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10 Attorneys for Receiver
11 KRISTA L. FREITAG

12 UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA

14 FEDERAL TRADE COMMISSION,
15 Plaintiff,

16 vs.

17 IMPETUS ENTERPRISE, INC., a
California corporation, also d/b/a Aiding
Student Relief, Aiding Students &
18 Teachers, Aidnest, Avec Staffing, and
National Education Student and Teacher;
FIG TREE & CO., LLC, a California
19 limited liability company, also d/b/a
Aiding Student Relief, Aiding Students
20 & Teacher, and Aiding Students &
Teachers; TUAN DINH DUONG, a/k/a
21 Thomas Duong, a/k/a Thomas Dinh,
individually and as an officer of
22 IMPETUS ENTERPRISE, INC.;
BRENDA AVITIA-PENA, individually
23 and as an officer of IMPETUS
ENTERPRISE, INC. and FIG TREE &
24 CO., LLC; and BRIAN COLOMBANA
d/b/a FUTERO, individually and as an
25 officer of FIG TREE & CO., LLC,

26 Defendants,

27 NOEL SOLUTIONS, LLC, a Wyoming
limited liability company,

28 Relief Defendant.

Case No. 8:18-cv-01987-JLS-KES

**FIRST INTERIM FEE
APPLICATION OF ALLEN
MATKINS LECK GAMBLE
MALLORY & NATSIS LLP,
GENERAL COUNSEL TO THE
RECEIVER FOR PAYMENT OF
FEES AND REIMBURSEMENT OF
EXPENSES**

Date: March 29, 2019
Time: 2:30 p.m.
Ctm.: 10A
Judge: Hon. Josephine L. Staton

1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"),
2 general counsel to Krista L. Freitag ("Receiver"), the Court-appointed receiver for
3 Impetus Enterprise, Inc. ("Impetus") and Fig Tree & Co., LLC ("Fig Tree"), each of
4 their subsidiaries, affiliates, successors and assigns, including but not limited to
5 Capital Sun Investments, LLC (d/b/a Studora) or Premier Capital Investments, LLC,
6 and Jimmy Calderon (when conducting activities in relation to any of the foregoing
7 entities) and any other entity that has conducted any business related to Defendants'
8 student debt relief enterprise, including receipt of Assets derived from any activity
9 that is the subject of the Complaint in this matter, and that the Receiver determines
10 is controlled or owned by any Defendant ("Receivership Entities"), hereby submits
11 this first interim application for approval and payment of fees and reimbursement of
12 expenses ("Application"). This Application covers the period from the Receiver's
13 appointment on November 13, 2018, through December 31, 2018 ("First
14 Application Period"), and seeks interim approval of \$25,641.90 in fees and \$904.00
15 in expenses, and an order authorizing the Receiver to pay, on an interim basis, 80%
16 of the fees incurred (\$20,513.52) and 100% of the expenses incurred. As it has
17 throughout this case, Allen Matkins has discounted its customary hourly rates by
18 10%.

19 I. INTRODUCTION

20 This equity receivership arises from the Complaint for Permanent Injunction
21 and Other Equitable Relief ("Complaint") (Dkt. No. 2) filed on November 6, 2018,
22 by the Federal Trade Commission ("FTC"). The Appointment Order confers full
23 powers of an equity receiver, including full power over all funds, assets, books,
24 records, and other real or personal property of the Receivership Entities. The
25 Appointment Order also authorizes the Receiver to "engage and employ attorneys,
26 accountants, appraisers, and other technical specialists" to assist her in the
27 performance of her duties. Dkt. 38, Section XIV(F).

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1 The Receiver promptly determined that her experienced staff at E3 Realty
 2 Advisors, Inc., dba E3 Advisors ("E3"), as well as experienced, qualified counsel
 3 was critical due to the number of people involved, the transactional volume, and
 4 complex issues facing the receivership estate. Accordingly, the Receiver has cost-
 5 effectively used her team at E3 to assist in carrying out receivership duties and
 6 engaged Allen Matkins to act as her counsel.

7 II. FEE APPLICATION

8 This fee application should be read in conjunction with the Receiver's First
 9 Interim Report ("First Report") filed on November 20, 2018 (Dkt. No. 27) and
 10 Second Interim Report ("Second Report") filed on January 14, 2018 (Dkt. No. 44),
 11 which describe in detail the Receiver's activities during the First Application Period.
 12 This Application seeks interim approval of \$25,641.90 in fees for a total of
 13 46.7 hours worked and payment on an interim basis of 80% of that amount, or
 14 \$20,513.52. The work performed is described task-by-task on Exhibit A and is
 15 broken down into the following categories:

16 Category	Hours	Amount
17 General Receivership	14.8	\$8,198.10
18 Asset Investigation & Recovery	21.0	\$11,481.75
19 Reporting	5.1	\$2,868.75
20 Claims & Distributions	2.7	\$1,518.75
21 Pending Litigation	3.1	\$1,574.55
Total Fees	46.70	\$25,641.90

22 Allen Matkins has worked diligently and efficiently to assist the Receiver
 23 with urgent legal issues facing the receivership estate. Allen Matkins' work has
 24 assisted the Receiver in carrying out her Court-ordered duties and the firm should be
 25 compensated on an interim basis.

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

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

3 **1. General Receivership**

4 Work in this category includes advising the Receiver regarding the scope and
5 duties laid out in the TRO. Allen Matkins also filed the Complaint and TRO in
6 other jurisdiction in which the Receivership Entities potentially have assets,
7 including the Districts of Wyoming, Utah, and Oregon, and the Middle District of
8 Florida, as required by 28 U.S.C. § 754. The firm addressed issues raised by
9 counsel for Jimmy Calderon regarding the scope of the receivership as it pertains to
10 Capital Sun Investments d/b/a Studora. Attorney Ted Fates prepared for and
11 attended the Order to Show Cause hearing held on November 26, 2018 and advised
12 the Receiver regarding the Preliminary Injunction Order entered on November 29,
13 2018. Dkt. No. 38. The reasonable and necessary fees for work in this category
14 total \$8,198.10.

15 **2. Asset Investigation & Recovery**

16 Allen Matkins' time in this category focused on assisting the Receiver in
17 investigating assets of the Receivership Entities, including notifying third parties of
18 the TRO and Preliminary Injunction Order, communicating with third parties and
19 their legal counsel about preserving assets and data of the Receivership Entities,
20 providing the Receiver with access to the same, and turning over account balances
21 and other assets belonging to the Receivership Entities. With Allen Matkins'
22 assistance, the Receiver was able to promptly recover approximately \$294,000 held
23 by credit card payment processors, as well as gaining access to email accounts and
24 certain customer data maintained by third parties. The reasonable and necessary
25 fees for work in this category total \$11,481.75.

26 **3. Reporting**

27 Allen Matkins' time in this category focused on preparing the Receiver's First
28 Interim Report ("First Report"), which was filed on November 20, 2018. Dkt.

1 No. 27. The First Report contains a detailed description of the Receiver's initial
2 actions to implement the TRO, including cash recovered, a preliminary assessment
3 of the Receivership Entities' operations, affiliated entities, pending litigation
4 matters, and consumer communications. The report also includes the Receiver's
5 preliminary recommendations for the continued administration of the receivership
6 estate. The reasonable and necessary fees for this work total \$2,868.75.

7 **4. Claims and Distributions**

8 Allen Matkins' time in this category focused on providing information to
9 consumers and other third parties via the receivership website established by the
10 Receiver, preparing and filing the Schedule of Known Creditors (as required by
11 Local Rule 66-5) (Dkt. No. 39), and advising the Receiver regarding employee
12 issues. The reasonable and necessary fees for work in this category total \$1,518.75.

13 **5. Pending Litigation**

14 Work in this category focused on an action filed by Brian Colombana pending
15 in Orange County Superior Court against Impetus Enterprise, Inc., Tuan Duong, and
16 Brenda Avitia-Pena. Allen Matkins communicated with counsel for Impetus,
17 Duong, and Avitia-Pena to ensure that a copy of the TRO was filed in the case and
18 that the stay of actions against the Receivership Entities was properly recognized by
19 all parties. The reasonable and necessary fees for work in this category total
20 \$1,574.55.

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

22 Allen Matkins requests the Court approve reimbursement of \$904.00 in out-
23 of-pocket costs. The itemization of such expenses is summarized below by
24 category. The costs incurred by Allen Matkins during the First Application Period
25 are broken down by category as follows:

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Category	Total
Messenger/FedEx Fees	396.00
Service of Process	320.00
Court Filing Fees/Recorder Fees/Secretary of State Fees (including associated messenger fees for delivery of documents)	188.00
TOTAL	\$ 904.00

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

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

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

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

3 As a preliminary matter, the Appointment Order confers on the Receiver
4 substantial duties and powers, including to conduct such investigation and discovery
5 as is necessary to locate and account for all receivership assets, take such action as is
6 necessary and appropriate to assume control over and preserve receivership assets,
7 and employ attorneys and others to investigate and, where appropriate, institute,
8 pursue, and prosecute all claims and causes of action of whatever kind and nature.
9 *See* Appointment Order, Section III. The Receiver promptly determined that
10 experienced, qualified counsel was necessary due to the complexity of legal issues
11 facing the receivership estate.

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

18 The work performed by Allen Matkins was essential to carrying out the
19 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked
20 diligently since the Receiver's appointment to preserve and protect the assets of the
21 receivership estate and to investigate and recover sums held by or transferred to
22 third parties. Moreover, Allen Matkins seeks payment of only 80% of fees incurred
23 on an interim basis in recognition of the fact that its work in assisting the Receiver is
24 ongoing. Payment of the proposed 20% holdback will be sought at the conclusion
25 of the receivership. Allen Matkins' fees are fair and reasonable and should be
26 approved and paid on an interim basis.

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V. CONCLUSION

Allen Matkins therefore respectfully requests this Court enter an Order:

1. Approving Allen Matkins' fees, on an interim basis, of \$25,641.90 ;
2. Authorizing and directing the Receiver to pay 80% of approved fees, or \$20,513.52, from the assets of the Receivership Entities;
3. Approving Allen Matkins' costs in the amount of \$904.00 and authorizing and directing the Receiver to reimburse such costs in full; and
4. For such other and further relief as the Court deems appropriate.

Dated: January 29, 2019

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
KRISTA L. FREITAG

EXHIBIT A

01/10/19 14:22:37 PROFORMA STATEMENT FOR MATTER 378119-00002 (Krista Freitag, as Receiver for Impetus Enterprise, Inc.) (General Receivership)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 378119-00002

Matter Name: General Receivership

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Impetus Enterprise, Inc.

Proforma Number 1396637

Client/Matter Joint Group # 378119-1

Fees for Matter 378119-00002 (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
11/14/18	7669609	Review and analyze FTC application for TRO and appointment of receiver and TRO entered by Court (1.8); advise Receiver regarding same, strategy for takeover, affiliated entity issues, and local rule requirements for schedule of known creditors (1.1); initial work on 28 USC 754 filing (.2); revisions to draft notice letters to banks and payment processors (.6).	Fates, Edward	3.7	2,081.25	2,081.25	WO	HD TR_____
11/15/18	7672731	Draft letter to clerk of District of Wyoming for miscellaneous filing pursuant to 28 U.S.C. section 754.	Aspis, Norman	0.6	210.60	2,291.85	WO	HD TR_____
11/16/18	7670342	Discuss takeover of receivership entities and legal tasks necessary to implement TRO with Receiver (1.6); call/emails with counsel for J. Calderon regarding TRO, takeover, and related issues (.6); discuss same and communications from T. Dinh with Receiver (.7).	Fates, Edward	2.9	1,631.25	3,923.10	WO	HD TR_____
11/17/18	7671394	Review information regarding affiliate/successor status of entities, discuss same with Receiver (.7);	Fates, Edward	1.1	618.75	4,541.85	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		communications with counsel for J. Calderon re: same (.4).					
11/20/18	7673262	Work on additional filings in UT, OR and FL pursuant to 28 USC 754 (.2); advise Receiver regarding bond filing (.1); prepare notice of filing bond (.2).	Fates, Edward	0.5	281.25	4,823.10	WO HD TR_____
11/21/18	7674655	Review opposition to Preliminary Injunction filed by J. Calderon and supporting exhibits (.5); discuss same with Receiver (.3).	Fates, Edward	0.8	450.00	5,273.10	WO HD TR_____
11/23/18	7675172	Communications with FTC counsel and Receiver regarding service of pleadings in FTC v. Duong contempt proceeding.	Fates, Edward	0.4	225.00	5,498.10	WO HD TR_____
11/26/18	7675191	Review FTC response to J. Calderon opposition to Preliminary Injunction (.4); call with FTC counsel and Receiver regarding 11/26 hearing on OSC regarding Preliminary Injunction (.4); review contempt motion and related papers as to Duong/Impetus in prior related case (.5); discuss preparation for 11/26 hearing with Receiver (.3); prepare for and attend hearing (2.8).	Fates, Edward	4.4	2,475.00	7,973.10	WO HD TR_____
11/28/18	7678235	Review proposed preliminary injunction order lodged by FTC, advise Receiver regarding same.	Fates, Edward	0.4	225.00	8,198.10	WO HD TR_____

Disbursements for Matter 378119-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt	Circle	Action
11/15/18	2478375	Filing Fees - - Clerk U.S. District Court Filing a copy of the Complaint and TRO filed by the USDC	1.00	47.00	WO	HD TR_____
11/15/18	2480170	Messenger -- Federal Express Invoice No: 637904782 2369 Ship To: Clerk of the Court	1.00	29.95	WO	HD TR_____
11/16/18	2480169	Messenger -- Federal Express Invoice No: 637904782 2369 Ship To: Norman Aspis	1.00	19.20	WO	HD TR_____
11/16/18	2480178	Messenger -- Federal Express Invoice No: 637906628 1665 Ship To: Intuit Legal Services Departme	1.00	16.97	WO	HD TR_____
11/19/18	2490223	Messenger - - Nationwide Legal, LLC, UNITED STATES DISTRICT COURT OF CALIFORNIA, FEDERAL COMISSION IMPETUS^7501	1.00	84.00	WO	HD TR_____
11/20/18	2478731	Filing Fees - - Clerk U.S. District court, District of Utah Freitag - Impetus Receivership	1.00	47.00	WO	HD TR_____
11/20/18	2478732	Filing Fees - - Clerk U.S. District Court, District of Oregon Freitag - Impetus Receivership	1.00	47.00	WO	HD TR_____
11/20/18	2478733	Filing Fees - - Clerk U.S. District Court, Middle District of Florida Freitag - Impetus Receivership	1.00	47.00	WO	HD TR_____
11/20/18	2480171	Messenger -- Federal Express Invoice No: 637904782 2369 Ship To: Clerk of the Court	1.00	29.32	WO	HD TR_____
11/20/18	2480172	Messenger -- Federal Express Invoice No: 637904782 2369 Ship To: Clerk of the Court	1.00	28.15	WO	HD TR_____
11/20/18	2480173	Messenger -- Federal Express Invoice No: 637904782 2369 Ship To: Clerk of the Court	1.00	20.72	WO	HD TR_____
11/20/18	2490224	Messenger - - Nationwide Legal, LLC, E3 Advisors,^7501	1.00	20.00	WO	HD TR_____
11/21/18	2490225	Messenger - - Nationwide Legal, LLC, UNITED STATES DISTRICT COURT OF CALIFORNIA, FEDERAL COMISSION IMPETUS^7501	1.00	30.00	WO	HD TR_____
11/26/18	2482727	Messenger -- Federal Express Invoice No: 638467665 2369 Ship To: Norman Aspis	1.00	20.35	WO	HD TR_____

Trans Date	Index	Type	Quantity	Amt	Circle	Action
11/27/18	2482728	Messenger -- Federal Express Invoice No: 638467665 2369 Ship To: Norman Aspis	1.00	21.62	WO	HD TR_____
11/27/18	2482738	Messenger -- Federal Express Invoice No: 638469105 1665 Ship To: Krista Freitag	1.00	16.72	WO	HD TR_____
12/03/18	2485155	Messenger -- Federal Express Invoice No: 639250734 1665 Ship To: Alex Solano, Nationwide	1.00	12.23	WO	HD TR_____
12/04/18	2487827	Messenger - - Nationwide Legal, LLC, USDC/SANTA ANA, DELIVER COURTESY^185039	1.00	30.00	WO	HD TR_____
12/06/18	2486468	Messenger -- Federal Express Invoice No: 639945933 2369 Ship To: Compliance Dept	1.00	16.77	WO	HD TR_____
12/07/18	2487828	Service of Process - - Nationwide Legal, LLC, GODADDY.COM, SUBPOENA^185039	1.00	320.00	WO	HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	14.2	562.50	7,987.50
002369	Norman Aspis	0.6	351.00	210.60
		<u>14.8</u>		<u>8,198.10</u>
	Total Fees			8,198.10
	Total Disbursements			904.00

Attorney Billing Instructions

- () BILL ALL
- () BILL FEES ONLY
- () BILL COST ONLY
- () Hold
- () Write Off
- () Transfer All

Billing Instructions

EXPIRES 12/31/2019: 10% OFF STANDARD RATES; NO TEXT EDITING; COPIES .10; NO CONFERENCE CALLS

Account Summary- As Of 12/31/2018

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	9,102.10	8,198.10	904.00	9,102.10	8,198.10	904.00	9,102.10	8,198.10	904.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collected	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	Fees	Cost						
WIP Balance	9,214.60	8,310.60	904.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Krista Freitag, as Receiver for Impetus Enterprise, Inc.
 E3 Advisors
 401 W. 'A' Street, Suite 1830
 San Diego, CA 92101
 ATTN:

01/09/19 12:02:21 PROFORMA STATEMENT FOR MATTER 378119-00003 (Krista Freitag, as Receiver for Impetus Enterprise, Inc.) (Asset Investigation & Recovery)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 378119-00003

Matter Name: Asset Investigation & Recovery

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Impetus Enterprise, Inc.

Proforma Number 1396641

Client/Matter Joint Group # 378119-1

Fees for Matter 378119-00003 (Asset Investigation & Recovery)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
11/16/18	7670476	Work on letters to vendors and service providers regarding notice of TRO and turnover/access to company data and documents.	Fates, Edward	0.9	506.25	506.25	WO	HD TR_____
11/19/18	7672269	Advise Receiver on strategy and next steps regarding merchant accounts and affiliated entities.	Fates, Edward	0.8	450.00	956.25	WO	HD TR_____
11/20/18	7673705	Advise Receiver on correspondence with Go Daddy regarding TRO and control over company domains.	Fates, Edward	0.2	112.50	1,068.75	WO	HD TR_____
11/27/18	7677129	Advise Receiver as to communications and strategy regarding credit card payment processors, frozen reserve balances, access to mail at offices, and related issues.	Fates, Edward	0.6	337.50	1,406.25	WO	HD TR_____
11/28/18	7678038	Advise and assist with efforts to contact website/email domain hosting company and secure reserve balances held by credit card processor.	Fates, Edward	0.4	225.00	1,631.25	WO	HD TR_____
11/29/18	7678867	Call with counsel for credit card payment processor regarding	Fates, Edward	1.7	956.25	2,587.50	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		turnover of reserve balances (.4); advise Receiver regarding same (.3); prepare turnover demand regarding same (.4); communications with L. Ryan regarding Intuit issues (.2); prepare correspondence to second payment processor (.4).						
11/30/18	7680636	Communications with Receiver and L. Ryan regarding gaining access to vendor data and payment processor data, communications with B. Colombana.	Fates, Edward	0.9	506.25	3,093.75	WO	HD TR_____
12/03/18	7683997	Advise Receiver regarding investigation into credit card merchant accounts and strategy regarding securing of reserve balances (.5); prepare turnover demand to Madera merchant processor (.4).	Fates, Edward	0.9	506.25	3,600.00	WO	HD TR_____
12/04/18	7686638	Communications with Receiver regarding issues with domain names, merchant accounts, turnover of balances, document subpoenas (.9); communications with credit card payment processors (.4); communications with accounting software vendor (.1).	Fates, Edward	1.4	787.50	4,387.50	WO	HD TR_____
12/05/18	7687158	Calls with Receiver and counsel for software vendor regarding access to entity accounts (.4); revisions to document subpoena to domain hosting company (.6); further communications with payment processors regarding turnover of reserve balances to receiver (.9); communications with customer	Fates, Edward	2.3	1,293.75	5,681.25	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		management software hosting company (.4).						
12/05/18	7695920	Draft and transmit subpoena to GoDaddy.com for all documents related to the domains www.usdebtreief.us and www.avecspaces.com.	Aspis, Norman	2.3	807.30	6,488.55	WO	HD TR_____
12/06/18	7691336	Follow-up on the Receiver's investigation of assets/possible accounting strategy/confer with counsel related to the same (.3).	Zaro, David	0.3	222.75	6,711.30	WO	HD TR_____
12/06/18	7689443	Follow up communications with merchant payment processors and Receiver regarding turnover of funds and terms of preliminary injunction order (1.1); communications with FTC counsel regarding same (.2).	Fates, Edward	1.3	731.25	7,442.55	WO	HD TR_____
12/06/18	7690748	Confer with counsel re discovery issues (0.5).	Del Castillo, Joshua	0.5	281.25	7,723.80	WO	HD TR_____
12/07/18	7692893	Analysis of the charge-back issues, merchant processor, follow-up with counsel, advice concerning the recovery (.6).	Zaro, David	0.6	445.50	8,169.30	WO	HD TR_____
12/07/18	7691307	Communications with Madera Merchant and Choice Merchant Solutions re: turnover of reserve balances to Receiver.	Fates, Edward	0.4	225.00	8,394.30	WO	HD TR_____
12/10/18	7693474	Follow up communications with counsel for Choice Merchant Solutions.	Fates, Edward	0.2	112.50	8,506.80	WO	HD TR_____
12/11/18	7693746	Further follow up communications with counsel for Choice Merchant	Fates, Edward	1.1	618.75	9,125.55	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		Solutions re turnover of reserve balances in accounts (.4); discuss apparent fraudulent account activity by Defendants and steps to address same with Receiver (.3); communications with counsel for First Data regarding production of account records and turnover of balance (.4).						
12/12/18	7697454	Call to consider the outstanding credit card holdbacks, receipts and Receiver's work (.2).	Zaro, David	0.2	148.50	9,274.05	WO	HD TR_____
12/12/18	7696729	Further communications with Receiver and merchant payment processors re: turnover of reserve balances.	Fates, Edward	0.6	337.50	9,611.55	WO	HD TR_____
12/13/18	7697006	Communications with Receiver and customer relations platform provider regarding access to company accounts (.3); advise on issues regarding timing/compliance with document subpoenas (.2); communications with Receiver regarding turnover of balances by merchant payment processors (.1).	Fates, Edward	0.6	337.50	9,949.05	WO	HD TR_____
12/17/18	7700232	Advise Receiver on strategy in addressing issues with software vendor and access to company accounts (.2); follow up communications with customer relations software hosting company and merchant payment processor (.4); advise on subpoena follow up steps (.2).	Fates, Edward	0.8	450.00	10,399.05	WO	HD TR_____
12/18/18	7707234	Follow-up with GoDaddy regarding	Aspis, Norman	0.2	70.20	10,469.25	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		the status of the subpoena for documents related to the domains www.usdebtrelief.us and www.avecspaces.com.					
12/19/18	7702300	Communications with counsel for customer management software hosting company and Receiver regarding preservation of company data and access to same (.5); discuss issues with access to affiliated entity online accounting records with Receiver (.4).	Fates, Edward	0.9	506.25	10,975.50	WO HD TR_____
12/20/18	7703807	Calls with Receiver and counsel for email/customer data hosting company regarding preservation and production of data for company accounts.	Fates, Edward	0.9	506.25	11,481.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	1.1	742.50	816.75
001665	Edward Fates	16.9	562.50	9,506.25
001842	Joshua Del Castillo	0.5	562.50	281.25
002369	Norman Aspis	2.5	351.00	877.50
		<u>21.0</u>		<u>11,481.75</u>
Total Fees				11,481.75
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 12/31/2019: 10% OFF STANDARD RATES; NO TEXT EDITING; COPIES .10; NO CONFERENCE CALLS

Account Summary- As Of 12/31/2018

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	11,481.75	11,481.75	0.00	11,481.75	11,481.75	0.00	11,481.75	11,481.75	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collected	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	Fees	Cost						
WIP Balance	11,650.50	11,650.50	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Krista Freitag, as Receiver for Impetus Enterprise, Inc.
 E3 Advisors
 401 W. 'A' Street, Suite 1830
 San Diego, CA 92101
 ATTN:

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 378119-00004

Matter Name: Reporting

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Impetus Enterprise, Inc.

Proforma Number 1396644

Client/Matter Joint Group # 378119-1

Fees for Matter 378119-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
11/16/18	7670346	Initial discussion with Receiver regarding content and plan for report due 11/20.	Fates, Edward	0.4	225.00	225.00	WO HD TR_____
11/19/18	7672426	Discuss content for first report with Receiver.	Fates, Edward	0.4	225.00	450.00	WO HD TR_____
11/20/18	7673261	Revisions to Receiver's first report (2.8); discuss same with Receiver (1.1); work on exhibits to report and redactions to same (.4).	Fates, Edward	4.3	2,418.75	2,868.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	5.1	562.50	2,868.75
		<u>5.1</u>		<u>2,868.75</u>
Total Fees				2,868.75
Total Disbursements				0.00

Attorney Billing Instructions

() BILL ALL () Hold
 () BILL FEES ONLY () Write Off
 () BILL COST ONLY () Transfer All _____

Billing Instructions

EXPIRES 12/31/2019: 10% OFF STANDARD RATES; NO TEXT EDITING; COPIES .10; NO CONFERENCE CALLS

Account Summary- As Of 12/31/2018

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	2,868.75	2,868.75	0.00	2,868.75	2,868.75	0.00	2,868.75	2,868.75	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collected	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	Fees	Cost						
WIP Balance	3,093.75	3,093.75	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Krista Freitag, as Receiver for Impetus Enterprise, Inc.
 E3 Advisors
 401 W. 'A' Street, Suite 1830
 San Diego, CA 92101
 ATTN:

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 378119-00006

Matter Name: Claims & Distributions

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Impetus Enterprise, Inc.

Proforma Number 1396647

Client/Matter Joint Group # 378119-1

Fees for Matter 378119-00006 (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
11/16/18	7671044	Revisions to notice of case to investors on receivership website.	Fates, Edward	0.3	168.75	168.75	WO HD TR_____
11/27/18	7676558	Advise Receiver regarding responses to employee inquiries, revise same.	Fates, Edward	0.2	112.50	281.25	WO HD TR_____
11/28/18	7677515	Respond to consumer claim notices issued by IL, OR and FL state authorities.	Fates, Edward	1.1	618.75	900.00	WO HD TR_____
11/30/18	7680173	Revisions to email notices regarding receivership and available student loan assistance resources.	Fates, Edward	0.2	112.50	1,012.50	WO HD TR_____
12/03/18	7683989	Work on schedule of known creditors, discuss same with Receiver.	Fates, Edward	0.7	393.75	1,406.25	WO HD TR_____
12/06/18	7690437	Advise Receiver on issues regarding collection of personal items from office premises by employees.	Fates, Edward	0.2	112.50	1,518.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.7	562.50	1,518.75
		<u>2.7</u>		<u>1,518.75</u>
Total Fees				1,518.75

Total Disbursements

0.00

Attorney Billing Instructions

()	BILL ALL	()	Hold
()	BILL FEES ONLY	()	Write Off
()	BILL COST ONLY	()	Transfer All

Billing Instructions

EXPIRES 12/31/2019: 10% OFF STANDARD RATES; NO TEXT EDITING; COPIES .10; NO CONFERENCE CALLS

Account Summary- As Of 12/31/2018

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	1,518.75	1,518.75	0.00	1,518.75	1,518.75	0.00	1,518.75	1,518.75	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collected	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIP Balance	1,518.75	1,518.75	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Krista Freitag, as Receiver for Impetus Enterprise, Inc.
 E3 Advisors
 401 W. 'A' Street, Suite 1830
 San Diego, CA 92101
 ATTN:

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 378119-00008

Matter Name: Pending Litigation

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Impetus Enterprise, Inc.

Proforma Number 1396651

Client/Matter Joint Group # 378119-1

Fees for Matter 378119-00008 (Pending Litigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
11/16/18	7670405	Work on letter to counsel for Impetus in state court litigation regarding TRO, stay of litigation, and related issues.	Fates, Edward	0.7	393.75	393.75	WO	HD TR_____
11/16/18	7672729	Draft letter to counsel for Impetus Enterprise, Inc., informing him of the appointment of a receiver and the stay of all litigation.	Aspis, Norman	0.8	280.80	674.55	WO	HD TR_____
11/19/18	7672268	Communications with counsel for Duong/Impetus in pending OC Superior Court action.	Fates, Edward	0.2	112.50	787.05	WO	HD TR_____
11/21/18	7674809	Call/emails with counsel for Duong/Pena/Impetus in pending OC Superior Court action.	Fates, Edward	0.5	281.25	1,068.30	WO	HD TR_____
11/27/18	7676919	Communications with counsel for Duong/Impetus in pending OC Superior Court action regarding status of FTC action and filing of notice of stay in OC Superior Court.	Fates, Edward	0.3	168.75	1,237.05	WO	HD TR_____
12/05/18	7687835	Address issues regarding pending OC Superior Court action against Impetus Enterprise, communications with counsel for defendants regarding same.	Fates, Edward	0.4	225.00	1,462.05	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
12/12/18	7696640	Communications with counsel for Duong and Avitia re: pending action in OC Superior Court filed by Colombana.	Fates, Edward	0.2	112.50	1,574.55	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.3	562.50	1,293.75
002369	Norman Aspis	0.8	351.00	280.80
		<u>3.1</u>		<u>1,574.55</u>
Total Fees				1,574.55
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 12/31/2019: 10% OFF STANDARD RATES; NO TEXT EDITING; COPIES .10; NO CONFERENCE CALLS

Account Summary- As Of 12/31/2018

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	1,574.55	1,574.55	0.00	1,574.55	1,574.55	0.00	1,574.55	1,574.55	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collected	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIP Balance	1,574.55	1,574.55	0.00						