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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
and Maria T. Vullo, Superintendent of
17 Financial Services of the State of
New York,

18 Plaintiffs,

19 v.

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

22 Defendants.
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Case No. 8:15-cv-1329

**NINTH 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: August 3, 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 ninth interim application for approval and payment of fees and
6 reimbursement of expenses ("Application"). This Application covers the period from
7 January 1, 2018, through March 31, 2018 ("Ninth Application Period"), and seeks
8 interim approval of \$27,204.75 in fees and \$139.56 in expenses, and an order
9 authorizing the Receiver to pay, on an interim basis, 80% of the fees incurred
10 (\$21,763.80) 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 Ninth Interim Report ("Ninth Report") filed on May 9, 2018 (Dkt. No. 174), which describes in detail the Receiver's activities during the Ninth Application Period. This Application seeks interim approval of \$27,204.75 in fees for a total of 60.70 hours worked and payment on an interim basis of 80% of that amount, or \$21,763.80. The work performed is described task-by-task on Exhibit A and is broken down into the following categories:

Category	Hours	Amount
General Receivership	2.00	\$1,071.00
Asset Investigation	14.00	7,796.70
Reporting	2.70	1,445.85
Claims & Distributions	2.00	1,071.00
Third Party Recoveries	36.50	13,945.95
Employment/Fees	3.50	1,874.25
Total Fees	60.70	\$27,204.75

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, which has allowed her to distribute more than \$3.3 million to investors with allowed claims. 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' time in this category focused on assisting the Receiver in responding to a subpoena demanding the production of documents in an action pending in Florida state court involving an investor. The reasonable and necessary fees for work in this category total \$1,071.

2. Asset Investigation

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

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

Allen Matkins also assisted in communications with an attorney pensioner regarding the terms of a plan to repay his lump sum advance.

The reasonable and necessary fees for work in this category total \$7,796.70.

In its order granting Allen Matkins' Third Interim Fee Application, the Court noted that the majority of the time in the Asset Investigation category was billed by partner Yale Kim at \$549 per hour and stated that if the firm's time-intensive work in the Asset Investigation category continues, the Court expects that some of that work

1 would be delegated to an associate with a lower hourly rate. Dkt. No. 129, p. 7.
2 Accordingly, rather than having an associate spend time becoming familiar with the
3 numerous bankruptcy cases, Allen Matkins has written off 2.6 hours of Mr. Kim's
4 time (approximately 23% of his time) during the Ninth Application Period. The time
5 written off is reflected in the final section of the bills attached at Exhibit A entitled
6 "Write Offs." This effectively reduces Mr. Kim's hourly rate for the Ninth
7 Application Period from \$562.50 to \$455.75 (\$7,706.25 in fees for 13.7 hours of
8 work, including the 2.6 hours written off).

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

13 3. Reporting

14 Allen Matkins' time in this category focused on preparing the Receiver's
15 Eighth Interim Report ("Eighth Report"), which was filed on January 24, 2018. Dkt.
16 No. 166. The Eighth Report contains a detailed description of the Receiver's
17 activities during the first quarter of 2018, including cash recovered, forensic
18 accounting work, investor communications, and post-receivership receipts and
19 disbursements. The report also includes the Receiver's recommendations for the
20 continued administration of the receivership estate.

21 The reasonable and necessary fees for this work total \$1,445.85.

22 4. Claims and Distributions

23 Allen Matkins' time in this category focused on responding to specific
24 inquiries from investors, pensioners, and their counsel concerning their claims, rising
25 tide distributions, and other issues related to the receivership. Finally, Allen Matkins
26 advised and assisted the Receiver in preparing investor notices regarding second
27 interim distributions. The reasonable and necessary fees for work in this category
28 total \$1,071.

1 5. Third Party Recoveries

2 Allen Matkins' time in this category focused on two defaulted pensioner
3 collection actions. The Receiver, with the firm's assistance, was able to settle one of
4 the actions, with the pensioner agreeing to a payment plan. Unfortunately, the other
5 pensioner would not agree to settle, requiring the Receiver to prepare and file a
6 motion for summary judgment, which is pending. The majority of work in this
7 category was performed by associate Melissa Bell at a discounted hourly rate of
8 \$306.

9 The reasonable and necessary fees for work in this category total \$13,945.95.

10 6. Employment/Fees

11 Allen Matkins time in this category focused on preparing the Eighth Interim
12 Fee Applications of the Receiver and Allen Matkins, as required by the Court's Local
13 Rules (L.R. 66-7(f)) and the Appointment Order (Dkt. No. 61, Section VIII). The
14 Eighth Interim Fee Applications were filed on February 28, 2018 (Dkt.
15 Nos. 168-169) and granted by the Court on March 28, 2018 (Dkt. No. 173). Time
16 spent preparing required fee applications has been held to be compensable time. *See*
17 *In re Nucorp Energy, Inc.*, 764 F.2d 655, 662 (9th Cir. 1985). The reasonable and
18 necessary fees for work in this category total \$1,874.25.

19 **B. Summary of Expenses Requested for Reimbursement**

20 Allen Matkins requests the Court approve reimbursement of \$139.56 in out-of-
21 pocket costs. The itemization of such expenses is summarized below by category.
22 The expenses relate to duplication and messenger fees for court filings incurred in
23 connection with the four cases against pensioners who have defaulted on their loan
24 payments. The costs incurred by Allen Matkins during the Ninth Application Period
25 are broken down by category as follows:

Category	Total
Messenger Fees	\$48.94
Document Searches (including PACER, Lexis, Secretary of State)	51.10

Category	Total
Duplication/Postage	10.64
Conference Calls	28.88
TOTAL	\$ 139.56

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

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

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

13 Allen Matkins has submitted a detailed fee application, which describes the
14 nature of the services rendered, and the identity and billing rate of each individual
15 performing each task. *See* Exhibit A. Allen Matkins has endeavored to staff matters
16 as efficiently as possible while remaining cognizant of the complexity of issues. The
17 request for fees is based on Allen Matkins' customary billing rates charged for
18 comparable services provided in other matters, less a 10% discount. Moreover, as
19 discussed above, the firm wrote off and did not charge for 2.6 hours of work
20 (\$1,462.50) during the Ninth Application Period, all of which was on pensioner
21 bankruptcies.

22 The work performed by Allen Matkins was essential to carrying out the
23 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked
24 diligently since the Receiver's appointment to preserve and protect the assets of the
25 receivership estate, to investigate and recover sums transferred to third parties, and to
26 maximize the funds available for ultimate distribution to investors. Moreover, Allen
27 Matkins seeks payment of only 80% of fees incurred on an interim basis in
28 recognition of the fact that its work in assisting the Receiver is ongoing. Payment of

1 the proposed 20% holdback will be sought at the conclusion of the receivership.
2 Allen Matkins' fees are fair and reasonable and should be approved and paid on an
3 interim basis.

4 **V. CONCLUSION**

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

- 6 1. Approving Allen Matkins' fees, on an interim basis, of \$27,204.75;
7 2. Authorizing and directing the Receiver to pay 80% of approved fees, or
8 \$21,763.80, from the assets of the Receivership Entities;
9 3. Approving Allen Matkins' costs in the amount of \$139.56 and
10 authorizing and directing the Receiver to reimburse such costs in full; and
11 4. For such other and further relief as the Court deems appropriate.

12
13 Dated: June 22, 2018

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

14 By: /s/ Edward Fates

15 EDWARD G. FATES
16 Attorneys for Receiver
17 KRISTA L. FREITAG
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EXHIBIT A

05/21/18 10:00:38 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: 07-31-2017

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

Proforma Number

Client/Matter Joint Group # 375579-1

Fees for Matter 375579-00002 (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
01/11/18	7387514	Review subpoena for documents issued to Pension Funding and discuss same with Receiver.	Fates, Edward	0.4	214.20	214.20
01/12/18	7387945	Communications with counsel for issuer of subpoena for documents regarding Pension Funding and advise Receiver regarding same (.6); review and redact documents to be produced (.5).	Fates, Edward	1.1	589.05	803.25
01/16/18	7389554	Prepare response to subpoena duces tecum issued in Florida action against investor.	Fates, Edward	0.5	267.75	1,071.00

Disbursements for Matter 375579-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt
01/08/18	2403360	Document Search - - PACER Service Center, Service 10/01/2017-12/31/2017^4406104Q42017	1.00	46.50
01/08/18	2403361	- - PACER Service Center, Service 10/01/2017-12/31/2017^4406104Q42017	1.00	3.30

05/21/18 10:00:38 PROFORMA STATEMENT FOR MATTER 375579-00002 (Krista Freitag, as Receiver for Pension Funding LLC and) (General Receivership)

Trans Date	Index	Type	Quantity	Amt
01/08/18	2403362	- - PACER Service Center, Service 10/01/2017-12/31/2017^4406104Q42017	1.00	1.30
01/10/18	2395997	Duplication	6.00	1.14
01/11/18	2395998	Duplication	5.00	0.95
01/24/18	2401206	Messenger -- Federal Express Invoice No: 607624577 1665 Ship To: Hon Josephine L Staton	1.00	12.19
01/31/18	2408260	Audio Conferencing - - - Aspen Conferencing - Melissa Bell ^ 11422 - Call to: 5595158143 6192	1.00	11.57
02/05/18	2415848	Audio Conferencing - - - Aspen Conferencing - Melissa Bell ^ 11444 - Call to: 9495531313 6192	1.00	17.31
02/06/18	2401785	Duplication	3.00	0.57
02/28/18	2412459	Messenger - - Federal Express Invoice No: 611306925 1665 Ship To: Hon Josephine L Staton	1.00	12.54
03/02/18	2412458	Messenger - - Federal Express Invoice No: 611306925 1665 Ship To: Hon Josephine L Staton	1.00	12.09
03/09/18	2411073	Duplication	36.00	6.84
03/12/18	2411072	Duplication	6.00	1.14
03/21/18	2417161	Messenger -- Federal Express Invoice No: 613540085 1665 Ship To: Ms Lisa Ryan	1.00	12.12

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.0	535.50	1,071.00
		<u>2.0</u>		<u>1,071.00</u>
Total Fees				1,071.00
Total Disbursements				139.56

05/21/18 10:00:06 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: 03-29-2018

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
01/02/18	7379642	Communications with Receiver and attorney D. Hollnagle regarding payment plan and confession of judgment.	Fates, Edward	0.4	214.20	214.20
01/05/18	7381829	Communications with attorney D. Hollnagle regarding payment plan terms and confession of judgment (.3); advise Receiver regarding same and notice of bankruptcy filed by pensioner Capiendo (.2).	Fates, Edward	0.5	267.75	481.95
01/05/18	7382106	Review status of Robert Brown recovery of lump sum payment (.1); review status of trustee motion to dismiss Vroonland case (.1); review status of pending pensioner bankruptcy cases (.3).	Kim, Yale	0.5	281.25	763.20
01/08/18	7383654	Review status of Capiendo pensioner bankruptcy case, petition and schedules (.3); review Chrapliwy chapter 13 plan distribution (.1); correspond with Receiver re confirmation of receipt of Chrapliwy distribution (.2); review status of Salisbury, Baker & Vroonland cases	Kim, Yale	0.8	450.00	1,213.20

05/21/18 10:00:06 PROFORMA STATEMENT FOR MATTER 375579-00003 (Krista Freitag, as Receiver for Pension Funding LLC and) (Asset Investigation)

Trans Date	Index	Description of Service Rendered (.2).	Timekeeper	Hours	Fees	Sum
01/09/18	7384790	Review Vroonland dismissal order (.1); review Vroonland lump-sum claim amount (.1); update chart re Capiendo and other pensioner bankruptcy cases (.4)	Kim, Yale	0.6	337.50	1,550.70
01/11/18	7386841	Follow up communications with attorney D. Hollnagle regarding payment plan and confession of judgment.	Fates, Edward	0.1	53.55	1,604.25
01/11/18	7386889	Discuss collection steps for pensioner Vroonland with Receiver.	Fates, Edward	0.1	53.55	1,657.80
01/11/18	7387111	Draft memo to Krista Freitag re updated pensioners bankruptcy chart (.1); review updated chart (.1); review proceeding with demand against Vroonland for lump-sum amount owed (.1); review status of Salisbury funding and mid-January distribution (.1).	Kim, Yale	0.4	225.00	1,882.80
01/12/18	7388462	Discuss payment plan for D. Hollnagle with Receiver and communications with D. Hollnagle regarding same (.4); work on collection letter to pensioner Vroonland and discuss same with Receiver (.5).	Fates, Edward	0.9	481.95	2,364.75
01/12/18	7388287	Review status of Seiger dismissal in chapter bankruptcy court proceeding.	Kim, Yale	0.2	112.50	2,477.25
01/18/18	7392443	Review Salisbury distribution amount for January 2018 in the amount of \$2,075.53.	Kim, Yale	0.2	112.50	2,589.75

05/21/18 10:00:06 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
01/19/18	7393794	Discuss collection letter to pensioner Vroonland with Receiver and finalize same.	Fates, Edward	0.2	107.10	2,696.85
01/19/18	7393300	Draft memo to Receiver re Salisbury plan distribution (.1); review chapter 13 trustee account ledger re Salisbury (.1); review status of pending pensioner bankruptcy cases (.2).	Kim, Yale	0.4	225.00	2,921.85
01/26/18	7399129	Revise address and finalize collection letter to C. Vroonland.	Fates, Edward	0.1	53.55	2,975.40
01/30/18	7401409	Review status of possible Seiger pensioner dismissal of bankruptcy (.1); review chapter 13 account ledgers re plan funding and estimated timing of future plan distributions (.1).	Kim, Yale	0.2	112.50	3,087.90
02/01/18	7407253	Review status of Capiendo chapter 7 case (.1); draft memo to Receiver re Capiendo trustee no-asset case designation and status of discharge (.1).	Kim, Yale	0.2	112.50	3,200.40
02/05/18	7408526	Review status of Chrapliwy funding of chapter 13 plan distribution and distribution to receivership estate (.2); draft update to pensioners bankruptcy chart (.9).	Kim, Yale	1.2	675.00	3,875.40
02/08/18	7412924	Review withdrawal of motion to dismiss by chapter 13 in Seiger pensioner bankruptcy case (.1); finalize update chart (.2); draft memo to Receiver re updated pensioners bankruptcy chart (.1).	Kim, Yale	0.4	225.00	4,100.40
02/12/18	7415982	Review chapter 13 trustee account ledgers for pensioner bankruptcy	Kim, Yale	0.2	112.50	4,212.90

05/21/18 10:00:06 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
		cases for pending distributions.				
02/15/18	7418962	Review status of Salisbury 2/18 plan distribution amount to Receiver for \$2,075.	Kim, Yale	0.2	112.50	4,325.40
02/16/18	7420016	Correspond with Receiver re distribution of 2/18 Salisbury plan distribution.	Kim, Yale	0.2	112.50	4,437.90
02/20/18	7421787	Review status of Baker and Charpliw chapter 13 plan distributions.	Kim, Yale	0.2	112.50	4,550.40
02/22/18	7423658	Review status of Salisbury chapter 13 case and current funding for chapter 13 plan.	Kim, Yale	0.2	112.50	4,662.90
02/23/18	7425256	Address communication from pensioner regarding bankruptcy filing.	Fates, Edward	0.2	107.10	4,770.00
02/23/18	7425255	Review bankruptcy filing of pensioner Steve Wilson (.1); review schedules and statement of affairs (.2); review status of no asset for case and entry of discharge (.1); review means test calculation and median income for New Jersey (.1).	Kim, Yale	0.5	281.25	5,051.25
02/26/18	7426902	Address issues regarding pensioner Wilson bankruptcy.	Fates, Edward	0.1	53.55	5,104.80
02/26/18	7426029	Update pensioners bankruptcy chart re Stephen Wilson chapter 7 filing (.2); review issue re means test for Wilson filing and presumption of abuse (.1); review account ledger re status of chapter 13 plan distributions for pensioner cases (.1); draft memo to receiver discrepancy in number in household in schedules re statement	Kim, Yale	0.6	337.50	5,442.30

05/21/18 10:00:06 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
		of monthly income (.2).				
02/27/18	7428241	Draft memo to Melvin Purvin, counsel for Steve Wilson, re confirmation of household number.	Kim, Yale	0.2	112.50	5,554.80
03/01/18	7433333	Advise Receiver on pensioner collection issues and strategy.	Fates, Edward	0.3	160.65	5,715.45
03/05/18	7434600	Review final Chrapliwy payment on receivership claim (.1); review account ledger re payments on Chrapliwy claim (.1); correspond with Lisa Ryan re closing of Chrapliwy claim (.2); review pending pensioner bankruptcy matters and chapter 13 plan distributions (.4).	Kim, Yale	0.8	450.00	6,165.45
03/07/18	7436831	Draft update to pensioner bankruptcy chart.	Kim, Yale	0.9	506.25	6,671.70
03/08/18	7438384	Draft update to pensioner bankruptcy chart.	Kim, Yale	0.2	112.50	6,784.20
03/09/18	7440889	Review status of Salisbury chapter 13 plan payment distributions and funding (.1); review status of Stephen Wilson chapter 7 case (.1).	Kim, Yale	0.2	112.50	6,896.70
03/12/18	7441977	Draft memo to Krista Freitag re updated chart for pensioner bankruptcy cases (.1); review updated chart (.1).	Kim, Yale	0.2	112.50	7,009.20
03/15/18	7445473	Review account ledger for Salisbury plan distribution in amount of \$2,075.51 and remaining claim amount (.2); review status of entry of discharge in Capiendo case (.1).	Kim, Yale	0.3	168.75	7,177.95
03/16/18	7446988	Correspond with receiver re March	Kim, Yale	0.2	112.50	7,290.45

05/21/18 10:00:06 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
		2018 plan payment and remaining claim amount.				
03/19/18	7448391	Review status of existing pensioner bankruptcy cases and account ledger for active chapter 13 cases with plan distributions.	Kim, Yale	0.2	112.50	7,402.95
03/22/18	7451824	Correspond with Receiver re pensioner Alvin Johnson bankruptcy filing.	Kim, Yale	0.2	112.50	7,515.45
03/26/18	7454027	Review status of pending pensioner bankruptcy cases and chapter 13 ledger reports on distributions.	Kim, Yale	0.2	112.50	7,627.95
03/28/18	7456782	Review discharge order for Capiendo case (.1); review status of discharge for Stephen Wilson case (.1); draft memo to Receiver re Capiendo discharge order (.1).	Kim, Yale	0.3	168.75	7,796.70

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.9	535.50	1,552.95
001938	Yale Kim	11.1	562.50	6,243.75
		<u>14.0</u>		<u>7,796.70</u>
Total Fees				7,796.70
Total Disbursements				0.00

05/21/18 10:00:06 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: 03-29-2018

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
01/19/18	7393783	Discuss contents and preparation of Eighth Interim Report with Receiver.	Fates, Edward	0.4	214.20	214.20
01/22/18	7394131	Work on Receiver's Eighth Interim Report (1.4); discuss same with Receiver (.2); meet and confer communications with counsel for CFPB and New York Superintendent regarding same (.2).	Fates, Edward	1.8	963.90	1,178.10
01/24/18	7397408	Meet and confer communications with counsel for CFPB regarding Eighth Interim report and finalize same.	Fates, Edward	0.3	160.65	1,338.75
01/26/18	7398881	Discuss strategy regarding next interim report and timeline based on directive in fee approval order with Receiver.	Fates, Edward	0.2	107.10	1,445.85

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.7	535.50	1,445.85
		2.7		1,445.85
Total Fees				1,445.85
Total Disbursements				0.00

05/21/18 10:00:06 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: 03-29-2018

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
02/01/18	7407363	Revisions to communication to counsel for CFPB and New York Superintendent regarding proposed interim distribution and discuss same with Receiver.	Fates, Edward	0.5	267.75	267.75
02/02/18	7407763	Respond to inquiry from counsel for investors regarding timing of further distributions.	Fates, Edward	0.2	107.10	374.85
02/07/18	7411383	Advise Receiver on distribution issues.	Fates, Edward	0.2	107.10	481.95
02/09/18	7414261	Revise communications to pensioners with IRA accounts regarding distributions (.1); revise letter to investor to accompany second interim distribution payments and advise Receiver regarding same (.4).	Fates, Edward	0.5	267.75	749.70
02/13/18	7416869	Advise Receiver regarding distribution issues and response to investor inquiry.	Fates, Edward	0.2	107.10	856.80
03/05/18	7434651	Assist Receiver in preparing response to investor inquiry.	Fates, Edward	0.2	107.10	963.90
03/15/18	7445597	Respond to inquiry regarding PGR,	Fates, Edward	0.2	107.10	1,071.00

05/21/18 10:00:06 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
		LLC from counsel for investor.				

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.0	535.50	1,071.00
		<u>2.0</u>		<u>1,071.00</u>
Total Fees				1,071.00
Total Disbursements				0.00

05/21/18 10:00:06 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: 03-29-2018

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
01/04/18	7381358	Advise on case strategy for Burgum and Lee matters, next steps, and timing.	Fates, Edward	0.4	214.20	214.20
01/04/18	7381588	Review B. Lee's supplemental rule 26 disclosures and strategize regarding potential discovery motions and dispositive motions.	Bell, Melissa	0.6	183.60	397.80
01/10/18	7385845	Revisions to meet and confer letter to W. Burgum re: initial disclosures and discovery responses	Fates, Edward	0.8	428.40	826.20
01/10/18	7386885	Draft and send meet and confer letter regarding initial disclosures and discovery to W. Burgum.	Bell, Melissa	1.2	367.20	1,193.40
01/16/18	7389679	Advise on strategy and next steps regarding W. Burgum's failure to respond to discovery.	Fates, Edward	0.3	160.65	1,354.05
01/16/18	7390650	Strategize regarding potential motion to compel W. Burgum's discovery responses; telephone conference with W. Burgum regarding his outstanding discovery responses.	Bell, Melissa	0.5	153.00	1,507.05
01/18/18	7393704	Telephone call and e-mail with W.	Bell, Melissa	0.1	30.60	1,537.65

05/21/18 10:00:06 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
		Burgum regarding discovery extension.				
01/22/18	7395143	Advise on strategy and settlement discussions for B. Lee and W. Burgum collections actions.	Fates, Edward	0.2	107.10	1,644.75
01/22/18	7395331	Strategize regarding B. Lee case resolution and e-mails with M. Jones regarding scheduling telephone conference to discuss the same.	Bell, Melissa	0.3	91.80	1,736.55
01/22/18	7395332	Telephone conference and e-mail regarding discovery and discovery extension with W. Burgum.	Bell, Melissa	0.3	91.80	1,828.35
01/24/18	7398705	Review and analyze W. Burgum's Initial Disclosures.	Bell, Melissa	0.7	214.20	2,042.55
01/26/18	7399175	Review documents produced by W. Burgum and advise Receiver on settlement strategy and next steps.	Fates, Edward	0.5	267.75	2,310.30
01/26/18	7399977	Review and analyze W. Burgum's Initial Disclosure documents received via Messenger.	Bell, Melissa	0.2	61.20	2,371.50
01/30/18	7402237	Discuss settlement strategy and next steps with Receiver.	Fates, Edward	0.2	107.10	2,478.60
01/31/18	7403025	Call with counsel for B. Lee regarding settlement of claims (.6); advise Receiver regarding same (.2); advise on settlement issues for W. Burgum (.1).	Fates, Edward	0.9	481.95	2,960.55
01/31/18	7405442	E-mails with W. Burgum regarding case status and telephone conference.	Bell, Melissa	0.2	61.20	3,021.75
01/31/18	7405444	Prepare for and attend conference	Bell, Melissa	1.1	336.60	3,358.35

05/21/18 10:00:06 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
		call with B. Lee's counsel regarding case status and settlement.				
02/01/18	7407351	Communications with W. Burgum and counsel to arrange conference call regarding settlement.	Fates, Edward	0.2	107.10	3,465.45
02/02/18	7407939	Discuss settlement strategy regarding W. Burgum with Receiver (.1); settlement communications with counsel for B. Lee (.4).	Fates, Edward	0.5	267.75	3,733.20
02/02/18	7408180	E-mails with W. Burgum regarding rescheduling telephone conference.	Bell, Melissa	0.1	30.60	3,763.80
02/05/18	7408375	Analyze lengthy interrogatory responses from W. Burgum in preparation for conference call regarding settlement (.5); participate on conference call regarding settlement and financial hardship issues (1.2).	Fates, Edward	1.7	910.35	4,674.15
02/05/18	7409291	Review W. Burgum's responses to special interrogatories (.2); Attend telephone conference with W. Burgum regarding case status and potential settlement.	Bell, Melissa	1.6	489.60	5,163.75
02/07/18	7411386	Advise Receiver regarding financial hardship documents and analysis for W. Burgum (.3); revise communication to W. Burgum regarding same (.1).	Fates, Edward	0.4	214.20	5,377.95
02/07/18	7412739	Review W. Burgum's Responses to Requests for Admission; e-mail W. Burgum list of requested financial disclosure documents.	Bell, Melissa	0.3	91.80	5,469.75

05/21/18 10:00:06 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
02/08/18	7412767	Review W. Burgum responses to requests for admissions.	Fates, Edward	0.2	107.10	5,576.85
02/21/18	7422575	Advise on communications with W. Burgum regarding discovery issues and settlement.	Fates, Edward	0.1	53.55	5,630.40
02/21/18	7423271	Review W. Burgum's responses to special interrogatories and requests for admissions and draft e-mail regarding outstanding requests for production of documents and financial disclosures.	Bell, Melissa	0.4	122.40	5,752.80
02/23/18	7424594	Advise on and revise settlement communications with W. Burgum.	Fates, Edward	0.2	107.10	5,859.90
02/23/18	7425484	Review W. Burgum's e-mail and responses to Requests for Production of Documents and draft correspondence regarding the same.	Bell, Melissa	0.5	153.00	6,012.90
02/26/18	7426459	Advise as to strategy and next steps regarding Burgum and Lee actions (.3); communications with counsel for Lee (.2).	Fates, Edward	0.5	267.75	6,280.65
02/26/18	7427082	E-mails with W. Burgum regarding next steps (.2); E-mails with B. Lee's counsel regarding next steps (.2).	Bell, Melissa	0.4	122.40	6,403.05
03/01/18	7433305	Advise on strategy and arguments for motion for summary judgment in W. Burgum matter and follow up regarding settlement in B. Lee matter.	Fates, Edward	0.5	267.75	6,670.80
03/01/18	7433456	Strategize regarding Motion for Summary Judgment against W. Burgum (.5); E-mails and telephone conference regarding settlement with	Bell, Melissa	0.7	214.20	6,885.00

05/21/18 10:00:06 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
		B. Lee's counsel (.2).				
03/02/18	7433694	Prepare settlement agreement for B. Lee (1.4); advise on preparation of stipulated judgment (.3); communications with counsel for B. Lee (.2); discuss settlement with Receiver (.2).	Fates, Edward	2.1	1,124.55	8,009.55
03/02/18	7434220	Revise Settlement Agreement with B. Lee; Draft Stipulated Judgment for B. Lee.	Bell, Melissa	0.7	214.20	8,223.75
03/04/18	7434217	Continue to revise B. Lee settlement agreement.	Bell, Melissa	0.4	122.40	8,346.15
03/05/18	7434420	Discuss terms of settlement agreement and stipulated judgment with Receiver and revise documents regarding same (.4); communications with counsel for B. Lee regarding same (.2).	Fates, Edward	0.6	321.30	8,667.45
03/07/18	7437805	Strategize regarding drafting Motion for Summary Judgment in case against W. Burgum.	Bell, Melissa	0.7	214.20	8,881.65
03/08/18	7440079	Strategize regarding separate statement of undisputed material facts.	Bell, Melissa	0.3	91.80	8,973.45
03/12/18	7442060	Communications with counsel for B. Lee regarding execution of settlement and payments.	Fates, Edward	0.2	107.10	9,080.55
03/12/18	7443251	Analyze documents and draft Statement of Undisputed Facts in support of Receiver's Motion for Summary Judgment against W. Burgum; Begin drafting Freitag	Bell, Melissa	1.9	581.40	9,661.95

05/21/18 10:00:06 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
		Declaration in support of Motion for Summary Judgment against W. Burgum.				
03/14/18	7444832	Communications with counsel for B. Lee regarding execution of settlement agreement and first payment and advise Receiver regarding same.	Fates, Edward	0.3	160.65	9,822.60
03/14/18	7445326	Continue to draft Freitag Declaration in support of Motion for Summary Judgment against W. Burgum; draft Fates Declaration in support of Motion for Summary Judgment against W. Burgum.	Bell, Melissa	3.9	1,193.40	11,016.00
03/18/18	7448198	Draft Memorandum of Points and Authorities in support of Motion for Summary Judgment against W. Burgum.	Bell, Melissa	3.3	1,009.80	12,025.80
03/20/18	7449406	Communications with counsel for B. Lee regarding settlement payment (.2) advise Receiver regarding the same (.1).	Fates, Edward	0.3	160.65	12,186.45
03/21/18	7450812	Communications with Receiver regarding receipt of B. Lee settlement payment.	Fates, Edward	0.1	53.55	12,240.00
03/25/18	7453713	Continue to draft Memorandum of Points and Authorities and related documents in support of Motion for Summary Judgment against W. Burgum.	Bell, Melissa	3.8	1,162.80	13,402.80
03/26/18	7453978	Work on motion for summary judgment and supporting papers as to W. Burgum.	Fates, Edward	0.9	481.95	13,884.75

05/21/18 10:00:06 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
03/26/18	7455015	Strategize regarding Motion for Summary Judgment.	Bell, Melissa	0.2	61.20	13,945.95

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	12.1	535.50	6,479.55
002244	Melissa Bell	24.4	306.00	7,466.40
		<u>36.5</u>		<u>13,945.95</u>
Total Fees				13,945.95
Total Disbursements				0.00

05/21/18 10:00:06 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: 03-29-2018

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
01/09/18	7384749	Review letter addressing pending fee application and discuss same with Receiver.	Fates, Edward	0.4	214.20	214.20
01/24/18	7397689	Initial work on Allen Matkins eighth interim fee application.	Fates, Edward	0.4	214.20	428.40
01/25/18	7398880	Review order approving fee applications and advise Receiver regarding same.	Fates, Edward	0.2	107.10	535.50
02/05/18	7409132	Work on Allen Matkins eighth interim fee application.	Fates, Edward	1.1	589.05	1,124.55
02/08/18	7413664	Revisions to Receiver's eighth interim fee application (.9); discuss fee applications with Receiver (.2).	Fates, Edward	1.1	589.05	1,713.60
02/13/18	7416935	Meet and confer communications with counsel for CFPB and New York Superintendent regarding eighth interim fee applications.	Fates, Edward	0.1	53.55	1,767.15
02/20/18	7421763	Meet and confer communications regarding eighth interim fee applications.	Fates, Edward	0.1	53.55	1,820.70
02/26/18	7426585	Meet and confer communications regarding eighth interim fee	Fates, Edward	0.1	53.55	1,874.25

05/21/18 10:00:06 PROFORMA STATEMENT FOR MATTER 375579-00009 (Krista Freitag, as Receiver for Pension Funding LLC and)
(Employment/Fees)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		applications.				

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	3.5	535.50	1,874.25
		<u>3.5</u>		<u>1,874.25</u>
Total Fees				1,874.25
Total Disbursements				0.00