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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 Linda A. Lacewell, Acting  
17 Superintendent of the New York State  
Department of Financial Services,

18 Plaintiffs,

19 v.

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

22 Defendants.  
23  
24  
25  
26  
27  
28

Case No. 8:15-cv-1329

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

Date: May 3, 2019  
Time: 10:30 a.m.  
Ctrm.: 10A  
Judge: Hon. Josephine L. Staton

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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 final application for approval and payment of fees and  
 5 reimbursement of expenses ("Application"). This Application covers the period from  
 6 October 1, 2018, through December 31, 2018 ("Final Application Period"), and seeks  
 7 interim approval of \$9,315.45 in fees and \$548.22 in expenses and an order  
 8 authorizing the Receiver to pay, on an interim basis, 100% of the fees incurred and  
 9 100% of expenses incurred.

10 This application and the application of Allen Matkins filed concurrently  
 11 herewith will be the last fee applications the Receiver and Allen Matkins file. The  
 12 Receiver is filing concurrently herewith her motion to conclude the receivership and  
 13 her final report and accounting ("Motion to Conclude"). This application, therefore,  
 14 seeks final approval of (a) the 20% previously held back from the Receiver's eleven  
 15 interim fee applications, which amount totals \$91,358.30, (b) \$9,863.67 for unpaid  
 16 fees and costs incurred in the fourth quarter of 2018 (presented herein), and (c) up to  
 17 \$28,500 in projected fees and costs to complete the remaining tasks laid out in the  
 18 Motion to Conclude.

## 19 **I. INTRODUCTION**

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

28

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

9 The Appointment Order also authorizes the Receiver to "engage and employ  
10 attorneys, accountants, and other persons" to assist her in the performance of her  
11 duties. Dkt. No. 61, Section III(C). The Receiver promptly determined that her  
12 experienced staff at E3 Realty Advisors, Inc. dba E3 Advisors ("E3"), as well as  
13 experienced, qualified counsel was critical due to the number of people involved, the  
14 transactional volume, and complex issues facing the receivership estate.  
15 Accordingly, the Receiver has cost-effectively used her team at E3 to assist in  
16 carrying out receivership duties and engaged Allen Matkins Leck Gamble Mallory &  
17 Natsis LLP ("Allen Matkins") to act as her counsel.

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

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

1 This fee application should be read in conjunction with the Receiver's Motion  
2 to Conclude filed concurrently herewith, which describes in detail the Receiver and  
3 her counsel's activities during the pendency of the receivership as well as the Final  
4 Application Period.

5 This Application seeks approval of \$9,315.45 in fees for a total of 70.3 hours  
6 worked. The work performed is described task-by-task on Exhibit A and is broken  
7 down into the following categories:

8	02-General Receivership	\$2,976.75
9	04-Reporting	\$526.50
10	05-Operations & Asset Sales	\$2,853.45
11	06-Claims & Distributions (including Pensioner and Investor communications)	\$2,427.75
12	09-Employment/Fees	<u>\$531.00</u>
13	<b>Total Fees</b>	<b>\$9,315.45</b>

14 During this Final Application Period, the Receiver and her staff (a) continued  
15 to collect pensioner monthly payments and payoff settlement payments, (b) pursued  
16 collection on defaulted pensioners, (c) conferred with and responded to Investor  
17 inquiries, (d) responded to Pensioner inquiries, and (e) worked to wrap-up the  
18 receivership.

19 The Receiver has worked diligently and efficiently with urgent issues facing  
20 the receivership estate. Through these diligent and efficient efforts and with the  
21 assistance of Allen Matkins, as of February 26, 2018, the Receiver was able to  
22 recover, preserve, and protect sufficient assets to refund nearly \$700,000 of  
23 Pensioner lump-sum overpayments, and fund \$3.3 million of investor interim  
24 distribution payments. In total, the Receiver recovered a total of \$5.04 million, and  
25 notably has collected approximately \$1.4 million from pensioners since October of  
26 2016, at which time (based on Pensioner bankruptcies and defaults at that time) she  
27 projected collectability of approximately \$1.3 million of net lump sum proceeds from  
28 Pensioners.

1 If the Motion to Conclude filed herewith and the fee applications are granted,  
 2 the proposed final distribution will be approximately \$74,000.<sup>1</sup> Investors with  
 3 allowed claims and who successfully negotiated the interim distribution will have  
 4 recovered a grand total of \$13.8 million (nearly \$3.4 million from the receivership  
 5 estate), on average, 57% of their approximately \$24.2 million in investments. This is  
 6 a successful result considering (a) the relatively small amount of cash in company  
 7 accounts at the time of the Receiver's appointment, (b) the lack of a complete  
 8 accounting system used by Defendants, (c) the lack of Pensioner creditworthiness  
 9 and thus, the extent to which the Pensioners who defaulted and/or filed bankruptcy,  
 10 (d) the amount of funds used pre-receivership by Defendants for operations and/or  
 11 net insider payments (over \$6 million), and (e) the insufficient amount of reserves  
 12 collected in comparison to the number of pensioners who defaulted and/or filed  
 13 bankruptcy.

14 The Receiver has successfully completed her Court-ordered duties, including  
 15 securing, preserving and protecting the Receivership Entities' assets, completing a  
 16 detailed forensic accounting of the sources and uses of funds of the Receivership  
 17 Entities, pursuing recoveries from investments and Pensioners, and completing a  
 18 claims and distribution process.

19 The Receiver has filed detailed reports on her activities on a quarterly basis  
 20 throughout the case and has sought Court authority and approval of the sale of a loan  
 21 interest and litigation pursuits, as well as all aspects of the investor claims process  
 22 and distribution of receivership estate funds. The Receiver has also filed interim fee  
 23 applications on a quarterly basis throughout the case, which included a voluntary  
 24 hold back of 20% of fees incurred from each application. All of the Receiver's  
 25 interim fee applications have been granted. Finally, the Receiver has filed her  
 26

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27 <sup>1</sup> The proposed final distribution may be up to \$10,000 higher depending on February 2019 and  
 28 March 2019 collections. While awaiting the hearing hereon, the Receiver intends to continue to  
 collect pensioner payments for the benefit of the investors.

1 Motion to Conclude concurrently herewith, which lays out the tasks remaining to be  
2 completed and her projected fees and costs of \$28,500 for such work.

3 Accordingly, the Receiver respectfully requests approval and authority to pay  
4 (a) fees and costs incurred during the Final Application period of \$9,315.45 and  
5 \$548.22, (b) fees held back from her eleven interim fee applications of \$91,358.30,  
6 and (c) up to \$28,500 in projected fees and costs to complete the remaining tasks laid  
7 out in the Motion to Conclude.

## 8 **II. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED** 9 **DURING THE FINAL APPLICATION PERIOD**

### 10 **A. Categories and Descriptions of Work**

#### 11 1. 02-General Receivership

12 The Receiver's work in the General Receivership category generally focuses  
13 on work associated with the Receivership Entities' general matters, income tax  
14 matters, agency requests, and website updates. During the Final Application Period,  
15 this work primarily reflects attention to receivership wrap-up, and income tax  
16 matters. The reasonable and necessary fees for work in this category during the Final  
17 Application Period total \$2,976.75.

#### 18 2. 04-Reporting

19 The Receiver's work in this category during the Final Application Period  
20 focused on preparing the Receiver's Eleventh Interim Report filed on November 8,  
21 2018 (Dkt. No. 194). The reasonable and necessary fees for work in this category  
22 total \$526.50.

#### 23 3. 05-Operations & Asset Sales

24 During the Final Application Period, the Receiver's time in this category  
25 primarily reflects the collection of monthly payments and payoff settlements from  
26 Pensioners, analysis of Pensioner accounts, minimal power of attorney (POA)  
27 account clean-up, and other operational matters. The reasonable and necessary fees  
28 for work in this category total \$2,853.45.

1                   4.     06-Claims & Distributions

2             During the Final Application Period, the Receiver worked to respond to direct  
3 inquiries from Pensioners, Investors, agents and others regarding the Investors'  
4 investments and the Pensioners' accounts (including payment status, payoff  
5 settlements and monthly payment collection).

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

17            The reasonable and necessary fees for work during the Final Application  
18 Period in this category total \$2,427.75.

19                   5.     09-Employment/Fees

20            During the Final Application Period, the Receiver prepared her Eleventh  
21 Interim Fee Application filed on December 20, 2018 (Dkt. No. 198), this application  
22 is set for hearing on February 22, 2019. The reasonable and necessary fees for this  
23 work total \$531.00.

24                   6.     Summary of Expenses Requested for Reimbursement

25            The Receiver requests the Court approve reimbursement of \$548.22 in out-of-  
26 pocket costs. The majority of the expenses incurred relate to website updates and  
27 postage expenses associated with collections, general Investor, and general Pensioner  
28 communications. The total reasonable and necessary costs incurred by the Receiver

during the Final Application Period are \$548.22 and are broken out by category as follows:

<b>Category</b>	<b>Total</b>
Website Updates	\$340.00
Postage & Copies	\$190.72
Miscellaneous	\$17.50
<b>TOTAL</b>	<b>\$ 548.22</b>

### **III. APPROVAL OF PRIOR INTERIM FEE APPLICATIONS AND PAYMENT OF HOLDBACKS**

The Receiver respectfully requests that the Court grant final approval of her eleven interim fee applications and that the Receiver be authorized to pay the amounts held back from those eleven interim fee applications as follows:

<b>FEE APPLICATION</b>	<b>FEES INCURRED</b>	<b>INTERIM 80% PAYMENT</b>	<b>20% HOLDBACK</b>
First	\$81,889.65	\$65,511.72	\$16,377.93
Second	\$65,706.30	\$52,565.04	\$13,141.26
Third	\$81,093.60	\$64,874.88	\$16,218.72
Fourth	\$40,873.95	\$32,699.16	\$8,174.79
Fifth	\$50,256.45	\$40,205.16	\$10,051.29
Sixth	\$50,823.90	\$40,659.12	\$10,164.79
Seventh	\$26,637.75	\$21,310.20	\$5,327.55
Eighth	\$14,354.10	\$11,483.28	\$2,870.83
Ninth	\$25,450.20	\$20,360.16	\$5,090.04
Tenth	\$10,201.05	\$8,160.84	\$2,040.21
Eleventh	\$9,504.45	\$7,603.56	\$1,900.89
<b>TOTAL</b>	<b>\$456,791.40</b>	<b>\$365,433.12</b>	<b>\$91,358.30</b>

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

3 "As a general rule, the expenses and fees of a receivership are a charge upon  
4 the property administered." *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994).  
5 These expenses include the fees and expenses of this Receiver and her professionals,  
6 including Allen Matkins. Decisions regarding the timing and amount of an award of  
7 fees and costs are committed to the sound discretion of the Court. *See SEC v. Elliot*,  
8 953 F.2d 1560, 1577 (11th Cir. 1992) (rev'd in part on other grounds, 998 F.2d 922  
9 (11th Cir. 1993)).

10 In allowing fees, a court should consider "the time, labor and skill required,  
11 but not necessarily that actually expended, in the proper performance of the duties  
12 imposed by the court upon the Receiver, the fair value of such time, labor and skill  
13 measured by conservative business standards, the degree of activity, integrity and  
14 dispatch with which the work is conducted and the result obtained." *United States v.*  
15 *Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks  
16 omitted). In practical terms, receiver and professional compensation thus ultimately  
17 rests upon the result of an equitable, multi-factor balancing test involving the  
18 "economy of administration, the burden that the estate may be able to bear, the  
19 amount of time required, although not necessarily expended, and the overall value of  
20 the services to the estate." *In re Imperial 400 Nat'l, Inc.*, 432 F.2d 232, 237 (3d Cir.  
21 1970). Regardless of how this balancing test is formulated, no single factor is  
22 determinative and "a reasonable fee is based [upon] all circumstances surrounding  
23 receivership." *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*, 374 F. Supp.  
24 465, 480 (S.D. Tex. 1974).

25 The Appointment Order confers on the Receiver substantial duties and powers,  
26 including to conduct such investigation and discovery as is necessary to locate and  
27 account for all receivership assets, take such action as is necessary and appropriate to  
28 assume control over and preserve receivership assets, to complete a forensic

1 accounting and employ attorneys and others to investigate and, where appropriate,  
2 institute, pursue, and prosecute all claims and causes of action of whatever kind and  
3 nature.

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

9 The Receiver has submitted a detailed fee application which describes the  
10 nature of the services rendered, and the identity and billing rate of each individual  
11 performing each task. *See* Exhibits A. The Receiver has endeavored to staff matters  
12 as efficiently as possible while remaining cognizant of the importance of issues  
13 presented. The request for fees is based on the Receiver's customary billing rates  
14 charged for comparable services provided in other matters, less a 10% discount.

15 The work performed by the Receiver was essential to carrying out the Court-  
16 ordered duties. The Receiver and Allen Matkins have worked diligently since the  
17 Receiver's appointment to preserve and protect the assets of receivership estate and  
18 to carry out the Court's orders. As discussed above, the results have been successful,  
19 and if the Motion to Conclude filed herewith and the fee applications are granted,  
20 investors with allowed claims and who successfully negotiated the interim  
21 distribution will have recovered, in total and on average, 57% of their approximately  
22 \$24.2 million funded, once the proposed final distribution is completed.

23 **V. CONCLUSION**

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

25 1. Approving the Receiver's fees and costs for the receivership in the  
26 amount of \$518,271.82, including:

27 a. Approval and authority to pay the Receiver's fees and costs of  
28 \$9,315.45 and \$548.22 for the Final Application Period;

- b. Approval, on a final basis, of the Receiver's eleven interim fee applications (\$388,549.85 of fees and costs paid on an interim basis);
- c. Approval and authority to pay the fees held back from the Receiver's eleven interim fee applications in the amount of \$91,358.30;
- d. Approval and authority to pay the Receiver's projected fees and costs of up to \$28,500 to complete the tasks remaining to conclude the receivership; and

2. For such other and further relief as the Court deems appropriate.

Dated: February 27, 2019

By: 

KRISTA L. FREITAG, Receiver

Dated: February 27, 2019

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  
October 2018 - December 2018 Fees

Date	Description of Services	Hours	Personnel	Per Hour	Total Fee	001	002	003	004	005	006	007	008	009	010
10/1/2018	Updated October ACH schedule and pulled Day 1 ACH. (.9) Downloaded bank statements, reconciled September and updated projection. (1.9)	2.8	L. Ryan	\$ 112.50	\$ 315.00	\$ -	\$ -	\$ -	\$ -	\$ 315.00	\$ -	\$ -	\$ -	\$ -	\$ -
10/2/2018	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	\$ -	\$ -	\$ -	\$ -	\$ -
10/3/2018	Conferred with L. Ryan re: wrap-up of pensioner discussion. (.3)	0.3	K. Freitag	\$ 265.50	\$ 79.65	\$ -	\$ 79.65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/3/2018	Conferred with K. Freitag re offers and pensioner balances. (.3)	0.3	L. Ryan	\$ 112.50	\$ 33.75	\$ -	\$ 33.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/4/2018	Updated projections and prepared offers to pensioners; conferred with L. Ryan re: same. (3.8) Updated activity and reconciled balances to forensic report. (1.2)	5.0	L. Ryan	\$ 112.50	\$ 562.50	\$ -	\$ 427.50	\$ -	\$ -	\$ 135.00	\$ -	\$ -	\$ -	\$ -	\$ -
10/5/2018	Conferred with L. Ryan re: wrap-up of pensioner discussion. (.4) Conferred with C. Christopher re: wrap-up plan; updated counsel re: same. (1.0)	1.4	K. Freitag	\$ 265.50	\$ 371.70	\$ -	\$ 371.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/5/2018	Updated settlement offer projections. (1.9) Pulled Day 5 ACH. (.5)	2.4	L. Ryan	\$ 112.50	\$ 270.00	\$ -	\$ 213.75	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ -
10/8/2018	Pulled Day 8 ACH. (.8)	0.8	L. Ryan	\$ 112.50	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ -
10/9/2018	Finalized DPO letters and payoff letters. (.4) Reviewed bankruptcy pensioners to confirm ability to pursue same; updated L. Ryan with results. (.2)	0.6	K. Freitag	\$ 265.50	\$ 159.30	\$ -	\$ 106.20	\$ -	\$ -	\$ 53.10	\$ -	\$ -	\$ -	\$ -	\$ -
10/10/2018	Worked on discounted payoff letters to pensioners, populated same with contract specific information and reconciled to schedule. (5.1) Reviewed cash activity. (.4)	5.5	L. Ryan	\$ 112.50	\$ 618.75	\$ -	\$ 573.75	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -
10/11/2018	Reviewed and sent correspondence to L. Ryan. (.2)	0.2	K. Freitag	\$ 265.50	\$ 53.10	\$ -	\$ 53.10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/12/2018	Worked on pensioner payoff letters and updated deposit activity. (1.6)	1.6	L. Ryan	\$ 112.50	\$ 180.00	\$ -	\$ 180.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/15/2018	Recorded accounts payable. (.4) Forwarded pensioners settlement offers by email and mail and corresponded re same; prepared paid off list for letters. (4.8)	5.2	L. Ryan	\$ 112.50	\$ 585.00	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ 540.00	\$ -	\$ -	\$ -	\$ -
10/16/2018	Responded to pensioners re discounted payment offers. (1.6)	1.6	L. Ryan	\$ 112.50	\$ 180.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180.00	\$ -	\$ -	\$ -	\$ -
10/18/2018	Corresponded with pensioners re discounted payoff offers. (.8) Updated tracking of same. (.1)	0.9	L. Ryan	\$ 112.50	\$ 101.25	\$ -	\$ 11.25	\$ -	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ -	\$ -
10/18/2018	Prepared pensioner paid in full confirmation letters for distribution. (3.5) Conferred with investor re status of distribution. (.1)	3.6	A. Herren	\$ 157.50	\$ 567.00	\$ -	\$ 551.25	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
10/19/2018	Reviewed paid off letters and responded to multiple pensioners re settlements. (1.1)	1.1	L. Ryan	\$ 112.50	\$ 123.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123.75	\$ -	\$ -	\$ -	\$ -
10/19/2018	Completed distribution of pensioner paid in full confirmation letters. (1.0)	1.0	A. Herren	\$ 157.50	\$ 157.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157.50	\$ -	\$ -	\$ -	\$ -
10/22/2018	Reviewed DPO status with L. Ryan. (.3)	0.3	K. Freitag	\$ 265.50	\$ 79.65	\$ -	\$ 79.65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/22/2018	Responded to pensioner re settlement letters. (.6)	0.6	L. Ryan	\$ 112.50	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ -	\$ -	\$ -	\$ -
10/23/2018	Responded to pensioners re settlement offers. (.3)	0.3	L. Ryan	\$ 112.50	\$ 33.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33.75	\$ -	\$ -	\$ -	\$ -
10/23/2018	Conferred with pensioner re status of account; researched same; corresponded with L. Ryan re same. (.2) Updated investor contact information; corresponded with investor re same. (.2)	0.4	A. Herren	\$ 157.50	\$ 63.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.00	\$ -	\$ -	\$ -	\$ -
10/24/2018	Reviewed DPO details and correspondence; replied re: same. (.9)	0.9	K. Freitag	\$ 265.50	\$ 238.95	\$ -	\$ 238.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/24/2018	Responded to pensioner re settlement offers. (.9)	0.9	L. Ryan	\$ 112.50	\$ 101.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101.25	\$ -	\$ -	\$ -	\$ -
10/25/2018	Responded to pensioner correspondence re payoffs. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -
10/26/2018	Pulled ACH for payoff and corresponded with pensioner re payoff. (.6) Updated cash activity and worked on receipts and disbursement report. (2.5)	3.1	L. Ryan	\$ 112.50	\$ 348.75	\$ -	\$ -	\$ -	\$ 281.25	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -
10/26/2018	Conferred with investor re status of distributions. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
10/29/2018	Corresponded with pensioners re settlements and confirmed pensioner payment. (.6)	0.6	L. Ryan	\$ 112.50	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ -	\$ -	\$ -	\$ -

Date	Description of Services	Hours	Personnel	Per Hour	Total Fee	001	002	003	004	005	006	007	008	009	010
10/29/2018	Corresponded with investor re status of distribution. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
10/30/2018	Responded to investor. (.1) Finalized receipts and disbursement report. (1.0) Prepared settlement letter and sent same. (.3)	1.4	L. Ryan	\$ 112.50	\$ 157.50	\$ -	\$ -	\$ -	\$ 112.50	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -
10/31/2018	Prepared ACH schedule for November. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -
11/1/2018	Followed up on collections. (.2)	0.2	K. Freitag	\$ 265.50	\$ 53.10	\$ -	\$ -	\$ -	\$ -	\$ 53.10	\$ -	\$ -	\$ -	\$ -	\$ -
11/1/2018	Prepared ACH schedule, researched payoffs and pulled Day 1 ACH. (2.1) Updated cash activity. (.4) Responded to pensioners re payoff. (.1)	2.6	L. Ryan	\$ 112.50	\$ 292.50	\$ -	\$ -	\$ -	\$ -	\$ 281.25	\$ 11.25	\$ -	\$ -	\$ -	\$ -
11/1/2018	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	\$ -	\$ -	\$ -	\$ -	\$ -
11/4/2018	Prepared draft Eleventh Interim Report. (.5)	0.5	K. Freitag	\$ 265.50	\$ 132.75	\$ -	\$ -	\$ -	\$ 132.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11/5/2018	Prepared ACH for Day 5 and updated outstanding investor checks. (.5)	0.5	L. Ryan	\$ 112.50	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ 56.25	\$ -	\$ -	\$ -	\$ -	\$ -
11/5/2018	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	\$ -	\$ -	\$ -	\$ -	\$ -
11/6/2018	Corresponded with multiple pensioners re settlements and researched payment history. (1.1)	1.1	L. Ryan	\$ 112.50	\$ 123.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123.75	\$ -	\$ -	\$ -	\$ -
11/7/2018	Corresponded with T. Fates re pensioner Judgment filing. (.2)	0.2	L. Ryan	\$ 112.50	\$ 22.50	\$ -	\$ -	\$ -	\$ -	\$ 22.50	\$ -	\$ -	\$ -	\$ -	\$ -
11/9/2018	Prepared pensioner payments for deposit and forwarded to South County Bank. (.6) Pulled ACH for Day 8 and vendor payments. (.8)	1.4	L. Ryan	\$ 112.50	\$ 157.50	\$ -	\$ -	\$ -	\$ -	\$ 157.50	\$ -	\$ -	\$ -	\$ -	\$ -
11/9/2018	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	\$ -	\$ -	\$ -	\$ -	\$ -
11/13/2018	Prepared draft Eleventh Interim Fee Application. (.3)	0.3	K. Freitag	\$ 265.50	\$ 79.65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79.65	\$ -
11/14/2018	Pulled Day 10 ACH and reviewed bank activity. (.6)	0.6	L. Ryan	\$ 112.50	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ -	\$ -	\$ -	\$ -	\$ -
11/20/2018	Updated November activity and prepared transfer. (.8)	0.8	L. Ryan	\$ 112.50	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ -
11/20/2018	Corresponded with L. Ryan re pensioner communication. (.1) Corresponded with investor's financial advisors re IRA question. (.1)	0.2	A. Herren	\$ 157.50	\$ 31.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ -	\$ -	\$ -	\$ -
11/21/2018	Reviewed activity and updated projection. (.7) Corresponded with multiple pensioners and prepared DPO status update. (.8)	1.5	L. Ryan	\$ 112.50	\$ 168.75	\$ -	\$ -	\$ -	\$ -	\$ 78.75	\$ 90.00	\$ -	\$ -	\$ -	\$ -
11/21/2018	Reviewed pensioner payment history; corresponded with L. Ryan re same. (.2) Corresponded with L. Ryan re pensioner payment status. (.1)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47.25	\$ -	\$ -	\$ -	\$ -
11/26/2018	Corresponded with pensioner re payoff. (.1) Updated ACH schedule. (.2) Recorded accounts payable and prepared payments. (.4)	0.7	L. Ryan	\$ 112.50	\$ 78.75	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ 11.25	\$ -	\$ -	\$ -	\$ -
11/26/2018	Corresponded with L. Ryan re pensioner communication. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
11/27/2018	Corresponded with L. Ryan re pensioner payment status. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
11/29/2018	Conferred with investor re status of distribution. (.1) Conferred with pensioner re status of account and bank information; corresponded with L. Ryan re same. (.2)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47.25	\$ -	\$ -	\$ -	\$ -
11/30/2018	Pulled ACH for pensioner payment. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -
11/30/2018	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	\$ -	\$ -	\$ -	\$ -	\$ -

						001	002	003	004	005	006	007	008	009	010
Date	Description of Services	Hours	Personnel	Per Hour	Total Fee										
12/3/2018	Prepared ACH schedule for December and pulled Day 1 ACH, refund and POA accounts. (.9) Updated November activity. (.3) Prepared pensioner payments for deposit at South County Bank. (.5)	1.7	L. Ryan	\$ 112.50	\$ 191.25	\$ -	\$ -	\$ -	\$ -	\$ 191.25	\$ -	\$ -	\$ -	\$ -	\$ -
12/3/2018	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	\$ -	\$ -	\$ -	\$ -	\$ -
12/4/2018	Conferred with investors re wrap up. (.1) Pulled ACH for refund and Day 5. (.6) Scanned and saved bank statements and updated November activity. (.7)	1.4	L. Ryan	\$ 112.50	\$ 157.50	\$ -	\$ -	\$ -	\$ -	\$ 146.25	\$ 11.25	\$ -	\$ -	\$ -	\$ -
12/6/2018	Corresponded with pensioner re Judgment. (.2)	0.2	L. Ryan	\$ 112.50	\$ 22.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22.50	\$ -	\$ -	\$ -	\$ -
12/7/2018	Conferred with investor re status of distribution. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
12/10/2018	Prepared ACH and updated cash activity and pensioner deposits. (.5) Corresponded with pensioners re payoffs and updated projections. (.8)	1.3	L. Ryan	\$ 112.50	\$ 146.25	\$ -	\$ -	\$ -	\$ -	\$ 56.25	\$ 90.00	\$ -	\$ -	\$ -	\$ -
12/10/2018	Corresponded with L. Ryan re pensioner communication. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
12/11/2018	Responded to multiple pensioners re payoffs and payments. (.8) Corresponded with M. Weld re NSF pensioner payment. (.2)	1.0	L. Ryan	\$ 112.50	\$ 112.50	\$ -	\$ -	\$ -	\$ -	\$ 22.50	\$ 90.00	\$ -	\$ -	\$ -	\$ -
12/11/2018	Scanned and archived pensioner checks received; updated tracking spreadsheet re same; corresponded with K. Freitag and L. Ryan re same. (.2) Corresponded with L. Ryan re pensioner communication. (.1)	0.3	A. Herren	\$ 157.50	\$ 47.25	\$ -	\$ -	\$ -	\$ -	\$ 31.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -
12/13/2018	Corresponded with investor re status of distributions. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
12/14/2018	Prepared Eleventh Interim Fee Application. (1.2)	1.2	K. Freitag	\$ 265.50	\$ 318.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318.60	\$ -
12/17/2018	Corresponded with J. Kearby re tax engagement and researched invoice for same. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12/18/2018	Reconciled October and recorded accounts payable and prepared payments. (1.6) Corresponded with M. Weld re pensioner deposit. (.1) Corresponded with J. Kearby tax invoices. (.1) Prepared pensioner payments for deposit and Fedex same to South County Bank. (.5)	2.3	L. Ryan	\$ 112.50	\$ 258.75	\$ -	\$ 11.25	\$ -	\$ -	\$ 247.50	\$ -	\$ -	\$ -	\$ -	\$ -
12/19/2018	Conferred with South County Bank re deposit and scanned and archived bank statements. (.8)	0.8	L. Ryan	\$ 112.50	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ -	\$ -	\$ -
12/20/2018	Finalized Eleventh Interim Fee Application; posted same and coordinated noticing. (.5)	0.5	K. Freitag	\$ 265.50	\$ 132.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132.75	\$ -
12/21/2018	Prepared and faxed letter to bank re authorization. (.4)	0.4	L. Ryan	\$ 112.50	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -
12/21/2018	Distributed eblast to investors and pensioners re Receiver's Eleventh Fee Application; corresponded with K. Freitag re draft of same; completed declaration; archived confirmation of eblast and forwarded same to legal counsel. (.6) Corresponded with investor re status of case and distribution. (.2) Corresponded with pensioner re account payoff letter; forwarded same. (.2)	1.0	A. Herren	\$ 157.50	\$ 157.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157.50	\$ -	\$ -	\$ -	\$ -
12/27/2018	Corresponded with L. Ryan re pensioner communication. (.1)	0.1	A. Herren	\$ 157.50	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.75	\$ -	\$ -	\$ -	\$ -
12/31/2018	Corresponded with pensioner. (.2)	0.2	L. Ryan	\$ 112.50	\$ 22.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22.50	\$ -	\$ -	\$ -	\$ -
<b>October 2018 - December 2018 Fees</b>		<b>70.3</b>			<b>\$ 9,315.45</b>	<b>\$ -</b>	<b>\$ 2,976.75</b>	<b>\$ -</b>	<b>\$ 526.50</b>	<b>\$ 2,853.45</b>	<b>\$ 2,427.75</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 531.00</b>	<b>\$ -</b>

Date	Description	Expense
9/30/2018	September 2018 Website Updates	\$ 85.00
10/31/2018	October 2018 FedEx	\$ 30.95
10/31/2018	October 2018 Postage	\$ 100.00
10/31/2018	October 2018 Copies	\$ 29.70
11/27/2018	DPO Letter Review	\$ 17.50
11/30/2018	November 2018 Website Updates	\$ 85.00
11/30/2018	November 2018 FedEx	\$ 15.14
12/31/2018	December 2018 Website Updates	\$ 170.00
12/31/2018	December 2018 FedEx	\$ 14.93

**\$ 548.22**