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11 Attorneys for Receiver
12 KRISTA L. FREITAG

13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA**
15 **SOUTHERN DIVISION**

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

19 Plaintiffs,

20 v.

21 Pension Funding, LLC; Pension
Income, LLC; Steven Covey; Edwin
22 Lichtig; and Rex Hofelter,

23 Defendants.
24
25
26
27
28

Case No. 8:15-cv-1329

**SEVENTH 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: January 26, 2018
Time: 2:30 p.m.
Ctrm.: 10A
Judge: Hon. Josephine L. Staton

1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"), general
2 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 seventh interim application for approval and payment of fees and
6 reimbursement of expenses ("Application"). This Application covers the period from
7 July 1, 2017, through September 30, 2017 ("Seventh Application Period"), and seeks
8 interim approval of \$22,736.70 in fees and \$387.83 in expenses, and an order
9 authorizing the Receiver to pay, on an interim basis, 80% of the fees incurred
10 (\$18,189.36) 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"). The Appointment Order confers full
18 powers of an equity receiver, including full power over all funds, assets, books,
19 records, and other real or personal property of the Receivership Entities, and
20 including all funds and assets transferred from Pension Funding, LLC or Pension
21 Income, LLC to entities controlled or managed by Edwin Lichtig or Rex Hofelter,
22 including PGR, LLC. The Appointment Order also authorizes the Receiver to
23 "engage and employ attorneys, accountants, and other persons" to assist her in the
24 performance of her duties. Dkt. No. 61, Section III(C).

25 The Receiver promptly determined that her experienced staff at E3 Realty
26 Advisors, Inc., dba E3 Advisors ("E3"), as well as experienced, qualified counsel
27 was critical due to the number of people involved, the transactional volume, and
28 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 Seventh Interim Report ("Seventh Report") filed on November 28, 2017 (Dkt. No. 158), which describes in detail the Receiver's activities during the Seventh Application Period. So as to avoid repetition, references are made to relevant portions of the interim reports, including the Seventh Report, in the below descriptions of Allen Matkins' work.

This Application seeks interim approval of \$22,736.70 in fees for a total of 50.10 hours worked and payment on an interim basis of 80% of that amount, or \$18,189.36. The work performed is described task-by-task on Exhibit A and is broken down into the following categories:

Category	Hours	Amount
Asset Investigation	12.40	\$6,885.90
Reporting	2.60	1,392.30
Operations & Asset Sales	.20	107.10
Claims & Distributions	3.70	1,981.35
Third Party Recoveries	27.40	10,335.15
Employment/Fees	3.80	2,034.90
Total Fees	50.10	\$22,736.70

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 \$2.2 million in cash, a \$1.1 million participating interest in

1 a commercial real estate loan, as well as pension payments owed by pensioners (the
 2 majority of which assets have now been liquidated and distributed to investors with
 3 allowed claims). Allen Matkins' work has assisted the Receiver in carrying out her
 4 Court-ordered duties and the firm should be compensated on an interim basis.

5 **III. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED**

6 **A. Categories and Descriptions of Work**

7 **1. Asset Investigation**

8 Allen Matkins' time in this category focused on protecting the receivership
 9 estate's interests with respect to the 35 pensioner contracts affected by bankruptcy
 10 cases and 11 pensioner contracts affected by settlements or default judgments. Allen
 11 Matkins continued monitoring the bankruptcy cases for status and payments to the
 12 Receivership Entities. This work included:

- 13 • Reviewing case dockets and key filings in the cases;
- 14 • Preparing and filing necessary proofs of claim and amendments to
- 15 proofs of claim;
- 16 • Communications with counsel representing bankruptcy trustees;
- 17 • Preparing and filing motions for approval of settlements;
- 18 • Providing updates to the Receiver and advising on recovery strategies;
- 19 and
- 20 • Updating the log tracking the status of the bankruptcy cases.

21 The reasonable and necessary fees for work in this category total \$6,885.90.

22 In its order granting Allen Matkins' Third Interim Fee Application, the Court
 23 noted that the majority of the time in the Asset Investigation category was billed by
 24 partner Yale Kim at \$549 per hour and stated that if the firm's time-intensive work in
 25 the Asset Investigation category continues, the Court expects that some of that work
 26 would be delegated to an associate with a lower hourly rate. Dkt. No. 129, p. 7.
 27 Accordingly, rather than having an associate spend time becoming familiar with the
 28 numerous bankruptcy cases, Allen Matkins has written off 2.7 hours of Mr. Kim's

1 time (approximately 30% of his time) during the Seventh Application Period. The
2 time written off is reflected in the final section of the bills attached at Exhibit A
3 entitled "Write Offs." This effectively reduces Mr. Kim's hourly rate for the Seventh
4 Application Period from \$562.50 to \$433.79 (\$5,118.75 in fees for 11.8 hours of
5 work, including the 2.7 hours written off).

6 In this regard, the receivership estate has received the benefit of Mr. Kim's
7 partner-level skill, experience, and efficiency at an associate-level hourly rate.
8 Moreover, as anticipated, the total fees in this category has dropped substantially
9 since the Third Application Period (\$39,599.10).

10 2. Reporting

11 Allen Matkins' time in this category focused on preparing the Receiver's Sixth
12 Interim Report ("Sixth Report"), which was filed on August 17, 2017. Dkt. No. 151.
13 The Sixth Report contains a detailed description of the Receiver's activities during
14 the second quarter of 2017, including cash recovered, forensic accounting work,
15 investor communications, and post-receivership receipts and disbursements. The
16 report also includes the Receiver's recommendations for the continued administration
17 of the receivership estate. The reasonable and necessary fees for this work total
18 \$1,362.30.

19 3. Operations & Asset Sales

20 Allen Matkins' time in this category focused on obtaining reimbursement for
21 legal fees incurred in connection with the Court-approved assignment of the Lynk
22 Capital loan participation. The reasonable and necessary fees for work in this
23 category total \$107.10.

24 4. Claims and Distributions

25 Allen Matkins' time in this category focused on responding to specific
26 inquiries from investors, pensioners, and their counsel concerning their claims, rising
27 tide distributions, and other issues related to the receivership. Finally, Allen Matkins
28 advised and assisted the Receiver in preparing investor notices regarding

1 distributions. The reasonable and necessary fees for work in this category total
2 \$1,981.35.

3 5. Third Party Recoveries

4 Allen Matkins' time in this category focused on four defaulted pensioner
5 collection actions. Allen Matkins prepared the necessary motions and obtained two
6 default judgments against defaulted pensioners who did not respond to the
7 complaints. The firm also communicated directly with one defaulted pensioner who
8 is acting *pro se* and with the final defaulted pensioner through his counsel, including
9 to discuss settlement, the FRCP 26 conference of counsel, preparation of FRCP 26
10 joint reports, initial disclosures, and the selection of a mediator for both cases. The
11 majority of work in this category was performed by associate Melissa Bell at a
12 discounted hourly rate of \$306.00. The reasonable and necessary fees for work in
13 this category total \$10,335.15.

14 6. Employment/Fees

15 Allen Matkins time in this category focused on preparing the Sixth Interim Fee
16 Applications of the Receiver and Allen Matkins, as required by the Court's Local
17 Rules (L.R. 66-7(f)) and the Appointment Order (Dkt. No. 61, Section VIII). The
18 Sixth Interim Fee Applications were filed on August 25, 2017 (Dkt. Nos. 152-153)
19 and granted by the Court on September 27, 2017 (Dkt. No. 157). Time spent
20 preparing required fee applications has been held to be compensable time. *See In re*
21 *Nucorp Energy, Inc.*, 764 F.2d 655, 662 (9th Cir. 1985). The reasonable and
22 necessary fees for work in this category total \$2,034.90.

23 B. Summary of Expenses Requested for Reimbursement

24 Allen Matkins requests the Court approve reimbursement of \$387.83 in out-of-
25 pocket costs. The itemization of such expenses is summarized below by category.
26 The expenses relate to duplication and messenger fees for court filings incurred in
27 connection with the four cases against pensioners who have defaulted on their loan
28

1 payments. The costs incurred by Allen Matkins during the Sixth Application Period
2 are broken down by category as follows:

3 Category	Total
4 Messenger Fees	\$251.67
5 Duplication/Postage	136.16
6 TOTAL	\$ 387.83

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

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

16 In allowing fees, a court should consider "the time, labor and skill required,
17 but not necessarily that actually expended, in the proper performance of the duties
18 imposed by the court upon the receiver[], the fair value of such time, labor and skill
19 measured by conservative business standards, the degree of activity, integrity and
20 dispatch with which the work is conducted and the result obtained." *United States v.*
21 *Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks
22 omitted). In practical terms, receiver and professional compensation thus ultimately
23 rests upon the result of an equitable, multi-factor balancing test involving the
24 "economy of administration, the burden that the estate may be able to bear, the
25 amount of time required, although not necessarily expended, and the overall value of
26 the services to the estate." *In re Imperial 400 Nat'l, Inc.*, 432 F.2d 232, 237 (3d Cir.
27 1970). Regardless of how this balancing test is formulated, no single factor is
28 determinative and "a reasonable fee is based [upon] all circumstances surrounding

1 the receivership." *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*,
2 374 F. Supp. 465, 480 (S.D. Tex. 1974).

3 As a preliminary matter, the Appointment Order confers on the Receiver
4 substantial duties and powers, including to conduct such investigation and discovery
5 as is necessary to locate and account for all receivership assets, take such action as is
6 necessary and appropriate to assume control over and preserve receivership assets,
7 and employ attorneys and others to investigate and, where appropriate, institute,
8 pursue, and prosecute all claims and causes of action of whatever kind and nature.
9 *See* Appointment Order, Section III.

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

15 Allen Matkins has submitted a detailed fee application, which describes the
16 nature of the services rendered, and the identity and billing rate of each individual
17 performing each task. *See* Exhibit A. Allen Matkins has endeavored to staff matters
18 as efficiently as possible while remaining cognizant of the complexity of issues. The
19 request for fees is based on Allen Matkins' customary billing rates charged for
20 comparable services provided in other matters, less a 10% discount. Moreover, as
21 discussed above, the firm wrote off and did not charge for 2.7 hours of work
22 (\$1,518.75) during the Seventh Application Period, all of which was on pensioner
23 bankruptcies.

24 The work performed by Allen Matkins was essential to carrying out the
25 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked
26 diligently since the Receiver's appointment to preserve and protect the assets of the
27 receivership estate, to investigate and recover sums transferred to third parties, and to
28 maximize the funds available for ultimate distribution to investors. Moreover, Allen

Matkins seeks payment of only 80% of fees incurred on an interim basis in recognition of the fact that its work in assisting the Receiver is ongoing. Payment of the proposed 20% holdback will be sought at the conclusion of the receivership. Allen Matkins' fees are fair and reasonable and should be approved and paid on an interim basis.

V. CONCLUSION

Allen Matkins therefore respectfully requests this Court enter an Order:

1. Approving Allen Matkins' fees, on an interim basis, of \$22,736.70;
2. Authorizing and directing the Receiver to pay 80% of approved fees, or \$18,189.36, from the assets of the Receivership Entities;
3. Approving Allen Matkins' costs in the amount of \$387.83 and authorizing and directing the Receiver to reimburse such costs in full; and
4. For such other and further relief as the Court deems appropriate.

Dated: December 14, 2017

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
KRISTA L. FREITAG

EXHIBIT A

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00003

Matter Name: Asset Investigation

Date of Last Billing: 10-04-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00003 (Asset Investigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
07/05/17	7223666	Review Baker distribution payment under plan (.1); review trustee account ledger for Baker (.1); correspond with Receiver re same (.2); review status of Salisbury distribution (.1).	Kim, Yale	0.5	281.25	281.25
07/07/17	7225238	Review status of Wilcox no-assetting of chapter 7 case and entry of discharge.	Kim, Yale	0.2	112.50	393.75
07/10/17	7227435	Review status and timing of Salisbury monthly plan distribution to receivership estate.	Kim, Yale	0.2	112.50	506.25
07/11/17	7228608	Discuss follow up collection letters to defaulted pensioners with Receiver (.3); work on letters (.8).	Fates, Edward	1.1	589.05	1,095.30
07/13/17	7230795	Revisions to pensioner collection letters.	Fates, Edward	0.3	160.65	1,255.95
07/14/17	7231827	Review status of Salisbury, Wilcox, Roiter and Vroonland pensioner bankruptcies (.4); review trustee motion to dismiss Seiger chapter 13 bankruptcy (.1); review trustee motion	Kim, Yale	0.6	337.50	1,593.45

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		to modify plan for material plan payment defaults in Vroonland (.1).				
07/17/17	7232871	Discuss pensioner collection issue and temporary suspension of monthly payments by agreement and respond to pensioner regarding same.	Fates, Edward	0.4	214.20	1,807.65
07/17/17	7233587	Review chapter 13 trustee withdrawal of motion for dismissal and conversion in Seiger case (.1); review status of Seiger chapter 13 case (.1).	Kim, Yale	0.2	112.50	1,920.15
07/20/17	7236479	Review Salisbury claim distribution under plan for Receiver for \$4,168.47 (.2); review notice of filing of no asset report in Wilcox (.1); draft follow-up memo to Receiver re notice of no asset report in Wilcox (.1); review status of Seiger pensioner chapter 13 bankruptcy (.1).	Kim, Yale	0.5	281.25	2,201.40
07/21/17	7237748	Correspond with Receiver re Salisbury plan distribution.	Kim, Yale	0.2	112.50	2,313.90
07/25/17	7239423	Review, revise and execute pensioner default letters.	Fates, Edward	0.4	214.20	2,528.10
07/25/17	7239981	Review order modifying plan to reduce Receiver claim amount and distribution percentage (.1); review status of Denny chapter 13 case (.1); review status of Lemka chapter 13 case (.1).	Kim, Yale	0.3	168.75	2,696.85
07/26/17	7240753	Draft status update to pensioners bankruptcy chart (.9); draft memo to Receiver re update chart (.1).	Kim, Yale	1.0	562.50	3,259.35
07/27/17	7241705	Communications with former counsel	Fates, Edward	0.2	107.10	3,366.45

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Description of Service Rendered for PGR, LLC regarding unpaid fees and retainer balance.	Timekeeper	Hours	Fees	Sum
07/28/17	7242751	Call from defaulted pensioner and advise Receiver regarding same.	Fates, Edward	0.2	107.10	3,473.55
08/01/17	7247506	Review status of Salisbury, Baker & Chrapliwy chapter 13 plan distributions (.3); draft memo to Receiver re Vroonland order modifying plan payments and prospect of dismissal (.2).	Kim, Yale	0.5	281.25	3,754.80
08/08/17	7253039	Review status of Baker chapter 13 bankruptcy case and timing of plan distribution payments.	Kim, Yale	0.2	112.50	3,867.30
08/10/17	7255717	Review status of Lemka chapter 13 case and pending plan distributions.	Kim, Yale	0.2	112.50	3,979.80
08/14/17	7257392	Review status of Baker chapter 13 plan distribution for August 2017.	Kim, Yale	0.2	112.50	4,092.30
08/22/17	7263853	Review status of Vroonland chapter 13 case and possible dismissal (.1); review status of pending chapter 13 distributions for Salisbury and Baker (.1); review chapter 13 administration of Denny case (.1).	Kim, Yale	0.3	168.75	4,261.05
08/24/17	7266713	Respond to communication from defaulted pensioner regarding possible payment plan and advise Receiver regarding same.	Fates, Edward	0.3	160.65	4,421.70
08/25/17	7267253	Review trustee motion to dismiss Baker chapter 13 case for failure to provide tax returns (.2); review chapter 13 account ledger for Salisbury re receivership plan	Kim, Yale	0.4	225.00	4,646.70

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		distribution (.1); review status of Wilcox chapter 13 discharge (.1).				
08/29/17	7269848	Review Vroonland motion to suspend plan payments due to job loss (.1); review prospect of chapter 13 trustee order to dismiss case re Vroonland (.1).	Kim, Yale	0.2	112.50	4,759.20
08/31/17	7272050	Review chapter 13 trustee account ledger for Salisbury (.1); draft memo to chapter 13 trustee re status of Salisbury distribution to receivership estate (.1); review chapter 13 trustee account ledger for Chrapliwy (.1).	Kim, Yale	0.3	168.75	4,927.95
09/01/17	7275974	Correspond with Receiver re status of Baker plan payments (.2); review status of Lemka and Barnett payments (.2); review status of Salisbury payment (.1).	Kim, Yale	0.5	281.25	5,209.20
09/07/17	7278281	Review correspondence from pensioner regarding payment default and discuss legal issues regarding same with Receiver.	Fates, Edward	0.2	107.10	5,316.30
09/07/17	7278430	Draft memo to Krista Freitag re updated pensioner bankruptcy chart (.2); review 9/6/17 updated pensioner bk chart (.1).	Kim, Yale	0.3	168.75	5,485.05
09/08/17	7280251	Advise Receiver regarding correspondence from defaulted pensioner and response to same.	Fates, Edward	0.2	107.10	5,592.15
09/13/17	7284937	Review status of pensioner bankruptcy cases.	Kim, Yale	0.2	112.50	5,704.65
09/14/17	7285509	Review Salisbury trustee account	Kim, Yale	0.2	112.50	5,817.15

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		ledger re receipt of plan contributions and status of creditor distributions.				
09/19/17	7288820	Review status of pending pensioner chapter 13 bankruptcy cases.	Kim, Yale	0.3	168.75	5,985.90
09/21/17	7290845	Review trustee account ledger for Salisbury claim distribution re September 2017 payment (.2); review status of Vroonland case and prospective dismissal (.1).	Kim, Yale	0.3	168.75	6,154.65
09/25/17	7293381	Review chapter 13 account ledger for Salisbury (.2); review chapter 13 discharge order for Wilcox (.1); draft memo to Receiver re September distribution and current status of claim for Salisbury case (.2); draft memo to Receiver re entry of Wilcox discharge (.1).	Kim, Yale	0.6	337.50	6,492.15
09/27/17	7295702	Review status of prospective dismissal of chapter 13 case for Denny (.1); review trustee ledger and chapter 13 case docket for Lemka (.1); review order granting motion to suspend plan payments re Vroonland and status of chapter 13 case (.2); review status of Seiger chapter 13 and secured creditor relief from stay motion (.1).	Kim, Yale	0.5	281.25	6,773.40
09/29/17	7297560	Review final decree closing Wilcox case following discharge entry (.1); review status of trustee dismissal motion for Denny (.1).	Kim, Yale	0.2	112.50	6,885.90

Disbursements for Matter 375579-00003 (Asset Investigation)

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Type	Quantity	Amt
07/13/17	2348300	Duplication	32.00	6.08
07/24/17	2348299	Duplication	8.00	1.52
07/27/17	2353650	Duplication	6.00	1.14
07/28/17	2353651	Duplication	11.00	2.09
07/31/17	2353652	Duplication	62.00	11.78
07/31/17	2360099	Messenger - - Nationwide Legal, LLC, USDC/SANTA ANA, APPL X2;DECL X2^PLS DELIVER CC TO JUDGE STATON, 8:17-CV-00911-JLS-JC-FREITAG V. PFEIFER^270555	1.00	58.39
08/01/17	2353653	Duplication	341.00	64.79
08/01/17	2353654	Reprographics - Color	2.00	0.50
08/02/17	2360098	Messenger - - Nationwide Legal, LLC, USDC/SANTA ANA, APPL X2;DECL X2^PLS DELIVER CC TO JUDGE STATON, 8:17-CV-00911-CJC(MR-FREITAG V. PFEIFER^270555	1.00	58.39
08/03/17	2360100	Messenger - - Nationwide Legal, LLC, USDC/SANTA ANA, NTC OF LODGING X2^DELIVER COURTESY CPY, 8:17CV00911 CJC-FREITAG V PFEIFER^270555	1.00	33.40
08/17/17	2357490	Messenger - - Federal Express Invoice No: 590914213 1665 Ship To: Hon Josephine L Staton	1.00	11.55
08/25/17	2357235	Duplication	166.00	31.54
08/25/17	2362220	Messenger Invoice No: 591702984 Paid to: Fedex per 001665 Ship To: Hon Josephine L Staton Ship Dt: 08/25/17 Airbill: 787516309180	1.00	11.95
08/25/17	2362399	Messenger - - Nationwide Legal, LLC, USDC/SANTA ANA, 4 DOCS^DELIVER COURTESY CPYSTATON, 8:17CV00915 JLS-FREITAG V LEE^271058	1.00	37.48
08/29/17	2360316	Duplication	73.00	13.87

11/21/17 13:36:09 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Type	Quantity	Amt
09/01/17	2363283	Messenger - - Federal Express Invoice No: 592313546 1665 Ship To: Hon Josephine L Staton	1.00	11.51
09/21/17	2364606	Duplication	15.00	2.85
09/21/17	2375128	Messenger - - Nationwide Legal, LLC, USDC/SANTA ANA, NOTICE OF HEARING^AMENDED JOINT RULE COURTESY COPYSTATON BY NOON 9/22, 8:17CV00915 JLS-FREITAG V LEE^272063	1.00	29.00

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	3.3	535.50	1,767.15
001938	Yale Kim	9.1	562.50	5,118.75
		<hr/> 12.4		<hr/> 6,885.90
Total Fees				6,885.90
Total Disbursements				387.83

11/02/17 14:26:39 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: 10-04-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
07/25/17	7240069	Gather information and updates for Sixth Interim Report.	Fates, Edward	0.3	160.65	160.65
07/31/17	7243855	Communications with former counsel regarding unpaid fees and recovery of retainer balance.	Fates, Edward	0.3	160.65	321.30
08/01/17	7247711	Work on Receiver's Sixth Interim Report.	Fates, Edward	1.2	642.60	963.90
08/02/17	7248238	Revisions to Sixth Interim Report (.2); meet and confer communications regarding same with counsel for CFPB and New York Superintendent (.2).	Fates, Edward	0.4	214.20	1,178.10
08/10/17	7255676	Communications with CFPB's counsel and counsel for New York Superintendent regarding Sixth Interim Report and update on pensioner collection actions.	Fates, Edward	0.4	214.20	1,392.30

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.6	535.50	1,392.30
		2.6		1,392.30

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00004 (Krista Freitag, as Receiver for Pension Funding LLC and) (Reporting)

Total Fees	1,392.30
Total Disbursements	0.00

Attorney Billing Instructions

<input type="checkbox"/> BILL ALL	<input type="checkbox"/> Hold
<input type="checkbox"/> BILL FEES ONLY	<input type="checkbox"/> Write Off
<input type="checkbox"/> BILL COST ONLY	<input type="checkbox"/> Transfer All

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00005 (Krista Freitag, as Receiver for Pension Funding LLC and) (Operations & Asset Sales)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00005

Matter Name: Operations & Asset Sales

Date of Last Billing: 10-04-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00005 (Operations & Asset Sales)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
08/02/17	7248318	Discuss Lynk transaction and reimbursement of legal fees regarding same with Receiver.	Fates, Edward	0.2	107.10	107.10

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	0.2	535.50	107.10
		0.2		107.10
Total Fees				107.10
Total Disbursements				0.00

11/02/17 14:26:39 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: 10-04-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00006 (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
07/14/17	7234720	Discuss responses to investor inquiries regarding distributions and rising tide method with Receiver.	Fates, Edward	0.2	107.10	107.10
07/17/17	7232979	Prepare explanation of rising tide in response to inquiries from investors not receiving distributions.	Fates, Edward	0.5	267.75	374.85
07/18/17	7234490	Advise Receiver regarding creditor claim issue.	Fates, Edward	0.2	107.10	481.95
07/24/17	7238566	Discuss creditor claim and verification/possible allowance of same with Receiver (.2); communications with creditor regarding same (.1).	Fates, Edward	0.3	160.65	642.60
07/28/17	7242793	Advise Receiver regarding next steps for uncashed distributions and investigation into investor addresses.	Fates, Edward	0.2	107.10	749.70
08/01/17	7247526	Discuss investor issues with claim and distribution with Receiver (.2); communications with investor regarding same (.2); call with former counsel for PGR, LLC and discuss resolution of claim with Receiver (.7).	Fates, Edward	1.1	589.05	1,338.75

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00006 (Krista Freitag, as Receiver for Pension Funding LLC and) (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
08/15/17	7259085	Respond to lengthy correspondence from investor Yelder.	Fates, Edward	0.4	214.20	1,552.95
08/29/17	7269465	Respond to inquiry from counsel for investor regarding distributions.	Fates, Edward	0.2	107.10	1,660.05
09/06/17	7278109	Advise Receiver regarding response to investor inquiries.	Fates, Edward	0.2	107.10	1,767.15
09/08/17	7280249	Advise Receiver regarding response to correspondence from investor.	Fates, Edward	0.2	107.10	1,874.25
09/19/17	7289157	Respond to inquiry from counsel for investor regarding claim amount and rising tide distributions.	Fates, Edward	0.2	107.10	1,981.35

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	3.7	535.50	1,981.35
		<u>3.7</u>		<u>1,981.35</u>
Total Fees				1,981.35
Total Disbursements				0.00

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00007

Matter Name: Third Party Recoveries

Date of Last Billing: 10-04-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00007 (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
07/05/17	7224109	Review clerk's entry of default for P. Pfeifer (.1); Review clerk's entry of default for D. Nevins (.1); prepare for drafting motion for default judgment against P. Pfeifer (.1); prepare for drafting motion for default judgment against D. Nevins (.1).	Bell, Melissa	0.4	122.40	122.40
07/24/17	7238543	Advise as to communications with pensioner/defendant W. Burgum and possible payment plan regarding same (.4); review answer to complaint filed by W. Burgum (.2).	Fates, Edward	0.6	321.30	443.70
07/24/17	7239324	Voicemail from W. Burgum (.1); call with W. Burgum regarding filing his answer and possibility of settlement (.2); review W. Burgum's Answer to Complaint (.2).	Bell, Melissa	0.6	183.60	627.30
07/25/17	7240385	E-mail client regarding status of four pensioner cases.	Bell, Melissa	0.2	61.20	688.50
07/28/17	7242620	Review answer filed by pensioner B. Lee (.2); advise regarding issues for applications for default judgments against pensioners Nevins and Pfeifer (.2); revisions to Receiver declaration	Fates, Edward	0.8	428.40	1,116.90

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		in support of application for default judgment (.4).				
07/28/17	7242970	Analyze law regarding requesting default judgment by clerk (.3); Draft Declaration of K. Freitag in support of default judgment against D. Nevins (.9); Draft Declaration of K. Freitag in support of default judgment against P. Pfeifer (.9).	Bell, Melissa	2.2	673.20	1,790.10
07/31/17	7244114	Advise regarding revisions to Receiver's declarations in support of applications for default judgments (.3); revisions to applications and proposed default judgments (.4).	Fates, Edward	0.7	374.85	2,164.95
07/31/17	7245697	Draft and finalize application for Default Judgment against P. Pfeifer (.6); Compile exhibits to application for Default Judgment against P. Pfeifer (.2); Draft and finalize application for Default Judgment against D. Nevins (.6); Compile exhibits to application for Default Judgment against D. Nevins (.1).	Bell, Melissa	1.5	459.00	2,623.95
08/01/17	7247461	Advise regarding Rule 26(f) conference of counsel, joint Rule 26(f) report, discovery issues for W. Burgum and B. Lee cases, and affirmative defense raised by B. Lee (.5); advise regarding revisions to applications for default judgments as to P. Pfeifer and D. Nevins (.3).	Fates, Edward	0.8	428.40	3,052.35
08/01/17	7247780	Review B. Lee Answer to Complaint (.3); Review Order setting scheduling conference for B. Lee and local rules	Bell, Melissa	2.1	642.60	3,694.95

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		regarding same (.3); Review W. Burgum's Answer to Complaint (.3); Review Order setting scheduling conference for W. Burgum (.1); Review Notice from Clerk regarding requested Default Judgment for Pfeifer and analyze law and email clerk regarding same (.7); Review Notice from Clerk regarding requested Default Judgment for Nevins (.2); draft revised application for default judgment by clerk (.2).				
08/02/17	7248448	Review email from clerk and draft and file revised application for default judgment against D. Nevins accordingly (.1); draft and file revised application for default judgment against P. Pfeifer (.1).	Bell, Melissa	0.2	61.20	3,756.15
08/03/17	7248989	Review and revise proposed form of default judgments for Pfeifer and Nevins.	Fates, Edward	0.4	214.20	3,970.35
08/03/17	7249060	Draft and file Proposed Default Judgment by Clerk and Notice of Lodgment of	Bell, Melissa	0.5	153.00	4,123.35
08/09/17	7254366	Work on joint Rule 26(f) reports for cases against W. Burgum and B. Lee.	Fates, Edward	0.9	481.95	4,605.30
08/09/17	7254774	Draft Rule 26(f) report for case against W. Burgum and email W. Burgum regarding same; Draft Rule 26(f) report for case against B. Lee.	Bell, Melissa	1.8	550.80	5,156.10
08/15/17	7258607	Review asset search info and discuss next steps regarding enforcement of judgments against P. Pfeifer and D.	Fates, Edward	0.8	428.40	5,584.50

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Nevins with Receiver.				
08/16/17	7260517	E-mail W. Burgum regarding Joint Rule 26(f) report.	Bell, Melissa	0.1	30.60	5,615.10
08/17/17	7260960	Discuss judgment enforcement steps regarding P. Pfeiffer with Receiver.	Fates, Edward	0.3	160.65	5,775.75
08/18/17	7262238	Finalize draft of Joint Rule 26(f) Report and e-mail Lee's counsel regarding the same (.4); E-mails with W. Burgum regarding Joint Rule 26(f) Report (.1	Bell, Melissa	0.5	153.00	5,928.75
08/22/17	7264518	Joint Rule 26(f) conference with W. Burgum.	Bell, Melissa	0.2	61.20	5,989.95
08/23/17	7265264	Advise as to discovery, settlement, and case strategy for W. Burgum and B. Lee collection actions (.6); revisions to joint Rule 26(f) reports (.5).	Fates, Edward	1.1	589.05	6,579.00
08/23/17	7265790	Joint Rule 26(f) Conference and emails regarding the same with M. Jones regarding B. Lee case (.8); Strategize regarding next steps in B. Lee case (.1); Strategize regarding next steps in W. Burgum case (.1); Follow-up conference and e-mails with W. Burgum regarding Joint Rule 26(f) report and settlement discussions (.8).	Bell, Melissa	1.7	520.20	7,099.20
08/24/17	7266770	E-mails with M. Jones regarding Lee Joint 26(f) Report (.1); Finalize and file Lee and Burgum Joint 26(f) Reports (.1).	Bell, Melissa	0.2	61.20	7,160.40
09/14/17	7286004	Advise regarding proposed	Fates, Edward	0.4	214.20	7,374.60

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		scheduling of case dates and deadlines for Joint Rule 26(f) Report in Burgum and Lee matters (.2); confer with Receiver regarding enforcement steps for default judgments as to Nevins and Pfeiffer (.2).				
09/14/17	7286400	Draft Amended Joint 26(f) Report per the court's order for case adv. B. Lee (.8); Draft Amended Joint 26(f) Report per the court's order for case adv. W. Burgum (.8).	Bell, Melissa	1.4	428.40	7,803.00
09/15/17	7287226	Finalize draft of Amended Joint 26(f) Report and send to B. Lee's counsel for review (.2); Finalize draft of Amended Joint 26(f) Report and send to W. Burgum for review (.2).	Bell, Melissa	0.5	153.00	7,956.00
09/19/17	7289558	Correspond with W. Burgum over e-mail and telephone regarding Amended Joint 26(f) report.	Bell, Melissa	0.3	91.80	8,047.80
09/20/17	7290762	E-mails with W. Burgum regarding Amended Joint 26(f) report.	Bell, Melissa	0.4	122.40	8,170.20
09/21/17	7291464	E-mails with W. Burgum regarding Joint 26(f) Report and file same.	Bell, Melissa	0.2	61.20	8,231.40
09/21/17	7291465	E-mails with M. Jones regarding Joint 26(f) Report and file same.	Bell, Melissa	0.2	61.20	8,292.60
09/28/17	7296156	Review scheduling, ADR, and civil trial orders for B. Lee and W. Burgum collection cases (.4); advise on next steps regarding initial disclosures, ADR, and discovery requests (.5); discuss same with Receiver (.2); advise as to strategy for selecting	Fates, Edward	1.7	910.35	9,202.95

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		panel mediator for required mediations (.2); revisions to initial disclosures for B. Lee and W. Burgum (.4).				
09/28/17	7297293	Review Court's orders regarding vacating scheduling conference and mandatory arbitration in Lee case (.4); Strategize regarding selection of neutral in Lee case (.1); Strategize regarding initial disclosures and discovery in Lee case and e-mail client regarding the same (.1); Draft initial disclosures in Lee case and send to client (1.4); Draft Requests for Admission in Lee case (.4); Review Court's orders regarding vacating scheduling conference and mandatory arbitration in Burgum case (.4); Strategize regarding selection of neutral in Burgum case (.1); Strategize regarding initial disclosures and discovery in Burgum case and e-mail client regarding the same (.1); Draft initial disclosures in Burgum case and send to client (.3).	Bell, Melissa	3.3	1,009.80	10,212.75
09/29/17	7299033	Compile lists of potential neutrals for court-ordered ADR in Burgum and Lee cases (.2); Review current court rules regarding court-ordered ADR (.1); e-mails with client regarding initial disclosures in Lee and Burgum cases (.1).	Bell, Melissa	0.4	122.40	10,335.15

Proforma Summary

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00007 (Krista Freitag, as Receiver for Pension Funding LLC and) (Third Party Recoveries)

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	8.5	535.50	4,551.75
002244	Melissa Bell	18.9	306.00	5,783.40
		<hr/> 27.4		<hr/> 10,335.15
Total Fees				10,335.15
Total Disbursements				0.00

11/02/17 14:26:39 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: 10-04-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00009 (Employment/Fees)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
07/17/17	7233436	Work on Allen Matkins sixth fee application.	Fates, Edward	0.5	267.75	267.75
07/25/17	7239976	Review order approving fee applications and advise Receiver regarding same.	Fates, Edward	0.2	107.10	374.85
07/28/17	7242904	Work on Allen Matkins' sixth interim fee application.	Fates, Edward	1.8	963.90	1,338.75
08/11/17	7256150	Revisions to Receiver's sixth fee application and discuss same with Receiver.	Fates, Edward	0.6	321.30	1,660.05
08/14/17	7258174	Meet and confer communications with counsel for CFPB and counsel for New York Superintendent regarding sixth interim fee applications.	Fates, Edward	0.1	53.55	1,713.60
08/25/17	7266989	Meet and confer communications regarding sixth interim fee applications and finalize fee applications and exhibits.	Fates, Edward	0.4	214.20	1,927.80
09/27/17	7295173	Review order approving sixth interim fee applications and advise Receiver regarding same.	Fates, Edward	0.2	107.10	2,034.90

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00009 (Krista Freitag, as Receiver for Pension Funding LLC and)
(Employment/Fees)

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	3.8	535.50	2,034.90
		<hr/> 3.8		<hr/> 2,034.90
Total Fees				2,034.90
Total Disbursements				0.00

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00500 (Krista Freitag, as Receiver for Pension Funding LLC and) (Write-Offs)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 375579-00500

Matter Name: Write-Offs

Date of Last Billing:

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00500 (Write-Offs)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
08/04/17	7249548	Review trustee ledger re Charpliw 7/31 plan distribution (.1); draft memo to Receiver re same (.1); review status of claim amount to be paid under plan (.1); draft update to pensioner bk chart (.1); review status of Salisbury plan distribution (.1).	Kim, Yale	0.5	281.25	281.25
08/18/17	7261629	Correspond with Receiver re status of Wilcox chapter 7 case and discharge (.2); review status of Lemka, Barnett, & Baker direct payments to Receiver (.2).	Kim, Yale	0.4	225.00	506.25
09/06/17	7277380	Correspond with Stewart Chapman of chapter 13 trustee office re status of Salisbury plan distribution (.2); draft 9/6/17 update to pensioners bk chart (1.6).	Kim, Yale	1.8	1,012.50	1,518.75

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001938	Yale Kim	2.7	562.50	1,518.75
		<u>2.7</u>		<u>1,518.75</u>
Total Fees				1,518.75

11/02/17 14:26:39 PROFORMA STATEMENT FOR MATTER 375579-00500 (Krista Freitag, as Receiver for Pension Funding LLC and) (Write-Offs)

Total Disbursements

0.00