

Everett G. Barry, Jr. (SBN 053119)
 John H. Stephens (SBN 82971)
 Patrick L. Prindle (SBN 87516)
 MULVANEY BARRY BEATTY LINN
 & MAYERS LLP
 401 West A Street, 17th Floor
 San Diego, CA 92101-7994
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Attorneys for Thomas C. Hebrank,
 Permanent Receiver

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

SECURITIES AND EXCHANGE
 COMMISSION,

Plaintiff,

v.

CHARLES P. COPELAND,
 COPELAND WEALTH
 MANAGEMENT, A FINANCIAL
 ADVISORY CORPORATION,
 AND COPELAND WEALTH
 MANAGEMENT, A REAL
 ESTATE CORPORATION,

Defendants.

CASE NO. 11-cv-08607-R-DTB

**NOTICE OF LODGMENT OF
 DECLARATIONS IN SUPPORT
 OF MOTION TO:**

- 1. CONSOLIDATE
 RECEIVERSHIP ENTITIES; AND**
- 2. POOL ASSETS AND
 LIABILITIES OF THE VARIOUS
 RECEIVERSHIP ENTITIES**

Date: November 5, 2012
 Time: 10:00 a.m.
 Ctrm: 8, 2nd Floor
 Judge: Hon. Manuel L. Real

Mulvaney Barry Beatty Linn & Mayers LLP, counsel for Thomas C.
 Hebrank as the Permanent Receiver for Defendants Copeland Wealth
 Management, a Financial Advisory Corporation, and Copeland Wealth
 Management, a Real Estate Corporation, and their subsidiaries and
 affiliates (collectively, "Receivership Entities"), hereby lodges the following:

////

MULVANEY BARRY BEATTY LINN & MAYERS
A LIMITED LIABILITY PARTNERSHIP
SEVENTEENTH FLOOR
401 WEST A STREET
SAN DIEGO, CALIFORNIA 92101-7944
TELEPHONE 619 238-1010
FACSIMILE 619 238-1981

- 1 Exhibit 1 Declaration of Peggy Hatfield Neumann;
- 2 Exhibit 2 Declaration of Leonard Neumann;
- 3 Exhibit 3 Declaration of Werdna Wayland Eure, Jr.;
- 4 Exhibit 4 Declaration of Bruce Taber;
- 5 Exhibit 5 Declaration of Janet Kay Ihde;
- 6 Exhibit 6 Declaration of Geoffrey A. Gardiner;
- 7 Exhibit 7 Declaration of Joanne Kohut;
- 8 Exhibit 8 Declaration of John J. Kohut;
- 9

10 DATED: October 4, 2012 MULVANEY BARRY BEATTY LINN
11 & MAYERS, LLP

12
13 By: /s/ John H. Stephens
14 John H. Stephens
15 Attorneys For Permanent Receiver
16 Thomas C. Hebrank
17
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25 HEBCO.125.333030.1
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27
28

EXHIBIT 1

1 Everett G. Barry, Jr. (SBN 053119)
2 John H. Stephens (SBN 82971)
3 Patrick L. Prindle (SBN 87516)
4 MULVANEY BARRY BEATTY LINN & MAYERS LLP
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7 Telephone: 619-238-1010
8 Facsimile: 619-238-1981

9 Attorneys for Permanent Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 CHARLES P. COPELAND,
18 COPELAND WEALTH
19 MANAGEMENT, A FINANCIAL
20 ADVISORY CORPORATION,
21 AND COPELAND WEALTH
22 MANAGEMENT, A REAL
23 ESTATE CORPORATION,

24 Defendants.

CASE NO. 2:11-cv-08607-R-DTB

DECLARATION OF PEGGY
HATFIELD NEUMANN

DATE: October 29, 2012
TIME: 10:00 a.m.
DEPT. 8, 2nd Floor

Judge: Hon. Manuel L. Real

25 I, PEGGY HATFIELD NEUMANN, declare as follows:

26 1. I am over the age of eighteen (18) and am not a party to the
27 above-entitled action.

28 2. I have personal knowledge of the matters set forth herein,
except as to those matters stated upon information and belief, and as to
those matters, I believe them to be true. If called upon as a witness, I
could and would competently testify thereto.

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3. I make this Declaration in support of the Motion to Consolidate Receivership Entities and Pool Assets and Liabilities of the Various Receivership Entities ("Motion to Consolidate") filed by the Court-Appointed Permanent Receiver, Thomas C. Hebrank ("Receiver").

4. I am a resident of the City of Redlands, State of California. I am now, and at all times herein mentioned was, the spouse of Leonard F. Neumann ("Leonard"). My maiden name is Peggy Hatfield.

5. For thirty-four (34) years I was employed as a school psychologist and/or school administrator. My most recent employer was the Yucaipa Calimesa Unified School District. I am now retired and work on my ranch located at my residence.

6. I have two (2) adult daughters who are not dependent upon me for support; however, they are the beneficiaries of my trust assets, along with Leonard, which have now been mostly depleted as explained below.

7. I met Charles P. Copeland through his relationship with my parents. He provided personal and business accounting services to my parents beginning in the 1980's. My parents are now deceased.

8. My father loaned approximately \$50,000.00 to Mr. Copeland to help him get started with his investments. Additionally, my parents invested in Copeland Properties 1, L.P., which owned commercial real estate in El Segundo, California that was leased to Xerox (the "Xerox Property"). I was the sole beneficiary of my parents' trust, which included this investment (the "Xerox Investment").

9. Mr. Copeland began providing personal accounting services to Leonard and me in approximately 1991. Among other things, he prepared our annual income taxes.

10. Leonard and I trusted Mr. Copeland wholeheartedly with our financial affairs. Mr. Copeland was my parents' accountant and advised

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1 them with regard to their financial affairs for several decades. I trusted my
2 parents' opinion of Mr. Copeland and had no reason to doubt his
3 competency, his moral character, or his ability to provide top notch
4 accounting services.

5 11. Mr. Copeland held himself out to the Redlands community as a
6 very conservative accountant. People in the community trusted him. He
7 also appeared to be a religious person and he often told people to trust
8 him based on his religious faith. His reputation as a trustworthy accountant
9 was apparent based on his professional demeanor and dress. He did not
10 appear to be someone who would take advantage of others in any way.

11 12. In general, in our early dealings with Mr. Copeland, we were
12 very satisfied with the way that he handled our personal accounting and
13 investments. Our trust in him grew over the years.

14 13. After my mother died in 2005, beginning in approximately
15 2006, I began receiving monthly payments in the amount of \$7,500.00,
16 and monthly payments in the amount of \$1,666.00.

17 14. In late 2008, after my parents were both deceased, the Xerox
18 Property was sold. This generated approximately \$870,348.00 from the
19 Xerox Investment that I was to receive as beneficiary of my parents' trust.
20 Given the trust I had come to place in Mr. Copeland, based on his advice
21 and recommendation, I allowed him to invest that money in Copeland
22 Fixed Income Three, L.P. ("CFI3").

23 15. Subsequently, I received a letter from Mr. Copeland stating
24 that an error was made with regard to the Xerox Investment, and there
25 was a note payable to my parents' trust from the Xerox Investment in the
26 amount of \$297,000.00. Accordingly, the total amount I ultimately invested
27 in CFI3 was approximately \$1,167,000.00.

28 16. Mr. Copeland led me to believe that the money I contributed to

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1 CFI3 would be invested in multiple sources consisting of stable tangible
2 assets such as commercial real estate buildings and industrial buildings;
3 however, he did not provide me with any such details. I never thought the
4 money would be invested in Mr. Copeland's own related entities. In fact,
5 Mr. Copeland told me he was not allowed to do this.

6 17. Initially, the monthly payments referenced above were
7 delivered to me regularly every month. However, some of the payments
8 became sporadic at times, and several times I had to call Mr. Copeland to
9 request that some of the payments be sent. All along I was under the
10 impression that these payments constituted interest on my investment and
11 that the principal amount was safe in the bank.

12 18. The monthly payments of \$7,500.00 ceased in July of 2009,
13 and started up again in the middle of 2010. These payments ceased
14 entirely on August 28, 2011. The monthly payments of \$1,666.00 ceased
15 in December of 2008, started up again in January of 2009 (but were
16 reduced to \$833.00), and ceased entirely in April of 2009.

17 19. After my mother died in 2005, Mr. Copeland handled the sale
18 of my mother's house late that same year. I was overcome with grief
19 during this time.

20 20. Again, based on Mr. Copeland's advice and because I had
21 come to trust him, he convinced me to invest \$200,000.00 of the money
22 from the sale of my mother's home in Copeland Properties Nine, L.P.
23 ("CP9"). I figured that my mother had trusted Mr. Copeland and would
24 have taken his advice, so it made sense to make this investment with the
25 money from the sale of her home.

26 21. I also became a partner in CP9 based on Mr. Copeland's
27 recommendation. At the time I signed the partnership agreement for CP9, I
28 knew very little about the partnership and was not informed about the

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1 details of the property or assets owned by CP9. I trusted that Mr.
2 Copeland would advise us in a conservative manner as he had always
3 promised. He told me that I would receive an eight percent (8%) to ten
4 percent (10%) return on my investment. I did not perform any independent
5 investigation into the property or assets owned by CP9, or the viability of
6 the investment. I never saw any appraisals for the property owned by CP9,
7 which I now understand is located in Kentucky. I relied solely on Mr.
8 Copeland's advice in making the investment and trusted that it was a
9 conservative endeavor.

10 22. Initially, I did receive some distributions from CP9. However,
11 when the promise of the return on my investment fell to five percent (5%), I
12 began to ask questions. I often requested information from Mr. Copeland
13 about my investments but never received any reports. In 2009, the
14 distributions from CP9 stopped altogether. I did not try to terminate my
15 partnership interest in CP9 because I believed that Mr. Copeland would
16 make things right. Also, at the time I invested in CP9, I was not told that I
17 had an option to get out or that there were limitations on getting out.

18 23. At some point in 2009, I became worried. Around that time I
19 recall asking Mr. Copeland if we were going to lose our ranch. He told me
20 we would never lose our ranch and we were going to be just fine.

21 24. In the spring of 2010, I began to suspect that Mr. Copeland
22 was not being conscientious with my investments. My suspicions were
23 confirmed when I received a handout from Mr. Copeland clearly showing
24 that the money I had invested was commingled with other partnerships in
25 which I had no interest. Reference was made to other partners in CP9 that
26 I had no knowledge of. Reference was also made to entities I had not
27 previously heard of in which Mr. Copeland had an interest. At this point it
28 appeared that my investments had been commingled with those of other

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1 investors in other Copeland entities, and commingled with Mr. Copeland's
2 own companies.

3 25. Around this time it appeared that some of the investors had
4 cashed out of the partnership I had invested in and that Mr. Copeland was
5 playing favorites with some of the investors. He appeared to be singling
6 out certain people that he treated preferentially and others that he hung
7 out to dry.

8 26. It was also clear to me at this point that Mr. Copeland did not
9 even know what investments I had made. He clearly did not know what he
10 was doing. At this time I began calling Mr. Copeland and requesting
11 meetings with him, but he rarely responded.

12 27. Other than the initial interest payments I received, I did not
13 receive any return on my investment and I understand that all the money I
14 invested is now gone. As late as 2011, Mr. Copeland promised me that I
15 would receive 100% of my principal investment back, but I never did, nor
16 do I think I ever will, unless accomplished through the receivership.

17 28. The impact this has had on myself and my family has been
18 devastating. My husband and I can no longer afford to live at or operate
19 our ranch, which is our dream come true. We have 30 horses on our ranch
20 that we will most likely lose if we do not get some money back somehow.
21 In fact, if we lose the ranch, which appears probable, we will probably
22 move away from Redlands for some time. Also, as a result of our lost
23 investments, my husband and I cannot leave any significant inheritance for
24 our daughters as my parents did for me.

25 I declare under penalty of perjury under the laws of California that
26 this Declaration was executed on September 24, 2012, in Redlands,
27 California.


Peggy Hatfield Neumann

EXHIBIT 2

1 Everett G. Barry, Jr. (SBN 053119)
2 John H. Stephens (SBN 82971)
3 Patrick L. Prindle (SBN 87516)
4 MULVANEY BARRY BEATTY LINN & MAYERS LLP
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7 Telephone: 619-238-1010
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9 Attorneys for Permanent Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 CHARLES P. COPELAND,
18 COPELAND WEALTH
19 MANAGEMENT, A FINANCIAL
20 ADVISORY CORPORATION,
21 AND COPELAND WEALTH
22 MANAGEMENT, A REAL
23 ESTATE CORPORATION,

24 Defendants.

CASE NO. 2:11-cv-08607-R-DTB

DECLARATION OF LEONARD
NEUMANN

DATE: October 29, 2012
TIME: 10:00 a.m.
DEPT. 8, 2nd Floor

Judge: Hon. Manuel L. Real

25 I, LEONARD NEUMANN, declare as follows:

26 1. I am over the age of eighteen (18) and am not a party to the
27 above-entitled action.

28 2. I have personal knowledge of the matters set forth herein,
except as to those matters stated upon information and belief, and as to
those matters, I believe them to be true. If called upon as a witness, I
could and would competently testify thereto.

MULVANEY BARRY BEATTY LINN & MAYERS
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FACSIMILE 619 238-1981

1 3. I make this Declaration in support of the Motion to Consolidate
2 Receivership Entities and Pool Assets and Liabilities of the Various
3 Receivership Entities ("Motion to Consolidate") filed by the Court-
4 Appointed Permanent Receiver, Thomas C. Hebrank ("Receiver").

5 4. I am a resident of the City of Redlands, State of California. I
6 am now, and at all times herein mentioned was, the spouse of Peggy
7 Neumann ("Peggy").

8 5. For twenty-eight (28) years I worked in sales and marketing. I
9 am now retired and work on my ranch located at my residence.

10 6. I met Charles P. Copeland through his relationship with Peggy
11 and Peggy's parents. Mr. Copeland was Peggy's parents' accountant for
12 several decades. Peggy and I trusted Mr. Copeland for this reason, among
13 others as explained below.

14 7. Mr. Copeland began providing personal accounting services to
15 Peggy and me in approximately 1991. Among other things, he prepared
16 our annual income taxes.

17 8. In my initial dealings with Mr. Copeland, he seemed
18 trustworthy and competent. Having had no professional training or
19 experience in accounting or investments myself, I trusted him. He
20 portrayed himself as a professional, and as a conservative investor. I
21 never had any reason not to trust him.

22 9. After Peggy's mother died in 2005, Peggy was grieving. I
23 stepped in to work with Mr. Copeland to handle the sale of Peggy's
24 mother's house. I suggested to Mr. Copeland that I would like to put some
25 of the money generated by the sale towards the mortgage on our home
26 and our ranch. At that time we owed approximately \$320,000.00 towards
27 our home and ranch. However, Mr. Copeland advised against this, and
28 instead recommended that we re-invest the money in real property.

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1 10. Mr. Copeland promised that if we invested the money with one
2 of his real estate investment partnerships we would receive an eight
3 percent (8.0%) to ten percent (10.0%) return. He also said that the
4 properties would be sold in five (5) to seven (7) years. He promised us that
5 the investment would be safe and lucrative and would be better than
6 paying our own mortgage. In fact, he pitched the investment as if Peggy
7 and I were lucky to be provided with such an opportunity. Based on these
8 representations, Peggy and I agreed to invest \$200,000.00 of the money
9 from the sale of Peggy's mother's home in one of Mr. Copeland's real
10 property partnerships. I understand now that the partnership we invested
11 in was Copeland Properties Nine, L.P.

12 11. I did not independently investigate the real properties in which
13 the money would be invested. I saw brochures but did not research the
14 property values or the market. I relied on Mr. Copeland's representations
15 that the investment was a sound decision. I relied on his integrity and
16 professionalism, as Peggy and I had always done.

17 12. In August of 2008, Mr. Copeland approached me about
18 investing the money in my Individual Retirement Account ("IRA") in an
19 investment known as the Rancho Mirage Surgery Center ("RMSC"). He
20 sold me on the merits of this investment and the percentage I was to
21 receive in return.

22 13. Based on Mr. Copeland's recommendation and advice, I
23 agreed to invest \$200,000.00 in RMSC out of the \$250,000.00 in my IRA. I
24 was told the money would be used to purchase medical equipment for
25 RMSC. I understood that I would not receive any returns on my investment
26 the first year that RMSC was in operation.

27 14. After the first year, I was told that RMSC could not get doctors
28 to practice there because of certain confines of the medical industry. Mr.

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1 Copeland suggested I invest additional money to help get the practice
 2 going. I trusted him, and invested an additional \$25,000.00.

3 15. Within two (2) years I realized I was not going to receive any
 4 return on my investment in RMSC, other than two (2) checks totaling
 5 \$677.00. I suggested to Mr. Copeland that perhaps the medical equipment
 6 could be sold so we could recover some of the money I put in. However,
 7 he did not agree. Out of the \$225,000.00 I invested from my IRA, I
 8 received \$677.00, and my initial investment was never returned to me.

9 16. The impact of my failed investments with Mr. Copeland, and
 10 the joint investments I have made with Peggy, have ruined our plans for
 11 the future. We relied on the money we were promised to remodel our
 12 home and operate our ranch. Now that our investments are gone we are
 13 being forced to sell the house, potentially at a loss. Once our house is
 14 gone, we will only have enough money to live on, conservatively, for
 15 approximately four (4) years, unless some money is recovered though this
 16 receivership. We are both in our mid-sixties.

17 I declare under penalty of perjury under the laws of California that
 18 this Declaration was executed on September ²⁴, 2012, in Redlands,
 19 California.

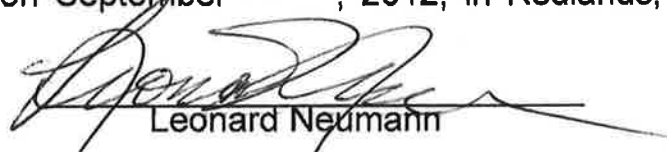
20 
 Leonard Neumann

EXHIBIT 3

1 Everett G. Barry, Jr. (SBN 053119)
2 John H. Stephens (SBN 82971)
3 Patrick L. Prindle (SBN 87516)
4 MULVANEY BARRY BEATTY LINN & MAYERS LLP
5 401 West A Street, 17th Floor
6 San Diego, CA 92101-7994
7 Telephone: 619-238-1010
8 Facsimile: 619-238-1981

9 Attorneys for Permanent Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 CHARLES P. COPELAND,
18 COPELAND WEALTH
19 MANAGEMENT, A FINANCIAL
20 ADVISORY CORPORATION,
21 AND COPELAND WEALTH
22 MANAGEMENT, A REAL
23 ESTATE CORPORATION,

24 Defendants.

CASE NO. 2:11-cv-08607-R-DTB

**DECLARATION OF WERDNA
WAYLAND EURE, JR.**

DATE: October 29, 2012
TIME: 10:00 a.m.
DEPT. 8, 2nd Floor

Judge: Hon. Manuel L. Real

25 I, WERDNA WAYLAND EURE, JR., declare as follows:

26 1. I am over the age of eighteen (18) and am not a party to the
27 above-entitled action.

28 2. I have personal knowledge of the matters set forth herein,
except as to those matters stated upon information and belief, and as to
those matters, I believe them to be true. If called upon as a witness, I
could and would competently testify thereto.

3. I make this Declaration in support of the Motion to Consolidate Receivership Entities and Pool Assets and Liabilities of the Various Receivership Entities ("Motion to Consolidate") filed by the Court-Appointed Permanent Receiver, Thomas C. Hebrank ("Receiver").

4. The dates referenced in this Declaration are estimates only.

5. I am currently a resident of the City of Redlands, State of California. I am a retired physician. I practiced radiology and oncology, treating cancer patients, until 2004.

6. I first met Charles P. Copeland in 1999 when my accountant resigned. Mr. Copeland was recommended to me by my office manager at the time. She knew Mr. Copeland from various bank affiliations.

7. Mr. Copeland came to my medical office and presented his credentials. Based on his experience and the recommendation I had received, I hired him as an independent contractor to do the accounting for my medical practice.

8. As my practice was a sole proprietorship, there was really no difference between my business accounting and my personal accounting.

9. Beginning in 1999 and until about 2007, I put a lot of trust in Mr. Copeland. Over the years, I gave Mr. Copeland increasing control over my finances and investments, as it appeared he was quite competent. I understood him to be a religious man. In fact, at one point, he won the Loma Linda Chamber of Commerce of the Year Award.

10. Mr. Copeland created and controlled my business accounts. Again, until about 2007, I had no reason to believe he was anything other than trustworthy.

11. In 2004, I received approximately \$3,000,000.00 from the sale of my medical practice. Around that time, Mr. Copeland approached me about investing my money in his real estate limited partnerships. He sold

me on the idea as a reliable investment tactic. At this time, Mr. Copeland continued to have control over my finances and invested my money in various partnerships as he saw fit. I believed Mr. Copeland was a conservative investor and that he would protect my investments.

12. At various times, I requested information from Mr. Copeland about the investments he had made with my money. I never really got any legitimate answers or satisfactory explanations; however, I continued to rely on him and trust that he had my best interests in mind. Mr. Copeland routinely advised me that I did not need to worry about anything and that he would handle my affairs for me.

13. In 2005, my mother suffered a stroke and I was out of state caring for her. During that time, Mr. Copeland handled my financial affairs in California.

14. Between 2004 and 2007, I received checks ranging from \$1,000.00 per month to \$14,000.00 per month. I understood these payments to be returns on my investments; however, they were sporadic. I also received K-1's each year but I did not know quite how to read them.

15. Near the end of my practice as an oncologist, the emotional toll became too much for me to handle. In 2006, I prevailed in a lawsuit against my insurance company on a claim for emotional disability. Out of the \$500,000.00 I received from the lawsuit, I gave Mr. Copeland \$300,000.00 to invest.

16. In 2007, I became aware of problems with the way Mr. Copeland was handling my finances. Among other things, I learned that my credit card bills and lease payments were not being paid. When I approached Mr. Copeland about these issues, he became extremely angry and resigned as my accountant.

///

1 17. To my knowledge, I have not received any further funds from
2 my investments in the various Receivership entities since approximately
3 2007. I have had no personal contact with Mr. Copeland since 2007.

4 18. As explained above, I allowed Mr. Copeland a lot of freedom
5 with my finances and investments. When I did ask questions about how
6 my money was being invested, Mr. Copeland was evasive and always
7 assured me that I had nothing to worry about. Therefore, I am not sure
8 how much money I invested with Mr. Copeland, in which partnerships my
9 money was invested, or what is left of the money I invested. Nevertheless,
10 I am informed and believe, and based thereon allege, that my money was
11 commingled with that of other investors with whom I have no relationship,
12 and other partnerships of which I have no knowledge.

13 19. The impact of Mr. Copeland's actions, and the mess he has
14 made of my finances, has had a grave effect on my life and my future.
15 Among other things, my wife and one of my sons blamed me for the
16 financial disaster Mr. Copeland created. This ultimately led to my divorce
17 and estrangement from my son. Additionally, the deterioration of my
18 emotional health has been exacerbated by my financial instability.

19 I declare under penalty of perjury under the laws of California that
20 this Declaration was executed on September 27, 2012, in Redlands,
21 California.

22
23 
24 _____
25 Werdna Wayland Eure, Jr.
26
27
28

EXHIBIT 4

1 Everett G. Barry, Jr. (SBN 053119)
2 John H. Stephens (SBN 82971)
3 Patrick L. Prindle (SBN 87516)
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9 Attorneys for Permanent Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

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17 CHARLES P. COPELAND,
18 COPELAND WEALTH
19 MANAGEMENT, A FINANCIAL
20 ADVISORY CORPORATION,
21 AND COPELAND WEALTH
22 MANAGEMENT, A REAL
23 ESTATE CORPORATION,

24 Defendants.

CASE NO. 2:11-cv-08607-R-DTB

**DECLARATION OF BRUCE
TABER**

DATE: October 29, 2012
TIME: 10:00 a.m.
DEPT. 8, 2nd Floor

Judge: Hon. Manuel L. Real

25 I, BRUCE TABER, declare as follows:

26 1. I am over the age of eighteen (18) and am not a party to the
27 above-entitled action.

28 2. I have personal knowledge of the matters set forth herein,
except as to those matters stated upon information and belief, and as to
those matters, I believe them to be true. If called upon as a witness, I
could and would competently testify thereto.

1 3. I make this Declaration in support of the Motion to Consolidate
2 Receivership Entities and Pool Assets and Liabilities of the Various
3 Receivership Entities ("Motion to Consolidate") filed by the Court-
4 Appointed Permanent Receiver, Thomas C. Hebrank ("Receiver").

5 4. I am a resident of the City of Redlands, State of California.

6 5. I am 66 years old, and a dentist practicing in Loma Linda,
7 California. I opened my dentistry practice on July 7, 1988, after serving as
8 the Chief of Dentistry, Riverside General Hospital for approximately two
9 years.

10 6. I first met Charles Copeland in approximately 1992. At that
11 time, Mr. Copeland was a Certified Public Accountant affiliated with the
12 Soren McAdam Christianson, CPA firm, which was the accountantcy firm I
13 retained for my dentistry practice. Work performed on my behalf by
14 Soren McAdam Christianson was performed by Charles Copeland.

15 7. In approximately 1993, Charles Copeland left Soren McAdam
16 Christianson and started his own firm. I moved my work from Soren
17 McAdam Christianson to Charles Copeland, at his new practice.

18 8. In 2005, my wife and I sold some real estate, realizing a gain. I
19 asked Mr. Copeland for advice concerning investment of that money. At
20 that time, Charles Copeland told me about limited liability entities he had
21 formed in which to invest money on behalf of his accounting clients.

22 9. I was shown a prospectus with photographs and financial
23 projections for an entity called CP-8, a commercial building located in
24 Volney, New York. Mr. Charles Copeland and his son Mr. Donald
25 Copeland also showed me a binder containing photographs and financial
26 projections for other properties held by other limited liability entities that
27 had been formed. They also displayed photographs of several properties
28 held by the various limited liability entities, on the walls of the office.

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1 Based upon the representations of Charles Copeland and Don Copeland,
 2 in 2005, I invested approximately \$320,000 my wife and I realized from the
 3 prior sale of the real property. Thereafter, I received monthly checks of
 4 approximately \$2,500 as a return on the investment in CP-8.

5 10. In approximately 2006, I reviewed a subscription agreement
 6 provided by Mr. Copeland, and decided to make an investment in another
 7 of his limited liability entities, CP-14. I believe that before that investment
 8 was consummated in or around February 2007, the entity in which the
 9 investment was made changed to CP-18.

10 11. In late 2009 or early 2010 I first learned of facts that led me to
 11 believe that problems existed with my investments in Copeland's limited
 12 liability entities. At that time, I received telephone calls and
 13 correspondence from someone in New York telling me that the loan
 14 payments were due on the property owned by CP-8 and the loan was in
 15 default. Following that exchange I was served with a copy of a Summons
 16 and Complaint. After several attempts, I was able to speak with Charles
 17 Copeland. Copeland divulged that, unbeknownst to me, he had caused
 18 me to be identified as a guarantor of the CP-8 loan.

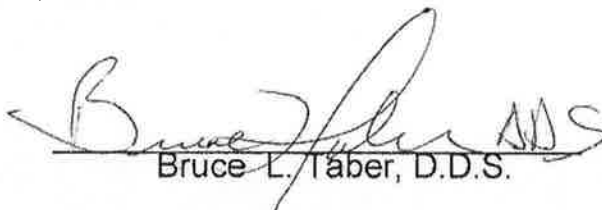
19 12. In my initial dealings with Mr. Copeland, he seemed
 20 trustworthy and competent. Having had no professional training or
 21 experience in accounting or investments myself, I trusted him. He
 22 portrayed himself as a professional, and as a conservative investor. I
 23 never had any reason not to trust him.

24 13. I did not independently investigate the real properties in which
 25 the money would be invested. I saw brochures, but I did not research the
 26 property values or the market. I relied on Mr. Copeland's representations
 27 that the investments were sound, and upon his apparent integrity and
 28 professionalism, that I had come to expect over the many years he served

1 as my accountant.

2 14. The impact of the failed investments with Charles Copeland
3 has ruined my plans for the future. My wife and I relied on the money
4 invested in Copeland's limited liability entities, and the return on those
5 investments, for my retirement and our future financial well-being.

6 I declare under penalty of perjury under the laws of California that the
7 foregoing is true and correct and that this Declaration was executed on
8 September 27, 2012, in Redlands, California.

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12 Bruce L. Taber, D.D.S.

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EXHIBIT 5

1 Everett G. Barry, Jr. (SBN 053119)
2 John H. Stephens (SBN 82971)
3 Patrick L. Prindle (SBN 87516)
4 MULVANEY BARRY BEATTY LINN & MAYERS LLP
5 401 West A Street, 17th Floor
6 San Diego, CA 92101-7994
7 Telephone: 619-238-1010
8 Facsimile: 619-238-1981

9 Attorneys for Permanent Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 CHARLES P. COPELAND,
18 COPELAND WEALTH
19 MANAGEMENT, A FINANCIAL
20 ADVISORY CORPORATION,
21 AND COPELAND WEALTH
22 MANAGEMENT, A REAL
23 ESTATE CORPORATION,

24 Defendants.

CASE NO. 2:11-cv-08607-R-DTB

**DECLARATION OF JANET KAY
IHDE**

DATE: November 5, 2012

TIME: 10:00 a.m.

DEPT. 8, 2nd Floor

Judge: Hon. Manuel L. Real

25 I, JANET KAY IHDE, declare as follows:

26 1. I am over the age of eighteen (18) and am not a party to the
27 above-entitled action.

28 2. I have personal knowledge of the matters set forth herein,
except as to those matters stated upon information and belief, and as to
those matters, I believe them to be true. If called upon as a witness, I
could and would competently testify thereto.

MULVANEY BARRY BEATTY LINN & MAYERS
A LIMITED LIABILITY PARTNERSHIP
SEVENTEENTH FLOOR
401 WEST A STREET
SAN DIEGO, CALIFORNIA 92101-7944
TELEPHONE 619 238-1010
FACSIMILE 619 238-1981

3. I make this Declaration in support of the Motion to Consolidate Receivership Entities and Pool Assets and Liabilities of the Various Receivership Entities ("Motion to Consolidate") filed by the Court-Appointed Permanent Receiver, Thomas C. Hebrank ("Receiver").

4. I am currently a resident of the City of Palm Springs, State of California. I am 60 years old.

5. I have been a practicing physician for approximately the last 40 years. I specialize in surgical oncology. Currently, I am employed by Breastlink as a surgical oncologist.

6. I have two (2) children, who I am raising on my own. My daughter, who is 15 years old, is a dependent. My son, who is also 15 years old, is a partial dependent.

7. I first met Charles P. Copeland in approximately 1982, during my first year out of residency. At that time, Mr. Copeland was a Certified Public Accountant affiliated with the Soren McAdam Christianson, CPA firm. I knew other doctors who were using the firm to do their accounting, so I decided to hire them. Mr. Copeland was assigned by the firm as my accountant. Shortly thereafter, Mr. Copeland went out on his own and I continued to use him as my accountant.

8. Over the many years that Mr. Copeland served as my accountant, he appeared to be a knowledgeable professional. I did not know much about accounting so I trusted him. He told me he was a Christian and I believed he was an honest, reliable, and honorable person.

9. Mr. Copeland first approached me about investing with him in approximately 2000. At that time, I was practicing with the Comprehensive Cancer Center and making between \$400,000.00 and \$600,000.00 a year. I was also getting \$100,000.00, over a 10 year time period, from Loma Linda University for my prior employment there as an associate professor

EXHIBIT 5

1 of surgery.

2 10. When Mr. Copeland approached me about investing with him, I
3 was no longer living with my husband. Because I was out on my own, I
4 told him I wanted standard investments that were safe and not risky. I told
5 him I wanted to secure a comfortable retirement for myself. Mr. Copeland
6 guaranteed that if I worked with him he would choose conservative
7 investments for me, and he repeatedly assured me I had nothing to worry
8 about. He told me I would be able to retire comfortably by the time I
9 turned 60.

10 11. I continued to place my trust in Mr. Copeland. He was always
11 patient with me, confided in me about his past, and asked about my
12 children. He was personable and charismatic. Ultimately, I turned over the
13 management of my finances to him. I gave him complete control over my
14 investments. At that time, I had no reason not to trust him. I did not know
15 which investments he chose for me, how much he invested, or how much I
16 was receiving in distributions. I never received any cash distributions, so I
17 assumed any distributions I realized went back into my investments.

18 12. In approximately 2007, Mr. Copeland encouraged me to leave
19 the Comprehensive Cancer Center, build my own practice, and go out on
20 my own. Based on his advice, I decided to do so. That turned out to be a
21 mistake. Mr. Copeland had no business plan whatsoever, and I had no
22 idea how to build a private practice. Mr. Copeland led me to believe that I
23 would be fine, it was just a rough start, and things would improve over
24 time.

25 13. I trusted Mr. Copeland so wholeheartedly that he would often
26 give me documents to sign, last minute. He would come to my clinic and
27 spend 5 or so minutes with me without explaining what I was signing. I
28 never really read the documents he had me sign because I figured he was

EXHIBIT 5

MULVANEY BARRY BEATTY LINN & MAYERS
A LIMITED LIABILITY PARTNERSHIP
SEVENTEENTH FLOOR
401 WEST A STREET
SAN DIEGO, CALIFORNIA 92101-7944
TELEPHONE 619 238-1010
FACSIMILE 619 238-1981

1 taking care of me. Also, during this time I was raising 2 kids on my own,
2 and trying to get my practice going. Therefore, I had to trust him.

3 14. I later found out that one of the documents Mr. Copeland had
4 me sign obligated me to pay \$17,000,000.00 on behalf of Copeland
5 Properties 12, L.P.

6 15. I also found out that Mr. Copeland took all the equity out of my
7 house, and out of my mother's house. As a result, I had to sell my house
8 in a short sale, and move into my mother's house.

9 16. In addition, Mr. Copeland led me to believe that I was a partner
10 in the Rancho Mirage Surgery Center ("RMSC"). Based on this belief, I
11 designed the office, and purchased very expensive and highly specialized
12 equipment that I would need for the practice, including a specialized
13 microscope. Mr. Copeland later sold RMSC and I received nothing. In fact,
14 I still owe an obligation on the equipment I purchased for RMSC, even
15 though I do not own or have access to it. I am currently making interest
16 only payments on that obligation.

17 17. I also found out later that I apparently paid \$60,000.00 for an
18 elevator that was common to the building where my practice, and RMSC,
19 was located.

20 18. As late as 2010, Mr. Copeland told me I had \$1,200,000.00 in
21 retirement funds. At that time, I had no reason to believe otherwise.

22 19. At this time, I am informed and believe that there is nothing left
23 of my investments. I still receive bills from Mr. Copeland but I do not pay
24 them. In fact, I am struggling to make ends meet even with my current
25 income because of the dire financial situation Mr. Copeland has put me in.
26 My electricity was even cut off for a day a couple of weeks ago.

27 20. The loss of my financial stability has been devastating. I feel
28 like I have worked hard all my life, and I have lost everything I have

EXHIBIT 5

1 worked so hard to achieve.

2 21. I even notice that my children are discouraged for their own
3 future because they have watched me work hard for so many years only to
4 struggle financially. I had to pull my child out of private school because I
5 cannot afford the tuition.

6 22. My current financial situation is embarrassing and humiliating.
7 Unless I am able to recover some of the funds I lost through Mr.
8 Copeland's actions, it is unlikely that I will be financially stable anytime
9 soon.

10 I declare under penalty of perjury under the laws of California that
11 this Declaration was executed on October 4, 2012, in Palm Springs,
12 California.

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14 Janet Kay Hyde
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EXHIBIT 6

1 Everett G. Barry, Jr. (SBN 053119)
2 John H. Stephens (SBN 82971)
3 Patrick L. Prindle (SBN 87516)
4 MULVANEY BARRY BEATTY LINN & MAYERS LLP
5 401 West A Street, 17th Floor
6 San Diego, CA 92101-7994
7 Telephone: 619-238-1010
8 Facsimile: 619-238-1981

9 Attorneys for Permanent Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 CHARLES P. COPELAND,
18 COPELAND WEALTH
19 MANAGEMENT, A FINANCIAL
20 ADVISORY CORPORATION,
21 AND COPELAND WEALTH
22 MANAGEMENT, A REAL
23 ESTATE CORPORATION,

24 Defendants.

CASE NO. 2:11-cv-08607-R-DTB

25 **DECLARATION OF GEOFFREY
26 A. GARDINER**

DATE: October 29, 2012

TIME: 10:00 a.m.

DEPT. 8, 2nd Floor

Judge: Hon. Manuel L. Real

27 I, GEOFFREY A. GARDINER, declare as follows:

28 1. I am over the age of eighteen (18) and am not a party to the
above-entitled action.

2. I have personal knowledge of the matters set forth herein,
except as to those matters stated upon information and belief, and as to
those matters, I believe them to be true. If called upon as a witness, I
could and would competently testify thereto.

EXHIBIT 6

1 3. I make this Declaration in support of the Motion to Consolidate
2 Receivership Entities and Pool Assets and Liabilities of the Various
3 Receivership Entities ("Motion to Consolidate") filed by the Court-
4 Appointed Permanent Receiver, Thomas C. Hebrank ("Receiver").

5 4. I am a resident of the City of Loma Linda, State of California. I
6 am a retired physician. For fifty-two (52) years I practiced medicine as a
7 radiologist in Loma Linda.

8 5. I first met Charles P. Copeland in late 1998. He was
9 recommended to me for estate planning purposes. I was told that he was
10 reliable and honest.

11 6. In November of 1998, I met with him for a consultation. At that
12 time, I did not take any action or make any investments with Mr. Copeland.
13 However, I did keep him in mind for the future.

14 7. In 2002, I contacted Mr. Copeland again. At that time, Mr.
15 Copeland prepared a proposal for investment of my funds. I looked it over,
16 but decided not to take any action at that time.

17 8. In 2003, my tax preparer retired. Because Mr. Copeland had a
18 good reputation as an accountant, and I was pleased with my prior
19 interactions with him, I decided to hire him to prepare my taxes. Mr.
20 Copeland has prepared my taxes from 2002 until 2011, and during this
21 time I have never had any problems with my tax returns, nor have I ever
22 been audited. I have always been satisfied with the work Mr. Copeland did
23 as my accountant.

24 9. Mr. Copeland mentioned to me on several occasions during
25 our conversations that he was a Christian. He seemed very trustworthy
26 and always answered my questions with knowledgeable answers. I had
27 every reason to trust him. He always seemed friendly and honest. In fact, I
28 never heard one bad thing about him from anyone.

EXHIBIT 6

1 10. In 2007, during a meeting with Mr. Copeland, he approached
2 me about investing some money that was in my IRA rollover account and
3 that was paying very little interest. He knew how much money I had and
4 where it was kept because he did my taxes.

5 11. Mr. Copeland told me he knew of a safe investment that would
6 give me a regular six percent (6.0%) return on my money. I emphasized to
7 Mr. Copeland that these funds need to be secure without any loss of
8 capital and he assured me that this was the case. He did not give me any
9 additional details about this proposed investment. I didn't ask because I
10 had come to trust Mr. Copeland with my financial affairs.

11 12. I never thought Mr. Copeland would steer me in the wrong
12 direction, so I agreed to invest \$500,000.00 from my IRA in the investment
13 he had proposed. Based on what he told me, I figured it was a safe and
14 reliable investment. I would never had invested my money in the proposed
15 investment had I known the money was going to be invested into a real
16 estate limited partnership, as I had invested in three of these types of
17 partnerships many years ago and lost all the money I invested.

18 13. Starting in 2007, monthly payments of \$3,333.33 were
19 deposited directly into my IRA account. However, in 2009, the payments
20 became sporadic and some months I received nothing. That got worse
21 and worse until October of 2011, when the payments ceased entirely.

22 14. Also, the principal balance of my investment slowly decreased
23 from the original \$500,000.00 to zero with absolutely no explanation from
24 Mr. Copeland. From 2007 to July of 2010, the principal balance remained
25 at \$500,000.00. In August of 2010, the principal was reduced to
26 \$450,000.00, and in June of 2011 the principal was reduced further to
27 \$400,000.00. In September of 2011, the balance was still \$400,000.00 but
28 in the next month, October of 2011, the balance was zero.

EXHIBIT 6

MULVANEY BARRY BEATTY LINN & MAYERS
A LIMITED LIABILITY PARTNERSHIP
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401 WEST A STREET
SAN DIEGO, CALIFORNIA 92101-7944
TELEPHONE 619 238-1010
FACSIMILE 619 238-1981

1 15. I put so much faith in Mr. Copeland that I did not ask questions
2 about my investment. Although I received quarterly reports from Copeland
3 Wealth Management concerning my personal investments, I did not
4 scrutinize them because I figured that Mr. Copeland was a professional
5 and would do the honorable thing.

6 16. It appears now that I may have lost all the money I invested
7 with Mr. Copeland. When I first received the letter from the Receiver about
8 this lawsuit I experienced very severe disappointment and anger which I
9 still feel.

10 17. I had planned on using the money in my IRA for retirement
11 purposes, with some left over to leave to my children. Now that the
12 \$500,000.00 is gone, my wife and I will have to make do with what we
13 have left, unless we can recover some of the money we lost through the
14 receivership.

15 I declare under penalty of perjury under the laws of California that
16 this Declaration was executed on September 25th, 2012, in Loma Linda,
17 California.

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20 Geoffrey A. Gardiner
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EXHIBIT 6

EXHIBIT 7

1 GATES, O'DOHERTY, GONTER & GUY, LLP
Thomas A. Scutti, Cal Bar No. 137433
2 Lisa Torres, Cal. Bar No. 137945
15373 Innovation Drive, Suite 170
3 San Diego, California 92128
Telephone: (858) 676-8600
4 Facsimile: (858) 676-8601
Email: ltorres@gogglaw.com
5

6 Attorneys for Non-parties John J. Kohut and Joanne Kohut
7

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION

11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff

Case No. 11-CV-08607-R-DTB

DECLARATION OF JOANNE KOHUT

14 VS.

15 CHARLES P. COPELAND, COPELAND
16 WEALTH MANAGEMENT, A FINACIAL
ADVISORY CORPORATION AND
17 COPELAND WEALTH MANAGEMENT, A
REAL ESATE CORPORATION,

18 Defendants,
19
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21 I, Joanne Kohut hereby declare:

22 1. I am an investor in certain entities that are part of the above-captioned SEC
23 Receivership estate. The statements made herein are based on by personal knowledge, unless
24 stated on information and belief and as to those statements I believe them to be true, and if
25 asked to testify I would competently testify thereto.

26 2. I am seventy six years old and married to John J. Kohut, M.D. We have three
27 adult children who are not dependents. I am a registered nurse and currently work as the
28 office manager in my husband's medical practice.

1 3. Charles Copeland ("Copeland") served as the personal accountant for me and
2 my husband, John J. Kohut, for over thirty-five years. Copeland was referred to me by Mr.
3 Zilch whose firm we had approached to assist us with our personal and corporate income
4 taxes. Before meeting Copeland based on Mr. Zilch's referral, I had no prior relationship with
5 Copeland and only knew that he was an accountant.

6 4. Copeland served as our personal accountant for over thirty-five years. Prior to
7 the initiation of the above-captioned case, I believed that he did a good job.

8 5. Copeland served as the accountant for our business for over thirty-five years.

9 6. To the best of my information and belief, Copeland served as the accountant to
10 the Kohut Family Trust. I do not recall specifically when he hired him to serve as the
11 accountant for the Kohut Family Trust.

12 7. Copeland provided monthly financial reports for a medical corporation we
13 owned and operated until 1996. In addition, Copeland prepared corporate tax returns for a
14 medical corporation formed in 1999. In addition, Copeland managed my IRA Ameritrade
15 account and my husband's Ameritrade account.

16 8. Copeland did not perform accounting or bookkeeping services for family
17 members other than for my husband and me.

18 9. To the best of my information and belief, we were not audited by the Internal
19 Revenue Service (the "IRS"). We were required to pay minimal fines or late fees by the IRS
20 on one or two occasions.

21 10. I trusted Copeland. I would not have continued using him as our accountant if I
22 did not trust him. An accountant is someone I believe you have to trust. My trust in Copeland
23 was based on the length of our relationship, his apparent knowledge, his apparent success and
24 the respect of associates who also used him as an accountant.

25 11. To the best of my knowledge, Copeland first approached us about investments
26 in 2003. We had known him since approximately 1975 at the time he approached us to make
27 investments through him. He told me he could do a good job with our investments. The first
28 investments were in stocks.

1 12. To the best of my recollection, Copeland approached us to investment in a
2 limited partnership in 2004. The limited partnership was La Mirada 24 Hour Fitness. I am
3 informed and believe we invested \$345,000 in the La Miranda 24 Hour Fitness limited
4 partnership through the Kohut Trust Account.

5 13. To the best of my recollection, we invested in four limited partnerships through
6 Copeland. Copeland selected the limited partnership investments for us and we did not
7 investigate the properties owned by the limited partnerships.

8 14. I relied on Copeland in making the investments related to the limited
9 partnerships.

10 15. I believe I had invested in a limited partnership many years prior to the
11 investments I made through Copeland through Paine Webber.

12 16. We did not receive regular reports from Copeland regarding the limited
13 partnerships' performance.

14 17. I do not know if we received distributions from the limited partnerships. All
15 transactions were done through the Ameritrade accounts and I am informed and believe that
16 any cash distributions received were deposited into the accounts. I am informed and believe
17 there were cash distributions from the limited partnerships but the deposits shown on the
18 Ameritrade account statements were not itemized as to the source.

19 18. As far as I know, Copeland controlled the investments made in connection with
20 the limited partnerships.

21 19. As far as I know, Copeland decided whether to sell a partnership or to make a
22 loan to a partnership or other partnerships.

23 20. I did not know we were invested in Fixed Income One LP or Three LP until
24 after the above-captioned case was filed.

25 21. I am informed and believe that Copeland made the decision to place our funds
26 in the fixed income partnership investments and that he made the decision as to which
27 partnership to invest our funds in.

28 22. I did not investigate the fixed income partnerships prior to Copeland placing

1 our funds in the fixed income partnership investments. We relied on Copeland in making the
2 investment decisions.

3 23. We did not receive regular reports from Copeland regarding the fixed income
4 limited partnerships' performance.

5 24. I do not know if we received distributions from the fixed income limited
6 partnerships because, I am informed and believe the source of cash deposits are not shown on
7 the Ameritrade account statements.

8 25. I am informed and believe that Copeland controlled the investments made in
9 connection with the fixed income limited partnerships.

10 26. I am informed and believe that Copeland decided whether to sell a partnership
11 or to make a loan to a partnership or other partnerships.

12 I declare under penalty of perjury that the foregoing is true and correct and that
13 this Declaration was executed at Riverside, California, on the below date.

14
15 DATED: 9-26-12


JOANNE KOHUT

EXHIBIT 8

1 GATES, O'DOHERTY, GONTER & GUY, LLP
Thomas A. Scutti, Cal Bar No. 137433
2 Lisa Torres, Cal. Bar No. 137945
15373 Innovation Drive, Suite 170
3 San Diego, California 92128
Telephone: (858) 676-8600
4 Facsimile: (858) 676-8601
Email: ltorres@gogglaw.com
5

6 Attorneys for Non-parties John J. Kohut and Joanne Kohut
7

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION

11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff

Case No. 11-CV-08607-R-DTB

DECLARATION OF JOHN J. KOHUT,
M.D.

14 VS.

15 CHARLES P. COPELAND, COPELAND
16 WEALTH MANAGEMENT, A FINACIAL
ADVISORY CORPORATION AND
17 COPELAND WEALTH MANAGEMENT, A
REAL ESATE CORPORATION,

18 Defendants
19
20
21

22 I, John J. Kohut hereby declare:

23 1. I am an investor in certain entities that are part of the above-captioned SEC
24 Receivership estate. The statements made herein are based on by personal knowledge, unless
25 stated on information and belief and as to those statements I believe them to be true, and if
26 asked to testify I would competently testify thereto.

27 2. I am seventy two years old and married to Joanne Kohut. We have three adult
28 children who are not dependents. I attended Albany Medical College and graduated in 1965.

1 I completed a mixed medical/surgical internship in 1966 and completed a psychiatric
2 residency in 1969. I am a medical doctor (M.D.) and have been in private practice in the field
3 of psychiatry since 1971. I served as the Medical Director for Mental Health Services,
4 Community Hospital of San Bernardino.

5 3. Charles Copeland ("Copeland") served as the personal accountant for me and
6 my wife, Joanne Kohut, for many years, but I do not recall when I first met Copeland or
7 specifically when we first hired him as our accountant. Until the above-captioned case was
8 filed, as far as I was aware, I believed Copeland was a competent accountant.

9 4. Copeland served as the accountant for my business, but I do not recall when I
10 first hired him as the accountant for my business.

11 5. To the best of my knowledge, Copeland served as the accountant for my family
12 trust, but I do not recall when we first hired him as the accountant for the trust.

13 6. To the best of my knowledge, Copeland did not perform other accounting or
14 bookkeeping services for my wife, me, my business or trust.

15 7. To the best of my knowledge, Copeland did not perform accounting or
16 bookkeeping services for family members other than my wife and me.

17 8. To the best of my knowledge, we were not audited by the Internal Revenue
18 Service (the "IRS") and I do not recall that we had to pay the IRS any fines or late fees.

19 9. I trusted Copeland. I would not have continued using him as our accountant if I
20 did not trust him. An accountant is someone I believe you have to trust. My trust in Copeland
21 was based on the length of our relationship, his apparent knowledge, his apparent success and
22 the respect of associates who also used him as an accountant.

23 10. I do not recall exactly when Copeland first approached us about investments. I
24 do not remember how long we knew him when he approached us to make investments and I
25 do not have first-hand knowledge as to what kind of investments we made through Copeland
26 or with Copeland's assistance.

27 11. I do not know what kind of limited partnership investments we made and I do
28 not know how many partnerships we invested in through Copeland or with Copeland's

1 assistance. I did not investigate our investments in the limited partnerships or in limited
2 partnership property.

3 12. I relied on Copeland in making the investments related to the limited
4 partnerships.

5 13. I do not know if we invested in limited partnerships before we made the limited
6 partnership investments through Copeland.

7 14. I do not know if we received regular reports from Copeland regarding the
8 limited partnerships' performance.

9 15. I do not know if we received distributions from the limited partnerships.

10 16. I do not know who controlled the investments made in connection with the
11 limited partnerships and I have no knowledge as to who decided whether to sell a partnership
12 or to make a loan to a partnership or other partnerships.

13 17. I do not know what Copeland advised us concerning the fixed income
14 partnership investments. I do not know what the fixed income partnership investments were
15 invested in.

16 18. I do not remember when we first invested in the fixed income partnership
17 investments. I do not know how much we invested in the fixed income partnership
18 investments. I do not know how many fixed income partnership investments we participated
19 in.

20 19. I am not aware how we decided between fixed income and real property
21 investments. I relied on Copeland in making the investments related to the limited
22 partnerships.

23 20. I do not know whether Copeland made the decision for us to invest in the fixed
24 income partnership investments or whether we participated in the decision. I am unaware of
25 what investigation, if any, we did as to our investment in the fixed income limited
26 partnerships. We relied on Copeland in making the investment decisions.

27 21. I do not know if we received regular reports from Copeland regarding the fixed
28 income limited partnerships' performance.

1 22. I do not know if we received distributions from the fixed income limited
2 partnerships.

3 23. I do not know who controlled the investments made in connection with the
4 fixed income limited partnerships and I have no knowledge as to who decided whether to sell
5 a partnership or to make a loan to a partnership or other partnerships.

6 I declare under penalty of perjury that the foregoing is true and correct and that
7 this Declaration was executed at Riverside, California, on the below date.

8
9 DATED: 9/21/12



JOHN J. KOHUT, M.D.