved fees, or
 18 \$24,524.28, from the assets of the Receivership Entities;
- 19 3. Approving Allen Matkins' costs in the amount of \$600.06 and
 20 authorizing and directing the Receiver to reimburse such costs in full; and
- 21 4. For such other and further relief as the Court deems appropriate.

22
 23 Dated: September 2, 2016

ALLEN MATKINS LECK GAMBLE
 MALLORY & NATSIS LLP

24
 25 By: /s/ Edward Fates

26 EDWARD G. FATES
 Attorneys for Receiver
 KRISTA L. FREITAG
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EXHIBIT A

08/04/16 13:56:42 PROFORMA STATEMENT FOR MATTER 375579-00002 (Krista Freitag, as Receiver for Pension Funding LLC and) (General Receivership)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00002

Matter Name: General Receivership

Date of Last Billing: 07-11-2016

Client Name: Krista Freitag, as Receiver for Pension Funding LLC and

Proforma Number 1278475

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00002 (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/01/16	6826198	Calls and emails with court clerk, Receiver, and counsel for CFPB and New York Superintendent regarding potential rescheduling of April 8 hearing.	Fates, Edward	0.5	243.00	243.00
04/04/16	6826389	Review declaration filed in E. Lichtig bankruptcy and assess status and deadlines in bankruptcy case (.2); communications with deputy clerk, counsel for CFPB, counsel for NY DFS, and R. Hofelter about continuance of April 8 hearing date (.8); work on stipulation and order regarding continuance (.3).	Fates, Edward	1.3	631.80	874.80
04/04/16	6826378	Review status of chapter 13 bankruptcy of Lichtig and schedules (.2); review case deadlines in chapter 13 case (.1); draft memo re same (.1).	Kim, Yale	0.4	207.00	1,081.80
04/05/16	6827989	Prepare joint stipulation and supporting declaration regarding continuance of April 8 hearing and circulate same to parties for signature (.8); calls and emails with counsel for CFPB and NY DFS regarding E.	Fates, Edward	1.3	631.80	1,713.60

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Lichtig bankruptcy issues (.5).				
04/05/16	6828166	Review chapter 13 plan (.1); review status of plan confirmation process (.1).	Kim, Yale	0.2	103.50	1,817.10
04/06/16	6829946	Discuss information needed for April 13 hearing with Receiver.	Fates, Edward	0.2	97.20	1,914.30
04/07/16	6830772	Review CFPB's objection to confirmation of E. Lichtig's chapter 13 plan (.2); communications with deputy clerk regarding order rescheduling hearing (.1).	Fates, Edward	0.3	145.80	2,060.10
04/07/16	6830610	Review CFPB objection to chapter 13 plan confirmation (.2); review docket re CFPB enforcement action (.1); review stipulated final judgment and order re debtor Lichtig (.1); review status of meeting of creditors (.1).	Kim, Yale	0.5	258.75	2,318.85
04/08/16	6831957	Review communication from E. Lichtig regarding payment and dismissal of bankruptcy and communications with counsel for CFPB regarding same (.4); communications with counsel for E. Lichtig regarding same (.1).	Fates, Edward	0.5	243.00	2,561.85
04/09/16	6832903	Review notice of plan confirmation hearing for 5/17 (.1); review confirmation of conclusion of meeting of creditors (.1).	Kim, Yale	0.2	103.50	2,665.35
04/11/16	6834016	Discuss information for April 13 hearing with Receiver (.3); review status of E. Lichtig's bankruptcy, plan confirmation hearing, and objections to confirmation (.2); call with CFPB's	Fates, Edward	0.8	388.80	3,054.15

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		counsel regarding E. Lichtig's bankruptcy and judgment payment issues (.3).				
04/11/16	6833293	Review status of deadline for objection to claim exemptions (.1); review status of chapter 13 trustee objection to plan confirmation (.1); review timeline for plan confirmation objection and hearing (.1).	Kim, Yale	0.3	155.25	3,209.40
04/13/16	6838705	Call with counsel related to court hearing on the Receiver motion in aid of receivership, address next steps, loan servicing/recovery strategy (.3).	Zaro, David	0.3	201.15	3,410.55
04/13/16	6836071	Review pleadings and documents in preparation for hearing on motion for order in aid (.2); discuss information for same with Receiver (.2); call with E. Lichtig's bankruptcy counsel (.1); advise CFPB's counsel regarding same (.1); attend hearing on motion for order in aid of receivership (.6); travel to and from hearing (2.9).	Fates, Edward	4.1	1,992.60	5,403.15
04/13/16	6836002	Review motion to dismiss chapter 13 case, declaration, and notice.	Kim, Yale	0.2	103.50	5,506.65
04/20/16	6842220	Review expiration of time to respond to object to motion to dismiss Lichtig bankruptcy case (.1); review status of chapter 13 case (.1).	Kim, Yale	0.2	103.50	5,610.15
04/22/16	6859730	Review order of dismissal of Lichtig chapter 13 case (.1); draft memo re confirmation of dismissal (.1).	Kim, Yale	0.2	103.50	5,713.65
04/25/16	6845271	Communications with CFPB's counsel regarding E. Lichtig payoff of	Fates, Edward	0.2	97.20	5,810.85

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		judgment.				
05/12/16	6865114	Review rescheduling of confirmation hearing in Atkins to 6/28.	Kim, Yale	0.2	103.50	5,914.35
06/09/16	6890846	Review declaration of C. Christopher in support of CFPB's request for default judgment against S. Covey.	Fates, Edward	0.1	48.60	5,962.95

Disbursements for Matter 375579-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt
04/05/16	2220429	Messenger - - Federal Express Invoice No: 537765300 1665 Ship To: Hon Josephine L Staton	1.00	10.78
04/07/16	2221655	Document Search Pacer Service 01/01/2016-03/31/2016^2505376-Q120	1.00	0.90
04/07/16	2221656	Document Search Pacer Service 01/01/2016-03/31/2016^2505376-Q120	1.00	3.40
04/07/16	2221657	Document Search Pacer Service 01/01/2016-03/31/2016^2505376-Q120	1.00	16.20
04/07/16	2221745	Document Search Pacer Service 01/01/2016-03/31/2016^4406104-Q120	1.00	3.80
04/07/16	2221746	Document Search Pacer Service 01/01/2016-03/31/2016^4406104-Q120	1.00	7.90
04/07/16	2227962	Production of Documents - - Wells Fargo Bank - Re: Consumer Financial Protection Bureau et al. vs. Ly	1.00	108.00
04/28/16	2227388	Text Editing ^Create/Edit/Revise Word Documents ` TED FATES - FIX CORRUPT DOC - RECEIVER's FIRST INTERIM REPORT. SD-841947 USER DEFINED 1: 001665	0.50	15.00
05/09/16	2229747	Text Editing ^Create/Edit/Revise Excel Spreadsheets USER DEFINED 1: 002055	0.40	12.00

Trans Date	Index	Type	Quantity	Amt
05/11/16	2229219	Duplication	140.00	26.60
05/11/16	2231134	Messenger - - Federal Express Invoice No: 542312371 1665 Ship To: Hon Josephine L Staton	1.00	11.25
05/11/16	2231416	Service of Process - - Nationwide - SOUTH COUNTY BANK ^ 143572 SERVE ASAP	1.00	173.25
05/11/16	2231417	Service of Process - - Nationwide - JP MORGAN CHASE BANK ^ 143572 SERVE ASAP	1.00	115.00
05/27/16	2236643	Messenger - - Federal Express Invoice No: 543752004 Paid to: 1665 Ship To: Hon Josephine L Staton	1.00	10.82
06/07/16	2237600	Messenger - - Federal Express Invoice No: 544461557 1938 Ship To: Court Clerk	1.00	32.36
06/07/16	2239085	Duplication	168.00	31.92
06/20/16	2244955	Messenger - - Federal Express Invoice No: 545962810 1938 Ship To: Court Clerk s Office	1.00	17.88
06/30/16	2247818	Document Search - - Pacer Service 04/01/2016- 06/30/2016^2505376	1.00	3.00

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	0.3	670.50	201.15
001665	Edward Fates	9.3	486.00	4,519.80
001938	Yale Kim	2.4	517.50	1,242.00
		<hr/> 12.0		<hr/> 5,962.95
Total Fees				5,962.95
Total Disbursements				600.06

08/04/16 13:56:42 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation) #1613

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00003

Matter Name: Asset Investigation

Date of Last Billing: 07-11-2016

Client Name: Krista Freitag, as Receiver for Pension Funding LLC and

Proforma Number 1278476

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00003 (Asset Investigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/01/16	6851418	Correspondence and calls with LeBeau-Thelen re: production of documents (0.3).	Hsu, Tim	0.3	113.40	113.40
04/04/16	6854140	Review production of records from T.Feher (0.2).	Hsu, Tim	0.2	75.60	189.00
04/05/16	6829641	Review/evaluate the approach to investors/borrowers, report to the Court, advice to counsel re Receiver's approach to servicing (.4).	Zaro, David	0.4	268.20	457.20
04/13/16	6837008	Discuss investigation and potential claims against E. Lichtig with Receiver and CFPB's counsel.	Fates, Edward	0.3	145.80	603.00
04/15/16	6839171	Discuss pensioner bankruptcy and strategy for addressing same with Receiver.	Fates, Edward	0.4	194.40	797.40
04/18/16	6839929	Review status of Stewart Salisbury bankruptcy in Northern District of Illinois (.2); review bankruptcy plan and schedules (.3); draft memo re review of chapter 13 claims and receivership claim in case (.2); review status of James Atkins bankruptcy in District of New Jersey (.2); review	Kim, Yale	1.4	724.50	1,521.90

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		bankruptcy plan and schedules (.3); draft memo re review of chapter 13 claims and receivership claim in case (.2).				
04/20/16	6842691	Review bankruptcy pleadings and chapter 13 status of loan obligor Stewart Salisbury (.4); review bankruptcy pleadings and chapter 13 status of loan obligor James and Sherry Atkins (.4).	Kim, Yale	0.8	414.00	1,935.90
04/21/16	6843689	Telephone call with Courtroom Deputy re plan confirmation objection for In re Stewart Salisbury case (.1); review statuses of chapter 13 plan confirmation process for Salisbury and Atkins cases (.2).	Kim, Yale	0.3	155.25	2,091.15
04/22/16	6844849	Review status of Atkins bankruptcy case (.1).	Kim, Yale	0.1	51.75	2,142.90
04/25/16	6845941	Discuss potential claims regarding E. Lichtig's retirement account with Receiver and strategy regarding Lynk Capital.	Fates, Edward	0.2	97.20	2,240.10
04/26/16	6846730	Review status of Atkins chapter 13 case and claims register (.1); review Atkins amended chapter 13 plan (.1); review status of Salisbury chapter 13 case and claims register (.1); review amended schedules and chapter 13 plan in Salisbury case (.2).	Kim, Yale	0.5	258.75	2,498.85
04/27/16	6848134	Attention to status and strategy regarding pensioners Atkins and Salisbury bankruptcy cases, discuss same with Receiver	Fates, Edward	0.3	145.80	2,644.65

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/27/16	6848129	Draft evaluation memos for Atkins and Salisbury bankruptcy cases and status of distributions for general unsecured creditors in chapter 13 cases (.5); review plans in both cases (.2); review memo with Krista Freitag re conference to discuss status of bankruptcy cases (.1).	Kim, Yale	0.8	414.00	3,058.65
04/29/16	6850367	Review status of chapter 13 cases for loan obligors and debtors Atkins and Salisbury.	Kim, Yale	0.2	103.50	3,162.15
05/04/16	6856506	Review status of receivership claims against Atkins and Salisbury in chapter 13 cases and preparation of proofs of claim.	Kim, Yale	0.2	103.50	3,265.65
05/05/16	6857474	Review chapter 13 dockets for status of chapter 13 cases of pensioners Salisbury and Atkins (.2); correspond with Krista Freitag re information for preparation of proofs of claim (.2); review issue re preparation of proofs of claim for cases and claim bar dates (.1).	Kim, Yale	0.5	258.75	3,524.40
05/06/16	6859071	Review issue re claims against pensioners for loan obligations and setoff for loan repayment in pensioner bankruptcy cases.	Kim, Yale	0.3	155.25	3,679.65
05/09/16	6860668	Work on subpoenas needed for power of attorney accounts and accounting records.	Fates, Edward	0.4	194.40	3,874.05
05/09/16	6860387	Review status of Atkins and Salisbury pensioner bankruptcies and plan confirmation processes (.1); review	Kim, Yale	0.4	207.00	4,081.05

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		notice of adjournment of plan confirmation hearing in Atkins bankruptcy to 6/8 (.1); review Salisbury amended schedules E and F and modified chapter 13 plan dated 5/5/16 (.2).				
05/09/16	6877575	Correspondence with Receiver's staff re: required subpoenas for JPMorgan and South County Bank (0.3); Prepare subpoenas for the same (0.4).	Hsu, Tim	0.7	264.60	4,345.65
05/10/16	6862045	Discuss subpoenas with Receiver and revise same.	Fates, Edward	0.3	145.80	4,491.45
05/10/16	6877597	Revise subpoenas to JPMorgan and South County Bank and correspondence with Receiver's staff re: the same (0.4).	Hsu, Tim	0.4	151.20	4,642.65
05/11/16	6876018	Correspondence with Receiver's staff re: subpoenas for investor records (0.2).	Hsu, Tim	0.2	75.60	4,718.25
05/13/16	6866029	Draft proof of claim form for Salisbury bankruptcy case (.2); review points and authorities in support of application for preliminary injunction and appointment of receiver (.4).	Kim, Yale	0.6	310.50	5,028.75
05/16/16	6866728	Review order confirming chapter 13 plan in Salisbury case (.1); review amended chapter 13 plan for Salisbury (.1); draft memo to Krista Freitag re accounting status for proofs of claim (.1); review CFPB complaint and points and authorities for appointment of receiver (1.1); draft	Kim, Yale	3.6	1,863.00	6,891.75

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		attachment to proofs of claim (2.2).				
05/17/16	6868818	Review status of Atkins chapter 13 case and plan confirmation process (.2); draft memo to Krista Freitag re proof of claim information for receivership estate claim in Atkins case (.1).	Kim, Yale	0.3	155.25	7,047.00
05/18/16	6869737	Advise regarding preparation of proofs of claim and attachments for pensioner Atkins and Salisbury bankruptcy cases.	Fates, Edward	0.5	243.00	7,290.00
05/18/16	6869348	Review memos from Krista Freitag re pension obligations for Atkins and Salibury (.2); review buyer-pensioner purchase contracts and master purchase agreements for Atkins and Salisbury (2.2); review amounts to claim against pensioners based on lump-sum advance and receivership standing to assert claim against pensioners (.8).	Kim, Yale	3.2	1,656.00	8,946.00
05/19/16	6870272	Draft attachment for proof of claim for Atkins case for pension claims (1.5); review transaction structure for pension stream purchase and lump-sum cash payment (1.2); review master agreement and buyer-pensioner purchase agreement (.2).	Kim, Yale	2.9	1,500.75	10,446.75
05/20/16	6872136	Revisions to attachment to proof of claims for Atkins bankruptcy.	Fates, Edward	0.6	291.60	10,738.35
05/20/16	6871567	Revise proof of claim attachment for Atkins (.2); draft proof of claim attachment for Salisbury (1.2); review buyer purchase agreement for	Kim, Yale	1.8	931.50	11,669.85

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Salisbury (.2); draft proof of claim form for Salisbury (.2).				
05/23/16	6872751	Revise attachment for proof of claim for Atkins (.4); assemble exhibits for Atkins proof of claim (.5); review 1/18/16 order appointing receiver (.1); revise attachment for proof of claim for Salisbury (.4); assemble exhibits for Salisbury proof of claim (.4); review 2/10/16 receivership order (.1); review bankruptcy dockets for Atkins and Salisbury cases (.2); draft memo to Krista Freitag re draft proofs of claim (.1).	Kim, Yale	2.2	1,138.50	12,808.35
05/23/16	6876081	Correspondence and fax to JPMorgan re: subpoena for records (0.5).	Hsu, Tim	0.5	189.00	12,997.35
05/25/16	6875242	Correspond with Krista Freitag re review of Atkins/Salisbury draft proofs of claim (.2); review Atkins/Salisbury proofs of claim (.2).	Kim, Yale	0.4	207.00	13,204.35
05/27/16	6879494	Discuss proofs of claim in pensioner bankruptcy cases with Receiver.	Fates, Edward	0.3	145.80	13,350.15
05/27/16	6879277	Review status of Salisbury and Atkins chapter 13 cases (.2); review memo from Krista Freitag re approval of proofs of claim (.1).	Kim, Yale	0.3	155.25	13,505.40
05/27/16	6882722	Correspondence with Chase re: subpoena and confer with Receiver's staff re: the same (0.4).	Hsu, Tim	0.4	151.20	13,656.60
05/31/16	6879967	Correspond with Krista Freitag re proofs of claim review and approval (.2); review Atkins/Salisbury proofs of	Kim, Yale	0.7	362.25	14,018.85

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		claim (.2); review trustee objection to plan confirmation in Atkins case (.1); finalize and file proofs of claim (.2).				
06/01/16	6882969	Review claims registers for Atkins and Salisbury chapter 13 bankruptcy cases.	Kim, Yale	0.2	103.50	14,122.35
06/02/16	6883678	Discuss accounting and document subpoena issues with Receiver and follow up regarding subpoena production timing.	Fates, Edward	0.4	194.40	14,316.75
06/02/16	6883649	Finalize proofs of claim for Atkins and Salisbury bankruptcy cases (.4); draft memo to Krista Freitag re same (.1).	Kim, Yale	0.5	258.75	14,575.50
06/02/16	6907933	Call to JPMorgan re: outstanding subpoena (0.2).	Hsu, Tim	0.2	75.60	14,651.10
06/06/16	6887039	Finalize proof of claim for Atkins pensioner bankruptcy (.2); review status of Atkins plan confirmation process (.1); draft letter to court clerk re filing of Atkins proof of claim (.1).	Kim, Yale	0.4	207.00	14,858.10
06/07/16	6888061	Finalize and file proof of claim for Salisbury pensioner bankruptcy case.	Kim, Yale	0.5	258.75	15,116.85
06/08/16	6889391	Review status of filing of proof of claim for Atkins case (.1); review docket and claims register for Atkins case (.1); review amended debtors' schedules A/B (.1); review claims register for Salisbury pensioner bankruptcy case (.1).	Kim, Yale	0.4	207.00	15,323.85
06/09/16	6890445	Review Atkins claims register re confirmation of filing of proof of claim (.1); review filed proof of claim in	Kim, Yale	0.3	155.25	15,479.10

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Atkins case (.1); draft memo to Krista Freitag re filed proofs of claim (.1).				
06/10/16	6891316	Discuss subpoena and Chase documents with Receiver, timing of production of records, and follow up regarding same.	Fates, Edward	0.3	145.80	15,624.90
06/10/16	6907965	Further communciation to JPMorgan for subpoena for records (0.2).	Hsu, Tim	0.2	75.60	15,700.50
06/14/16	6893265	Work on Chase subpoena and document production issues and correspondence to Chase regarding same (.3); advise Receiver regarding status (.1).	Fates, Edward	0.4	194.40	15,894.90
06/14/16	6910195	Review notes re: correspondences to JPMorgan for outstanding subpoena and prepare fax to JPMorgan (0.3).	Hsu, Tim	0.3	113.40	16,008.30
06/15/16	6895534	Follow up regarding Chase subpoena and documents.	Fates, Edward	0.1	48.60	16,056.90
06/15/16	6895264	Review bankruptcy filings and plan confirmation process for Atkins and Salisbury pensioner cases.	Kim, Yale	0.2	103.50	16,160.40
06/16/16	6896377	Discuss timing and status regarding Chase document production and potential request to extend deadline to file schedule of investor claims with Receiver.	Fates, Edward	0.2	97.20	16,257.60
06/17/16	6897038	Correspond with Krista Freitag re transmittal confirmation of original signatures for proofs of claim for Atkins and Salisbury pensioner bankruptcy cases.	Kim, Yale	0.2	103.50	16,361.10
06/20/16	6897876	Draft letter to US Bankruptcy Court,	Kim, Yale	0.7	362.25	16,723.35

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		District of New Jersey re original signature page of Krista Freitag (.1); review status of Atkins and Salisbury pensioner bankruptcy cases (.2); review chapter 13 modified plan filed 6/17 for Atkins (.2); review claims register for Atkins (.1); review claims register re proofs of claim filed in Salisbury case by claims bar date of 6/20 (.1).				
06/24/16	6903714	Review status of Atkins pensioner bankruptcy case and adjournment request of plan confirmation hearing to 8/6 (.2); review status of Salisbury chapter 13 case and case administration (.1); draft memo to Marilyn Marshall, chapter 13 trustee, re request for password access to review payments status under Salisbury confirmed plan (.1).	Kim, Yale	0.4	207.00	16,930.35
06/27/16	6904642	Correspond with Sandra Pillar of chapter 13 trustee office for Salisbury case re password access for plan payment information (.2); review filed proof of claim (.1).	Kim, Yale	0.3	155.25	17,085.60
06/28/16	6906155	Discuss investigation and potential claims against E. Lichtig with Receiver.	Fates, Edward	0.2	97.20	17,182.80
06/28/16	6906194	Correspond with Krista Freitag re Salisbury disputing receiver proof of claim amount.	Kim, Yale	0.2	103.50	17,286.30
06/29/16	6907346	Advise on issues affecting claim in pensioner Salisbury bankruptcy case.	Fates, Edward	0.2	97.20	17,383.50

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
06/29/16	6907343	Correspond with Krista Freitag re status of Salisbury proof of claim for pension stream payments (.2); review right to pension stream payments from pensioner (.1).	Kim, Yale	0.3	155.25	17,538.75
06/30/16	6909184	Telephone call with David Cutler re proof of claim for CFPB receiver in Salisbury case (.1); review status of plan payments for confirmed plan in Salisbury (.1); review status of Atkins chapter 13 case (.1).	Kim, Yale	0.3	155.25	17,694.00

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	0.4	670.50	268.20
001665	Edward Fates	5.1	486.00	2,478.60
001938	Yale Kim	26.4	517.50	13,662.00
002055	Tim Hsu	3.4	378.00	1,285.20
		<hr/> 35.3		<hr/> 17,694.00
Total Fees				17,694.00
Total Disbursements				0.00

08/04/16 13:56:42 PROFORMA STATEMENT FOR MATTER 375579-00004 (Krista Freitag, as Receiver for Pension Funding LLC and) (Reporting)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00004

Matter Name: Reporting

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Pension Funding LLC and

Proforma Number 1278477

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/15/16	6839174	Discuss first interim report with Receiver.	Fates, Edward	0.2	97.20	97.20
04/25/16	6845940	Discuss First Interim Report with Receiver.	Fates, Edward	0.2	97.20	194.40
04/26/16	6846364	Work on First Interim Report (2.7); discuss same with Receiver (.4); meet and confer message regarding same to CFPB and New York's counsel (.1).	Fates, Edward	3.2	1,555.20	1,749.60
04/28/16	6849532	Meet and confer call with CFPB counsel regarding first interim report, revisions to same	Fates, Edward	0.4	194.40	1,944.00
04/29/16	6851085	Final revisions to First Interim Report and discuss same with Receiver.	Fates, Edward	0.5	243.00	2,187.00
06/28/16	6906150	Discuss preparation of Second Interim Report and schedule of known creditors with Receiver.	Fates, Edward	0.4	194.40	2,381.40
06/29/16	6906715	Work on Receiver's Second Interim Report.	Fates, Edward	1.4	680.40	3,061.80
06/30/16	6909135	Work on Receiver's Second Interim Report.	Fates, Edward	0.8	388.80	3,450.60

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	7.1	486.00	3,450.60
		<u>7.1</u>		<u>3,450.60</u>
Total Fees				3,450.60
Total Disbursements				0.00

08/04/16 13:56:42 PROFORMA STATEMENT FOR MATTER 375579-00006 (Krista Freitag, as Receiver for Pension Funding LLC and) (Claims & Distributions)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00006

Matter Name: Claims & Distributions

Date of Last Billing: 07-11-2016

Client Name: Krista Freitag, as Receiver for Pension Funding LLC and

Proforma Number 1278478

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00006 (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
05/24/16	6874314	Respond to inquiry from counsel for investor.	Fates, Edward	0.2	97.20	97.20
06/06/16	6886930	Respond to investor inquiries.	Fates, Edward	0.3	145.80	243.00
06/20/16	6897865	Discuss preparation of FAQs for investors/pensioners with Receiver (.2); work on FAQs (.5).	Fates, Edward	0.7	340.20	583.20
06/28/16	6906152	Discuss issues relating to accounting, schedule of known creditors, and court-ordered proposal for resolution of pension advance transactions with Receiver.	Fates, Edward	0.3	145.80	729.00
06/30/16	6909804	Advise regarding responses to investor inquiries.	Fates, Edward	0.2	97.20	826.20

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	1.7	486.00	826.20
		1.7		826.20
Total Fees				826.20
Total Disbursements				0.00

08/04/16 13:56:42 PROFORMA STATEMENT FOR MATTER 375579-00008 (Krista Freitag, as Receiver for Pension Funding LLC and) (Pending Litigation)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00008

Matter Name: Pending Litigation

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Pension Funding LLC and

Proforma Number 1278479

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00008 (Pending Litigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
05/20/16	6872143	Review pending case against pensioner, removal to federal court, answer, and remand back to state court (.2) discuss same with Receiver (.2)	Fates, Edward	0.4	194.40	194.40
05/31/16	6880694	Discuss pending collection case against pensioner B. Lee with former counsel for PF-PI and analyze issues regarding possible dismissal without prejudice (.6); discuss same with Receiver (.2).	Fates, Edward	0.8	388.80	583.20
06/02/16	6883439	Communications with Receiver and former counsel for PF-PI regarding dismissal of pending Orange County superior court collection action with out prejudice.	Fates, Edward	0.2	97.20	680.40

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	1.4	486.00	680.40
		<u>1.4</u>		<u>680.40</u>
Total Fees				680.40

Total Disbursements

0.00

08/04/16 13:56:42 PROFORMA STATEMENT FOR MATTER 375579-00009 (Krista Freitag, as Receiver for Pension Funding LLC and)
(Employment/Fees)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00009

Matter Name: Employment/Fees

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Pension Funding LLC and

Proforma Number 1278480

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00009 (Employment/Fees)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/29/16	6851087	Work on Receiver's first interim fee application.	Fates, Edward	0.6	291.60	291.60
05/02/16	6854957	Initial work on Allen Matkins first interim fee application (.2); work on Receiver's first interim fee application (.4).	Fates, Edward	0.6	291.60	583.20
05/04/16	6856003	Work on Receiver and Allen Matkins first interim fee applications.	Fates, Edward	1.8	874.80	1,458.00
05/05/16	6858762	Finalize Receiver and Allen Matkins' fee applications and send same to counsel for CFPB and New York DFS for meet and confer.	Fates, Edward	0.2	97.20	1,555.20
05/11/16	6862373	Communications with counsel for CFPB, NYAG and DFS regarding fee applications and finalize same.	Fates, Edward	0.5	243.00	1,798.20
05/26/16	6876657	Work on declaration regarding service of notice of hearing of fee applications on all known creditors per local rules (.4); discuss same with Receiver (.1).	Fates, Edward	0.5	243.00	2,041.20

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	4.2	486.00	2,041.20
		<u>4.2</u>		<u>2,041.20</u>
Total Fees				2,041.20
Total Disbursements				0.00