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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 Hofelster,

22 Defendants.  
23

Case No. 8:15-cv-1329

**TENTH INTERIM FEE  
APPLICATION OF KRISTA L.  
FREITAG, COURT-APPOINTED  
RECEIVER, FOR PAYMENT OF  
FEES AND REIMBURSEMENT OF  
EXPENSES**

Date: November 9, 2018  
Time: 2:30 p.m.  
Ctrm.: 10A  
Judge: Hon. Josephine L. Staton

1 Krista L. Freitag ("Receiver"), the Court-appointed permanent receiver for  
2 Pension Funding, LLC, Pension Income, LLC, and their subsidiaries, affiliates, and  
3 successors-in-interest, including PGR, LLC (collectively, "Receivership Entities"),  
4 hereby submits this tenth interim application for approval and payment of fees and  
5 reimbursement of expenses ("Application"). This Application covers the period from  
6 April 1, 2018, through June 30, 2018 ("Tenth Application Period"), and seeks interim  
7 approval of \$10,201.05 in fees and \$402.50 in expenses and an order authorizing the  
8 Receiver to pay, on an interim basis, 80% of the fees incurred (\$8,160.84) and 100%  
9 of expenses incurred.

10 **I. INTRODUCTION**

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

19 The Appointment Order confers full powers of an equity receiver, including,  
20 but not limited to, full power over all funds, assets, negotiable instruments, collateral,  
21 premises (whether owned, leased, occupied, or otherwise controlled), choses in  
22 action, books, records, papers, and other real or personal property, including notes,  
23 deeds of trust, and other interests in real property, belonging to, being managed by,  
24 or in the possession or control of the Receivership Entities, including all funds and  
25 assets transferred from Pension Funding, LLC or Pension Income, LLC to entities  
26 controlled or managed by Edwin Lichtig or Rex Hofelter, including PGR, LLC.

27 The Appointment Order also authorizes the Receiver to "engage and employ  
28 attorneys, accountants, and other persons" to assist her in the performance of her

1 duties. Dkt. No. 61, Section III(C). The Receiver promptly determined that her  
2 experienced staff at E3 Realty Advisors, Inc. dba E3 Advisors ("E3"), as well as  
3 experienced, qualified counsel was critical due to the number of people involved, the  
4 transactional volume, and complex issues facing the receivership estate.  
5 Accordingly, the Receiver has cost-effectively used her team at E3 to assist in  
6 carrying out receivership duties and engaged Allen Matkins Leck Gamble Mallory &  
7 Natsis LLP ("Allen Matkins") to act as her counsel.

8 On March 1, 2016, the Receiver filed a Motion for Order in Aid of  
9 Receivership, seeking, amongst other things, express approval of her engagement of  
10 Allen Matkins and authorization to file interim reports and fee applications on a  
11 quarterly basis, which was granted as reflected in the minutes of the hearing on  
12 April 13, 2016. Dkt. Nos. 71, 86.

13 On April 25, 2017, the Receiver filed a Motion for Approval of Proposed  
14 Allowed Claim Amounts, Approval of Distribution Plan, and Authority to Make  
15 Interim Distributions ("Distribution Plan") (Dkt. No. 139), which was approved by  
16 the Court on May 31, 2017 (Dkt. No. 147). On April 25, 2017, the Receiver filed a  
17 Motion for Approval of the Sale of Loan Participation ("Lynk Loan Sale") (Dkt.  
18 No. 140), which was also approved by the Court on May 31, 2017 (Dkt. No. 148).

19 This fee application should be read in conjunction with the Receiver's Tenth  
20 Interim Report ("Tenth Report") filed on August 20, 2018 (Dkt. No. 187), which  
21 describes in detail the Receiver's activities during the Tenth Application Period. So  
22 as to avoid repetition, references are made to relevant portions of the interim reports,  
23 including the Tenth Report, in the below descriptions of the Receiver's work.

24 This Application seeks interim approval of \$10,201.05 in fees for a total of  
25 67.10 hours worked and payment on an interim basis of 80% of that amount, or  
26 \$8,160.84. The work performed is described task-by-task on Exhibit A and is broken  
27 down into the following categories:  
28

1	02-General Receivership	\$695.25
2	03-Asset Investigation & Recovery	\$1,000.80
3	04-Reporting	\$1,569.15
4	05-Operations & Asset Sales	\$4,370.85
5	06-Claims & Distributions (including Pensioner and Investor communications)	\$1,881.45
6	09-Employment/Fees	<u>\$683.55</u>
6	<b>Total Fees</b>	\$10,201.05

7 During this Tenth Application Period, the Receiver and her staff (a) continued  
 8 to collect pensioner monthly payments, (b) pursued collection on defaulted  
 9 pensioners, (c) prepared and distributed the final second interim distribution  
 10 payments, (d) conferred with and responded to Investor inquiries, (e) responded to  
 11 Pensioner inquiries, and (f) worked on analysis for completion of the receivership  
 12 estate.

13 Moving forward, the Receiver will continue to cost-effectively communicate  
 14 with Pensioners and Investors, service the Pensioner accounts, and pursue collection  
 15 and recovery of estate funds (only as appropriate). The Receiver anticipates that her  
 16 quarterly fees will continue at around the relatively low level of this fee application  
 17 through the balance of the receivership.

18 The Receiver has worked diligently and efficiently with urgent issues facing  
 19 the receivership estate. Through these diligent and efficient efforts and with the  
 20 assistance of Allen Matkins, as of June 30, 2018, the Receiver was able to recover,  
 21 preserve, and protect sufficient assets to refund nearly \$700,000 of Pensioner lump-  
 22 sum overpayments, and fund \$3.3 million of Investor interim distribution payments.  
 23 The Receiver has worked diligently in carrying out her Court-ordered duties and  
 24 should be compensated on an interim basis for her work.

25  
 26  
 27  
 28

1 **II. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED**

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

3 1. 02-General Receivership

4 The Receiver's work in the General Receivership category generally focuses  
5 on work associated with the Receivership Entities' general matters, income tax  
6 matters, agency requests, and website updates. During the Tenth Application Period,  
7 this work primarily reflects attention to review of receivership estate timing and  
8 income tax matters. This category involves work that is largely non-recurring and is  
9 expected to reflect minimal time on a go-forward basis. The reasonable and  
10 necessary fees for work in this category during the Tenth Application Period total  
11 \$695.25.

12 2. 03-Asset Investigation & Recovery

13 The Receiver's work in this category during the Tenth Application Period  
14 primarily relates to mediation efforts in a Pensioner collection matter. The  
15 reasonable and necessary fees for the Receiver's work in this category during the  
16 Tenth Application Period total \$1,000.80.

17 3. 04-Reporting

18 The Receiver's work in this category during the Tenth Application Period  
19 focused on preparing the Receiver's Ninth Interim Report filed on May 9, 2018 (Dkt.  
20 No. 174). This category will necessarily remain a consistent component of the  
21 Receiver's fees on a go forward basis. The reasonable and necessary fees for work in  
22 this category during the Tenth Application Period total \$1,569.15.

23 4. 05-Operations & Asset Sales

24 During the Tenth Application Period, the Receiver's time in this category  
25 primarily reflects the monthly Pensioner payment collections, analysis of Pensioner  
26 accounts, minimal power of attorney (POA) account clean-up, and other operational  
27 matters. Going forward, this category will be a consistent fee category and is  
28

1 crucially important. The reasonable and necessary fees for work during the Tenth  
2 Application Period in this category total \$4,370.85.

3 5. 06-Claims & Distributions

4 During the Tenth Application Period, the Receiver worked to prepare and  
5 execute the final second interim distribution payments to Investors with allowed  
6 claims, respond to direct inquiries from Pensioners, Investors, agents and others  
7 regarding the impact of the Forensic Accounting Report and orders thereon, the  
8 Investors' investments, and the Pensioners' accounts (including payment status and  
9 collection). In light of hundreds of affected individuals, the inquiries and requests  
10 have been frequent; however, the Receiver anticipates inquiries will continue to and  
11 generally decrease over time.

12 While the Receiver attempts to respond to Pensioners and Investors with  
13 template responses and posting of answers to Frequently Asked Questions,  
14 communications continue as Pensioners and Investors regularly seek updates specific  
15 to their accounts. Furthermore, the Receiver has used associates at lesser rates to  
16 handle a majority of this work, including an associate billed at \$157.50 per hour to be  
17 the first line of correspondence. The Receiver reviews and advises on such  
18 correspondence only as necessary. The Receiver also believes that promptly  
19 responding to Pensioners and Investors helps prevent misunderstandings, resolves  
20 certain Pensioner and Investor concerns, and resolves Pensioner collection issues,  
21 and therefore can reduce litigation expenses, including those associated with  
22 collection litigation.

23 Time spent effectuating the distribution process and continued  
24 communications is reflected in this category. As previously mentioned, with the  
25 majority of the work associated with the second interim distribution completed in the  
26 first quarter of 2018, the Receiver anticipated the fees would significantly decrease in  
27 the second quarter of 2018, which they did. The reasonable and necessary fees for  
28 work during the Tenth Application Period in this category total \$1,881.45.

1                   6.     09-Employment/Fees

2                   During the Tenth Application Period, the Receiver prepared her Ninth Interim  
3 Fee Application filed on June 22, 2018 (Dkt. No. 181). The reasonable and  
4 necessary fees for this work total \$683.55.

5                   7.     Summary of Expenses Requested for Reimbursement

6                   The Receiver requests the Court approve reimbursement of \$402.50 in out-of-  
7 pocket costs. The majority of the expenses incurred relate to postage expenses  
8 associated with the second interim distribution payments made to Investors with  
9 allowed claims, website updates, and postage expenses associated with collections,  
10 general Investor, and general Pensioner communications. The total reasonable and  
11 necessary costs incurred by the Receiver during the Tenth Application Period are  
12 \$402.50 and are broken out by category as follows:

Category	Total
Website Updates	\$170.00
Postage	\$232.50
<b>TOTAL</b>	<b>\$ 402.50</b>

13  
14  
15  
16  
17 **III. THE FEES AND COSTS ARE REASONABLE AND SHOULD BE**  
18 **ALLOWED**

19                   "As a general rule, the expenses and fees of a receivership are a charge upon  
20 the property administered." *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994).  
21 These expenses include the fees and expenses of this Receiver and her professionals,  
22 including Allen Matkins. Decisions regarding the timing and amount of an award of  
23 fees and costs are committed to the sound discretion of the Court. *See SEC v. Elliot*,  
24 953 F.2d 1560, 1577 (11th Cir. 1992) (rev'd in part on other grounds, 998 F.2d 922  
25 (11th Cir. 1993)).

26                   In allowing fees, a court should consider "the time, labor and skill required,  
27 but not necessarily that actually expended, in the proper performance of the duties  
28 imposed by the court upon the Receiver, the fair value of such time, labor and skill

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

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

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

25 The Receiver has submitted a detailed fee application which describes the  
26 nature of the services rendered, and the identity and billing rate of each individual  
27 performing each task. *See* Exhibit A. The Receiver has endeavored to staff matters  
28 as efficiently as possible while remaining cognizant of the importance of issues



1 presented. The request for fees is based on the Receiver's customary billing rates  
2 charged for comparable services provided in other matters, less a 10% discount.

3 The work performed by the Receiver was essential to carrying out the Court-  
4 ordered duties. The Receiver and Allen Matkins have worked diligently since the  
5 Receiver's appointment to preserve and protect the assets of receivership estate and  
6 to carry out the Court's orders. Moreover, the Receiver seeks payment of only 80%  
7 of fees incurred on an interim basis in recognition of the fact that her work is  
8 ongoing. Payment of the proposed 20% holdback will be sought at the conclusion of  
9 receivership. The Receiver's fees are fair and reasonable and should be approved and  
10 paid on an interim basis.

11 **IV. CONCLUSION**

12 The Receiver therefore respectfully requests this Court enter an Order:

- 13 1. Approving the Receiver's fees, on an interim basis, of \$10,201.05;
- 14 2. Authorizing and directing the Receiver to pay 80% of approved fees, or
- 15 \$8,160.84, from the assets of Receivership Entities;
- 16 3. Approving the Receiver's costs in the amount of \$402.50, and
- 17 authorizing and directing the Receiver to reimburse such costs in full; and
- 18 4. For such other and further relief as the Court deems appropriate.

19  
20 Dated: September 6, 2018

By:   
KRISTA L. FREITAG, Receiver

21  
22 Dated: September 6, 2018

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP

By: /s/ Edward G. Fates  
EDWARD G. FATES  
Attorneys for Receiver  
KRISTA L. FREITAG

# **EXHIBIT A**

CFPB, NY v PF-PI  
April 2018 - June 2018 Fees

Date	Description of Services	Hours	Personnel	Per Hour	Total Fee	001	002	003	004	005	006	007	008	009	010
4/2/2018	Reviewed correspondence; downloaded bank activity and started April 2018 schedule for collections; conferred with L. Ryan re: same. (.8)	0.8	K. Freitag	\$ 265.50	\$ 212.40	\$ -	\$ -	\$ -	\$ -	\$ 212.40	\$ -	\$ -	\$ -	\$ -	\$ -
4/2/2018	Prepared Day 1 and Day 1 refund ACHs. (1.1) Recorded accounts payable and prepared payments. (.4) Corresponded with pensioners re: payoff. (.2)	1.7	L. Ryan	\$ 112.50	\$ 191.25	\$ -	\$ -	\$ -	\$ -	\$ 191.25	\$ -	\$ -	\$ -	\$ -	\$ -
4/2/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.4)	0.4	A. Herren	\$ 157.50	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ -
4/2/2018	Reviewed and signed vendor checks. (.2)	0.2	T. Hebrank	\$ 234.00	\$ 46.80	\$ -	\$ 46.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4/3/2018	Scanned and archived bank statements. (.4) Updated pensioner activity; reviewed and updated POA balances and corresponded with multiple pensioner re: POA balances. (1.4)	1.8	L. Ryan	\$ 112.50	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ -
4/3/2018	Conferred with numerous investors re: second distribution; corresponded with L. Ryan re: same. (.3)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47.25	\$ -	\$ -	\$ -	\$ -
4/5/2018	Prepared pensioner payments and sent to South County Bank for deposit. (.7) Conferred with pensioners and investor re: distribution. (.3) Prepared ACH to return pensioner POA balances. (.5)	1.5	L. Ryan	\$ 112.50	\$ 168.75	\$ -	\$ -	\$ -	\$ -	\$ 135.00	\$ 33.75	\$ -	\$ -	\$ -	\$ -
4/5/2018	Prepared additional distribution checks to investors and updating tracking. (1.8)	1.8	L. Ryan	\$ 202.50	\$ 364.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 364.50	\$ -	\$ -	\$ -	\$ -
4/5/2018	Conferred with investor re: second distribution; corresponded with L. Ryan re: same. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
4/6/2018	Process additional investor distribution for mailing and corresponded with M. Weld re: positive pay list and IRA Services re: distribution. (1.0)	1.0	L. Ryan	\$ 202.50	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202.50	\$ -	\$ -	\$ -	\$ -
4/6/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
4/6/2018	Reviewed and signed investor checks for second distribution. (.1)	0.1	T. Hebrank	\$ 234.00	\$ 23.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23.40	\$ -	\$ -	\$ -	\$ -
4/9/2018	Conferred with investor re: distribution. (.1)	0.1	L. Ryan	\$ 202.50	\$ 20.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20.25	\$ -	\$ -	\$ -	\$ -
4/9/2018	Reconciled bank statements and corresponded with East West re: statements, updated cash activity and Prepared Receipts and Disbursement report for Q1. (3.7) Prepared Day 8 ACH. (.4)	4.1	L. Ryan	\$ 112.50	\$ 461.25	\$ -	\$ -	\$ -	\$ 416.25	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -
4/9/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.4)	0.4	A. Herren	\$ 157.50	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ -
4/10/2018	Conferred with pensioner re: overpayment refund and prepared ACH for same. (.3) Continued to reconcile bank accounts, updated cash activity and finalized Receipts and Disbursement report. (3.1) Conferred with K. Freitag re: reporting and pensioner forecast. (.2) Updated pensioner forecast for year. (1.0)	4.6	L. Ryan	\$ 112.50	\$ 517.50	\$ -	\$ -	\$ -	\$ 348.75	\$ 168.75	\$ -	\$ -	\$ -	\$ -	\$ -
4/10/2018	Prepared distribution payment and corresponded with M. Weld re: same. (.4) Corresponded with investors and prepared letter to same. (.3)	0.7	L. Ryan	\$ 202.50	\$ 141.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141.75	\$ -	\$ -	\$ -	\$ -
4/10/2018	Conferred with investor re: second distribution; corresponded with L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -
4/11/2018	Updated financial section of Receiver Report. (2.1) Updated cash flow and pensioner projections. (1.8) Prepared tax payments and corresponded with J. Kearbey re: same. (.6)	4.5	L. Ryan	\$ 112.50	\$ 506.25	\$ -	\$ 67.50	\$ -	\$ 236.25	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ -

Date	Description of Services	Hours	Personnel	Per Hour	Total Fee	001	002	003	004	005	006	007	008	009	010
4/11/2018	Conferred with pensioner re: request for account information; corresponded with L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -
4/12/2018	Worked on project wrap-up analysis with L. Ryan; conferred with Atty Fates re: same. (1.5)	1.5	K. Freitag	\$ 265.50	\$ 398.25	\$ -	\$ 398.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4/12/2018	Continued to update cash flow, pensioner projections and collection projections for Q3 and Q4; conferred with K. Freitag. (4.3) Prepared ACH for Day 10. (.4) Continued to update Receivers Report. (.4)	5.1	L. Ryan	\$ 112.50	\$ 573.75	\$ -	\$ -	\$ -	\$ 45.00	\$ 528.75	\$ -	\$ -	\$ -	\$ -	\$ -
4/17/2018	Corresponded with pensioner re: status of payment. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
4/18/2018	Researched and responded to IRA Services re: distribution checks. (.6)	0.6	L. Ryan	\$ 202.50	\$ 121.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121.50	\$ -	\$ -	\$ -	\$ -
4/18/2018	Conferred with pensioner Lee re: account information and updated same. (.2)	0.2	L. Ryan	\$ 112.50	\$ 22.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22.50	\$ -	\$ -	\$ -	\$ -
4/20/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2) Corresponded with pensioner re: status of payment. (.1)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -
4/23/2018	Prepared distribution payments and corresponded with M. Weld and IRA Services re: same. (1.0)	1.0	L. Ryan	\$ 202.50	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202.50	\$ -	\$ -	\$ -	\$ -
4/23/2018	Corresponded with L. Ryan re: pensioner payment status update. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
4/23/2018	Reviewed and signed investor checks for second distribution. (.2)	0.2	T. Hebrank	\$ 234.00	\$ 46.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46.80	\$ -	\$ -	\$ -	\$ -
4/24/2018	Prepared pensioner payments and sent to South County Bank for deposit. (.6)	0.6	L. Ryan	\$ 112.50	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -
4/24/2018	Prepared distribution payment for mailing. (.4)	0.4	L. Ryan	\$ 202.50	\$ 81.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81.00	\$ -	\$ -	\$ -	\$ -
4/26/2018	Reviewed Burgum Motion declaration. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4/26/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
4/30/2018	Conferred with C. Christopher re: receivership wrap-up plan. (.2) Reviewed and revised Receiver Report No. 9. (.9)	1.1	K. Freitag	\$ 265.50	\$ 292.05	\$ -	\$ 53.10	\$ -	\$ 238.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4/30/2018	Conferred with pensioner re: account status; corresponded with L. Ryan re: same. (.2) Conferred with investor re: distributions and status of receivership; corresponded re: current Receiver's Report. (.2) Prepared pensioner payment history; corresponded with pensioner re: same. (.3) Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.9	A. Herren	\$ 157.50	\$ 141.75	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ 110.25	\$ -	\$ -	\$ -	\$ -
5/1/2018	Continued to update Receivers Report. (.4) Worked on ACH transaction schedule for May, pulled Day 1 and refund ACHs and updated cash activity. (2.2)	2.6	L. Ryan	\$ 112.50	\$ 292.50	\$ -	\$ -	\$ -	\$ 45.00	\$ 247.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/2/2018	Finalized draft of Receiver's Report No. 9. (.7)	0.7	K. Freitag	\$ 265.50	\$ 185.85	\$ -	\$ -	\$ -	\$ 185.85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5/3/2018	Corresponded with K. Freitag and L. Ryan re: status of pensioner bankruptcy filing. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -
5/7/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/8/2018	Researched pensioner bankruptcy and account balance. (.1)	0.1	K. Freitag	\$ 265.50	\$ 26.55	\$ -	\$ -	\$ -	\$ -	\$ 26.55	\$ -	\$ -	\$ -	\$ -	\$ -
5/8/2018	Researched pensioner in bankruptcy and responded to Y. Kim. (1.2) Prepared ACH for Day 8. (.6)	1.8	L. Ryan	\$ 112.50	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ 202.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/9/2018	Finalized and signed Receiver's Report No. 9. (.2)	0.2	K. Freitag	\$ 265.50	\$ 53.10	\$ -	\$ -	\$ -	\$ 53.10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Date	Description of Services	Hours	Personnel	Per Hour	Total Fee	001	002	003	004	005	006	007	008	009	010
5/9/2018	Corresponded with investor re: status of distributions. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
5/11/2018	Reviewed and revised Application to file under seal response to receivership wind-down plan. (.4)	0.4	K. Freitag	\$ 265.50	\$ 106.20	\$ -	\$ 106.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5/11/2018	Responded to Y. Kim re: pensioner in bankruptcy and confirmed POA account balance. (.5)	0.5	L. Ryan	\$ 112.50	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ -
5/11/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.4)	0.4	A. Herren	\$ 157.50	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ -
5/14/2018	Prepared ACH for Day 10. (.4) Prepared pensioner checks for deposit and updated schedule of same. (.7)	1.1	L. Ryan	\$ 112.50	\$ 123.75	\$ -	\$ -	\$ -	\$ -	\$ 123.75	\$ -	\$ -	\$ -	\$ -	\$ -
5/14/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/15/2018	Reviewed and signed A. Johnson POC. (.3)	0.3	K. Freitag	\$ 265.50	\$ 79.65	\$ -	\$ -	\$ -	\$ -	\$ 79.65	\$ -	\$ -	\$ -	\$ -	\$ -
5/15/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/17/2018	Corresponded with pensioner re: status of payment and mailing information; corresponded with L. Ryan re: same. (.2) Corresponded with investor re: status of distributions. (.1)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47.25	\$ -	\$ -	\$ -	\$ -
5/18/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/21/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/25/2018	Reviewed and revised Burgum mediation brief. (.4)	0.4	K. Freitag	\$ 265.50	\$ 106.20	\$ -	\$ -	\$ 106.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5/31/2018	Reconciled bank account, updated pensioner deposits and cash activity. (1.1) Updated projection of pensioner payments and corresponded with pensioner re: final payment. (1.2) Updated ACH schedule for June. (.8) Prepared ACH for POA balance. (.3)	3.4	L. Ryan	\$ 112.50	\$ 382.50	\$ -	\$ -	\$ -	\$ -	\$ 382.50	\$ -	\$ -	\$ -	\$ -	\$ -
5/31/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
6/1/2018	Met with counsel re: Burgum mediation preparations. (.4)	0.4	K. Freitag	\$ 265.50	\$ 106.20	\$ -	\$ -	\$ 106.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6/1/2018	Conferred and corresponded with numerous pensioners and L. Ryan re: account status and payment. (.3) Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.5	A. Herren	\$ 157.50	\$ 78.75	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -
6/4/2018	Conferred with counsel re: final preparation for Burgum mediation. (.3) Attended opening mediation discussion with entire group; reviewed initial financial documents provided and conferred with counsel re: same. (1.0) Reviewed various financial documents provided. (1.5) Prepared Ninth Interim Fee Application. (2.1)	4.9	K. Freitag	\$ 265.50	\$ 1,300.95	\$ -	\$ -	\$ 743.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557.55	\$ -
6/4/2018	Continued to update June ACH report and prepared ACH for Day 1, refunds and pensioner. (2.3) Corresponded with A. Herren re: pensioner refund. (.1)	2.4	L. Ryan	\$ 112.50	\$ 270.00	\$ -	\$ -	\$ -	\$ -	\$ 270.00	\$ -	\$ -	\$ -	\$ -	\$ -

Date	Description of Services	Hours	Personnel	Per Hour	Total Fee	001	002	003	004	005	006	007	008	009	010
6/4/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2) Conferred and corresponded with numerous pensioners and L. Ryan re: account status and payment. (.3)	0.5	A. Herren	\$ 157.50	\$ 78.75	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -
6/5/2018	Conferred with pensioner re: final payment. (.2)	0.2	L. Ryan	\$ 112.50	\$ 22.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22.50	\$ -	\$ -	\$ -	\$ -
6/5/2018	Conferred and corresponded with pensioner and L. Ryan re: account status. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -
6/12/2018	Prepared Day 8 and Day 10 ACH and prepared pensioner checks for deposit and sent to South County Bank. (1.3)	1.3	L. Ryan	\$ 112.50	\$ 146.25	\$ -	\$ -	\$ -	\$ -	\$ 146.25	\$ -	\$ -	\$ -	\$ -	\$ -
6/13/2018	Updated June pensioner payments and researched and responded re: pensioner final payments. (.6)	0.6	L. Ryan	\$ 112.50	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -
6/13/2018	Conferred with investor re: status of distributions and receivership. (.1) Corresponded with L. Ryan and pensioner re: account status. (.2)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47.25	\$ -	\$ -	\$ -	\$ -
6/14/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
6/15/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.4)	0.4	A. Herren	\$ 157.50	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ -
6/18/2018	Reviewed cash activity and POA accounts. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -
6/18/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -
6/20/2018	Corresponded with K. Freitag re: investor email correspondence. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
6/21/2018	Recorded accounts payable and prepared payments. (.5)	0.5	L. Ryan	\$ 112.50	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ -
6/21/2018	Reviewed and signed vendor checks. (.1)	0.1	T. Hebrank	\$ 234.00	\$ 23.40	\$ -	\$ 23.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6/22/2018	Prepared pensioner payments and forwarded to South County Bank for deposit. (.8)	0.8	L. Ryan	\$ 112.50	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ -
6/25/2018	Drafted ninth interim fee application notification to investors and pensioners; corresponded with K. Freitag re: same. (.3)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47.25	\$ -
6/26/2018	Sent ninth interim fee application notification to investor and pensioners via email; completed declararation re: same; archived same; corresponded with K. Freitag re: same. (.5) Corresponded with L. Ryan re: pensioner's account balance. (.1) Conferred and corresponded with investor re: interim distributions and motion re: same. (.2)	0.8	A. Herren	\$ 157.50	\$ 126.00	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ 31.50	\$ -	\$ -	\$ 78.75	\$ -
6/27/2018	Corresponded with pensioner re: account balance. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
6/29/2018	Researched and replied re: pensioner balance and reviewed cash activity. (.6)	0.6	L. Ryan	\$ 112.50	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -
6/29/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re: same; corresponded with K. Freitag and L. Ryan re: same. (.2) Corresponded with K. Freitag re: investor email correspondence. (.1)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -
<b>Total April 2018 - June 2018 Fees</b>		<b>67.1</b>			<b>\$ 10,201.05</b>	<b>\$ -</b>	<b>\$ 695.25</b>	<b>\$ 1,000.80</b>	<b>\$ 1,569.15</b>	<b>\$ 4,370.85</b>	<b>\$ 1,881.45</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 683.55</b>	<b>\$ -</b>

<b>Date</b>	<b>Description</b>	<b>Expense</b>
4/30/2018	April 2018 Website Updates	\$ 170.00
4/30/2018	April 2018 FedEx	\$ 32.80
4/30/2018	April 2018 FedEx - investor distributions	\$ 141.34
5/31/2018	May 2018 FedEx	\$ 15.00
6/30/2018	June 2018 FedEx	\$ 43.36
		<b>\$ 402.50</b>