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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10 SECURITIES AND EXCHANGE
COMMISSION,

11 Plaintiff,

12 vs.

13 ALVIN R. BROWN, FIRST
CHOICE INVESTMENT, INC.,
14 and ADVANCED CORPORATE
ENTERPRISES, INC., d/b/a A-
15 CORP ENTERPRISES a/k/a
ACORP DEVELOPMENT a/k/a A-
16 CORP INVESTMENT,

17 Defendants.

) CASE NO. CV 13-01629-ABC
) (VBKx)

) **SECOND INTERIM**
) **APPLICATION FOR APPROVAL**
) **AND PAYMENT OF FEES AND**
) **COSTS OF SULLIVAN, HILL,**
) **LEWIN, REZ & ENGEL AS**
) **RECEIVER’S COUNSEL**

) Date: January 6, 2014
) Time: 10:00 a.m.
) Ctrm: 680
) United States Courthouse
) Edward R. Roybal Federal Building
) 255 East Temple Street
) Los Angeles, CA 90012-3332
) Judge: Hon. Audrey B. Collins

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21 Sullivan, Hill, Lewin, Rez & Engel (“Sullivan Hill”), counsel to Krista L.
22 Freitag (“Receiver”), the Court-appointed Receiver herein, files its second interim fee
23 application. This is Sullivan Hill’s second fee application in this case.

24 With this application, for the period from July 1, 2013 through September 30,
25 2013, Sullivan Hill respectfully requests that the Court award it \$21,690.40 in interim
26 fees and \$546.16 in interim cost reimbursement. During the period from July 1, 2013
27 through September 30, 2013, Sullivan Hill spent 82.9 hours at an overall blended
28 billing rate of \$261.64 per hour. Sullivan Hill has discounted the hourly rates of its

1 professionals by 10 percent, and has agreed that at the time of its final fee application,
2 the firm’s blended hourly rate for all professionals will not exceed \$360 per hour.
3 This discount saved the estates \$2,169.04 ($\$21,690.40 \times .10$) during the period
4 covered by this application. In addition, the firm wrote off another \$11,748.50 in
5 charges, in an effort to treat the estates and their constituencies as fairly as possible.

6 On September 5, 2013, the Court entered an order (Docket No. 50) on Sullivan
7 Hill’s first interim fee application (Docket No. 32). With the order, the Court allowed
8 Sullivan Hill \$26,028 in interim fees (80 percent of the \$32,535 in fees requested) and
9 \$437.23 in interim costs (100 percent of the costs requested), all of which allowed
10 amounts have now been paid. The Court ordered \$6,507 (20 percent of the \$32,535 in
11 fees requested) held back, subject to further order of the Court at the conclusion of the
12 receivership.

13 **I.**

14 **INTRODUCTION**

15 Concurrently with the filing of this fee application, Receiver is filing a report
16 recommending a procedure for winding up this receivership. This recommendation is
17 based in part on her belief that “the low hanging fruit has been harvested,” and future
18 efforts are not likely to bring additional dollars into the estate – absent undertaking
19 significant litigation, for which one estate lacks the appetite, and for which the other
20 estates lack the funding. Asset searches indicate that the receivership entities own no
21 real property. The business records available to Receiver are incomplete (and likely to
22 stay that way). Key witnesses have asserted their 5th Amendment rights against self-
23 incrimination, and/or are located outside of the United States. The Receiver and her
24 counsel have worked with numerous parties to obtain records regarding transfers to
25 Canada that might be recoverable, but have been unable to obtain them, and face the
26 prospect of commencing a legal proceeding in Canada to do so. Further, the Receiver
27 has little evidence suggesting that litigation would ultimately bear fruit for the estates,
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1 and in fact has draft documentation suggesting that some targets may have defenses
2 against any basic fraudulent transfer claims.

3 The Receiver and her counsel receive regular calls from investors asking that
4 the receivership be wound up now, and the money on hand returned to investors –
5 rather than “rolling the dice” and spending that money on litigation, in hopes of
6 increasing the pot. The Court too has expressed concern over the preservation of
7 estate funds to return to investors, addressing the issue in its recent ruling on fee
8 applications. See Docket No. 50. Accordingly, the Receiver recommends that she
9 commence winding up the receivership in the fashion described in the accompanying
10 Receiver’s report (3Q13).

11 Receiver has recovered several hundred thousand dollars, the balance of which
12 – after costs of administration – will be returned to investors. While Receiver wishes
13 a greater recovery were possible, she believes that the likely recovery under the wind-
14 up procedure proposed herein is the best possible outcome under the circumstances.
15 When the Securities & Exchange Commission (“Commission”) first presented this
16 case to Receiver, it was administratively insolvent, and presented a clear risk to
17 Receiver and her counsel that they would go unpaid for their efforts. Receiver took
18 the case anyway, and that risk has paid off for investors, in the form of the
19 distributions described in the accompanying Receiver’s Report (3Q13) – distributions
20 that were not thought possible at the outset of this case, and were made possible by the
21 efforts of and risks undertaken by Receiver and her counsel. Sullivan Hill respectfully
22 requests that the Court consider these factors when evaluating this fee application.

23 II.

24 STATEMENT OF THE CASE

25 A. Procedural Posture

26 On March 7, 2013, the Securities and Exchange Commission (“Commission”)
27 filed a complaint (Docket No. 3) initiating the instant litigation against Defendants
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1 Alvin R. Brown, First Choice Investment, Inc. (“Defendant FCI”)¹ and Advanced
2 Corporate Enterprises, Inc.² alleging violations of various securities laws.

3 At the Commission’s request, on March 7, 2013, the Court entered its order
4 (Docket No. 5) appointing Receiver as a temporary receiver for Defendant FCI and
5 Defendant ACorp and the entities they control and manage with full powers of an
6 equity receiver. Thereafter, Defendant Brown stipulated to the appointment of
7 Receiver on a permanent basis (Docket No. 17). On April 8, 2013, the Court so
8 ordered (Docket No. 18).

9 In accordance with the paragraph VI(G) of the Court’s March 7, 2013 order
10 (Docket No. 5), the Receiver retained Sullivan Hill as her counsel. The Receiver gave
11 notice of her retention of counsel in her first report to the Court (Docket No. 19).

12 On May 6, 2013, the Receiver filed an interim report and request for
13 instructions regarding the scope of Receiver’s authority (Docket No. 19). On May 23,
14 2013, the Court entered an order extending the Receiver’s rights and responsibilities
15 to two of Defendant’s affiliated entities, First Choice Energy Partners, LP, a/k/a First
16 Choice Oil and Gas Energy Partners (“Defendant FCEP”) and Advanced Concepts
17 Enterprises, Inc. (“Defendant ACE”).

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19
20 ¹ Defendant Al Brown appears to have operated two different entities under the name First Choice Investment, Inc. –
21 with First Choice Investment, Inc. incorporated in Nevada in 2008, and First Choice Investments, Inc. (with an “s”),
22 incorporated in Nevada in 2012; investment records and communications generally do not appear to delineate between
23 the two, thus the Receiver has consolidated all Defendant FCI activity.

24 ² Defendant Al Brown appears to have operated two different entities under the name Advanced Corporate Enterprises,
25 Inc.:

26 (a) one incorporated in California in approximately 2005, which appears to have focused primarily on American
27 investors and to have raised the majority of its funds in or prior to 2009 (“Defendant ACorp – CA”); and

28 (b) a second one incorporated in Nevada in approximately 2011 (February is file date), which appears to have focused
primarily on Canadian investors (“Defendant ACorp – NV”).

Business records and communications generally do not appear to delineate between the two; however, the financial
records available to the Receiver reflect ACorp-CA operations (e.g., tax returns filed under ACorp-CA through 2010).
Bank records used to prepare the ‘sources and uses’ included in the Receiver’s Preliminary Accounting and Report
(2Q13) appear to reflect primarily Canadian investor activity.

1 Pursuant to the Court's orders, the Receiver is charged with, among other
2 things, (1) assuming control over the receivership entities and their assets, (2)
3 performing an accounting of the assets and financial condition of the receivership
4 entities, (3) investigating, locating, and accounting for receivership assets, and (4)
5 preparing reports for the Court.

6 Defendant Alvin R. Brown has invoked his right against self-incrimination
7 under the Fifth Amendment. This fact has hampered the Receiver's investigation in
8 locating assets and in contacting individuals who received material sums of money
9 disbursed from subject bank accounts.

10 **B. Receivership Activities**

11 **1. Recovery of Defendant FCEP Funds on Deposit with Colorado Law**
12 **Firm**

13 In the course of her investigation, Receiver discovered significant funds on
14 deposit in the client trust account of The Wilson Law Firm, P.C. in Fort Collins,
15 Colorado on behalf of Defendant FCEP. The Colorado law firm cooperated with
16 Receiver, and ultimately turned over to her the sum of \$182,750, along with
17 documentary evidence regarding investor names, contact information, and respective
18 contributions. Since that recovery, Defendant FCEP investors³ have contacted
19 Receiver and her counsel repeatedly, requesting that she not spend any of these dollars
20 attempting to recover additional assets of Defendant FCEP, but instead, conclude the
21 receivership and return the money to Defendant FCEP investors as quickly as
22 possible. Receiver's counsel has conferred significantly with the Defendant FCEP
23 investors (through their purported representative), regarding the process for winding
24 up the receivership and distributing funds back to investors, including the tax
25 consequences of such distributions for Defendant FCEP investors. The Defendant
26

27 ³ The FCEP investors appear to act through investor Richard LaFontaine, who purports to speak on behalf of and report
28 to the FCEP investor body as a whole, in an effort to avoid the additional receivership expenses entailed with the
Receiver and/or her counsel having to communicate with each investor individually.

1 FCEP estate is the only estate with sufficient cash on hand to finance any litigation –
2 should the Court order it.

3 **2. Receiver’s Accounting**

4 In an effort to locate from where the receivership entities raised money, and
5 where it went, the Receiver has performed a detailed “sources and uses” accounting
6 from original bank records for Defendant FCI, Defendant FCEP, Defendant ACorp –
7 NV, Defendant ACE (two accounts only), and a summary “sources and uses” from
8 financial records provided to her for Defendant ACorp – CA, due to lack of
9 underlying supporting documentation for Defendant ACorp - CA. Very limited
10 Defendant ACE bank records and/or financial records are available after 2008, and
11 thus a detailed sources and uses has not been prepared for Defendant ACE. In late
12 October 2013, Receiver received from an independent accountant, Quickbooks
13 records for the period from 2004 through 2008 for Defendant ACE. To date, a basic
14 summary of the Quickbooks financial records has been performed. The Receiver is in
15 the process of performing limited additional review of the financial records provided
16 to determine if there is any probability of obtaining additional information which
17 would aid in recovery of investor funds. If anything is gained from said review, the
18 Receiver will notify the Court.

19 That accounting is attached as an exhibit to the Receiver’s Report (3Q13) filed
20 concurrently herewith, and is summarized in detail therein.

21 **3. Efforts to Locate and Obtain Additional Records**

22 Bank records shows that nearly \$2 million of ACorp - NV⁴ funds appear to
23 have made it across the border into Canada. Receiver has been able to trace \$659,383
24 to Donato Prezioso (an individual believed to reside in Canada). Receiver has been
25 able to trace another \$1,240,552 million to accounts maintained at Canadian Imperial
26 Bank of Commerce (“CIBC”). Based upon Defendant Brown’s financial records, it

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28 ⁴ The distinction between defendant Acorp – NV and defendant Acorp – CA is described in the Receiver’s Report filed concurrently herewith.

1 also appears that \$778,943 of ACorp – CA funds were wired internationally. The
2 Receiver, directly or through counsel, has worked with CIBC, the Commission, the
3 equivalent securities regulator in Canada, and the Royal Canadian Mounted Police in
4 an effort to obtain records sufficient to learn the identity of the holder(s) of the
5 account(s) and to locate Donato Prezioso. Those parties have informed Receiver that
6 they are unable to locate and/or provide the Receiver with the requested information,
7 and Receiver is informed and believes that in order to get it, she would have to
8 commence a legal proceeding in Canada. Not only does the Receiver lack a firm
9 belief that such efforts would result in a recovery at some point, the Defendant ACorp
10 estates lack the funds to prosecute the Canadian procedure (or to spend estate
11 resources to conduct additional *legal* investigation beyond that which has been done,
12 needed to gain confidence that the effort would be worthwhile).

13 **4. Vanatta Litigation**

14 On July 30, 2013, investor Fred Vanatta filed a motion (Docket No. 38)
15 requesting that the Court allow him to intervene in the instant litigation to seek relief
16 from the Court’s Preliminary Injunction (Docket No. 18) to pursue state court
17 litigation (“Oregon Litigation”) against defendant First Choice Investment, Inc. and
18 defendant Advanced Corporate Enterprises, Inc. That litigation is currently pending
19 in state court in Marion County, Oregon as Case No. 13C17105. In the Oregon
20 Litigation, Mr. Vanatta asserts claims for breach of Oregon’s securities laws and
21 financial elder abuse arising out of Mr. Vanatta’s investment in FCI. In the Oregon
22 Litigation, Mr. Vanatta seeks the return of the \$17,500 he invested, plus treble
23 damages, attorneys’ fees and interest. The Receiver filed an opposition to the motion
24 (Docket No. 44), and the Court ultimately entered an order denying the motion
25 (Docket No. 49).

26 **5. The Recommended Wrap Up of the Receivership**

27 Concurrently with the filing of this fee application, Receiver is filing a report
28 recommending a procedure for winding up this receivership. This recommendation is

1 based in part on her belief that “the low hanging fruit has been harvested,” and future
2 efforts are not likely to bring additional dollars into the estate – absent undertaking
3 significant litigation, for which one estate lacks the appetite, and for which the other
4 estates lack the funding. Asset searches indicate that the receivership entities own no
5 real property. The business records available to Receiver are incomplete (and likely to
6 stay that way). Key witnesses have asserted their 5th Amendment rights against self-
7 incrimination, and/or are located outside of the United States. The Receiver has little
8 evidence suggesting that litigation would ultimately bear fruit for the estates.

9 The Receiver and her counsel receive regular calls from investors asking that
10 the receivership be wound up now, and the money on hand returned to investors –
11 rather than “rolling the dice” and spending that money on litigation, in hopes of
12 increasing the pot. The Court too has expressed concern over the preservation of
13 estate funds to return to investors, addressing the issue in its recent ruling on fee
14 applications. See Docket No. 50. Accordingly, the Receiver is recommending that
15 the receivership be wound up in the fashion described in the accompanying Receiver’s
16 Report (3Q13).

17 **C. Financial Position of Receivership Estates**

18 As of October 4, 2013, the Receiver has approximately \$156,089.21 in cash on
19 hand across all four estates, all of which cash appears to be unencumbered. Accrued
20 administrative expenses total approximately \$34,537.15, and consist of the following:

- 21 (1.) \$11,370.38 Receiver’s Fees requested concurrently herewith;
22 (2.) \$930.21 Receiver’s Costs requested concurrently herewith; and
23 (3.) \$22,236.56 Legal Fees and Costs requested herein.

24 As described above, while Receiver wishes a greater recovery were possible, she
25 believes that the likely recovery under the wind-up procedure proposed concurrently
26 herewith is the best possible outcome under the circumstances. When the
27 Commission first presented this case to Receiver, it was administratively insolvent,
28 and presented a clear risk to Receiver and her counsel that they would go unpaid for

1 their efforts. Receiver took the case anyway, and that risk has paid off for investors,
2 in the form of the distributions described in the accompanying Receiver’s Report
3 (3Q13) – distributions that were not thought possible at the outset of this case, and
4 were made possible by the efforts of and risks undertaken by Receiver and her
5 counsel.

6 **D. Allocation of Fees Among Entities**

7 The Receiver presently has four distinct receivership estates under her control –
8 one for each of the entities the Court has placed into receivership. The Receiver
9 intends to allocate the fees and costs awarded under this application pro rata among
10 the estates based on the cash positions of the estates as of October 4, 2013, the date
11 used in the most recent interim and accompanying Receiver’s Report (3Q13) (Docket
12 No. 52) Accordingly, the estates will bear the following percentage of fees and costs
13 awarded under this application:

- | | | | |
|----|-----|--------|--------|
| 14 | (1) | FCI | 9.15% |
| 15 | (2) | A-Corp | 0.73% |
| 16 | (3) | FCEP | 89.18% |
| 17 | (4) | ACE | 0.93% |

18 The instant fee application is interim in nature, and the present allocation of
19 fees and costs among the estates may be “trued up” at a later time, to the extent
20 necessary to ensure that each estate bears its fair share of administrative expenses.

21 **III.**

22 **SUMMARY AND DESCRIPTION OF SERVICES AND CHARGES**

23 Sullivan Hill established separate billing categories for 6 different matters in
24 this case. Detailed descriptions of the services performed by the attorneys and
25 paralegals of Sullivan Hill, the time spent in connection with those services, and the
26 charges associated with those services, are set forth in the corresponding statements of
27 account attached as Exhibit “B” to the Declaration of Christopher V. Hawkins
28

1 (“Hawkins Declaration”) filed concurrently herewith. The following is a summary of
 2 those services and charges:

3 **A. Case Administration (2761.16144)**

4 Sullivan Hill provided services in connection with the general administration of
 5 this receivership, including: Responded to extensive inquiries from investors;
 6 maintained master mailing lists; assisted the Receiver in determining the manner for
 7 winding up the receivership, including corresponded with counsel for the
 8 Commission, and reviewed similar cases for exemplar procedures; performed legal
 9 research regarding Receiver’s duty to file income tax returns for the entities, and the
 10 costs and benefits of applying to the Internal Revenue Service for an exemption
 11 therefrom; prepared and filed master schedules of creditors for each of the four estate
 12 (as required by local rules); performed legal research regarding the possible
 13 substantive consolidation of the four entities; assisted the Receiver in providing notice
 14 of receivership to trade creditors; advised the Receiver regarding Defendant Brown’s
 15 exercise of his Fifth Amendment right against self-incrimination, and the impact upon
 16 the receivership in terms of greater cost and complexity; advised the Receiver re the
 17 foregoing and other matters; and otherwise addressed issues relating to the general
 18 administration of this receivership.

19 These services were necessary to administer the receivership competently,
 20 efficiently, and in accordance with the Court’s orders, local rules, and other similar
 21 requirements, and thus benefitted the estates accordingly. Sullivan Hill wrote off
 22 \$646.00 in charges for services it provided in this category.

Name	Title	Rate	Hours	Fees
Christopher V. Hawkins	Shareholder	\$0	1.9	\$0
Christopher V. Hawkins	Shareholder	\$340	14.7	\$4,998.00
Joseph L. Marshall	Shareholder	\$423	.3	\$126.90
D. Gianna Garcia	Paralegal	\$135	14.5	\$1,957.50
TOTAL			31.4	\$7,082.40
Avg. Hourly Rate		\$225.55		

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B. Asset Analysis and Recovery (2761.16329)

Sullivan Hill provided services in connection with the Receiver’s efforts to recover assets of the Defendants, including: Conferred with investors threatening to sue Receiver over approximately \$180,000 in Defendant funds she recovered from a Colorado law firm; performed asset searches regarding various litigation targets; advised the Receiver re the foregoing and other matters; and otherwise addressed issues relating to asset recovery.

These services were necessary to evaluate potential recoveries, to keep investors informed of the likelihood, timing and amount of potential distributions, and to avoid litigation over the funds recovered by Receiver, and thus benefitted the estates accordingly. Receiver does not believe that further efforts to recover funds transferred by the Defendants to third parties will result in a net financial benefit to the estates, and accordingly does not intend to pursue this tactic further.

Name	Title	Rate	Hours	Fees
Christopher V. Hawkins	Shareholder	\$340	5.1	\$1,734.00
D. Gianna Garcia	Paralegal	\$135	3.1	\$418.50
TOTAL			8.2	\$2,152.50
Avg. Hourly Rate		\$262.50		

C. Interim Reports (2761.16325)

Sullivan Hill provided services in connection with various reports prepared by Receiver and filed with the Court, including: Assisted the Receiver in the preparation of her third interim report; assisted the Receiver in the preparation of her fourth interim report (which contained a request for instructions regarding a procedure to wind up the receivership); assisted the Receiver in the preparation of the accountings that accompanied the reports; advised the Receiver re the foregoing and other matters; and otherwise addressed issues relating to interim reports.

1 These services were necessary to administer the estates competently, efficiently
 2 and in compliance with the Court's orders, local rules and similar requirements, and
 3 benefitted the estates by providing the Court, the Commission and parties in interest
 4 with key information regarding the receivership.

Name	Title	Rate	Hours	Fees
Christopher V. Hawkins	Shareholder	\$340	16.5	\$5,610.00
D. Gianna Garcia	Paralegal	\$135	6.6	\$891.00
Jamie N. Vidovich	Paralegal	\$170	2.6	\$442.00
TOTAL			25.7	\$6,943.00
Avg. Hourly Rate		\$270.16		

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 11 **D. Discovery (2761.16326)**

12 Sullivan Hill provided services in connection with the Receiver's efforts to
 13 obtain business and financial records of the Defendants, including: Conferred with
 14 Canadian counsel; evaluated the likely costs and benefits of efforts to obtain records
 15 from Canadian banks; and otherwise addressed issues relating to the Receiver's efforts
 16 to obtain business and financial records of the Defendants.

17 The services were necessary to thoroughly evaluate the likely costs and benefits
 18 of conducting discovery and/or litigation in Canada, and thus benefitted the estates
 19 accordingly. Receiver does not believe that further efforts will result in a net financial
 20 benefit to the estates, and thus does not intend to pursue this tactic further.

Name	Title	Rate	Hours	Fees
Christopher V. Hawkins	Shareholder	\$340	3.9	\$1,326.00
Lawrence G. Campitiello	Shareholder	\$340	.4	\$136.00
D. Gianna Garcia	Paralegal	\$135	.5	\$37.50
TOTAL			4.8	\$1,529.50
Avg. Hourly Rate		\$318.65		

26 **E. Vanatta Litigation (2761.16364)**

27 Sullivan Hill provides services in connection with a motion to intervene filed by
 28 an investor, including: Including reviewed and analyzed the motion; prepared and

1 filed an opposition to the motion; conferred with counsel for the Commission
 2 regarding their joinder in the Receiver’s opposition; reviewed and analyzed the
 3 movant’s reply; reviewed the Court’s order denying the motion; advised the Receiver
 4 re the foregoing and other matters; and otherwise addressed issues relating to the
 5 motion to intervene.

6 These services were necessary to properly administer the estates, to protect the
 7 relative priority of investors, and to minimize potential costs of litigation and
 8 administration, and thus benefitted the estates accordingly. Receiver does not
 9 anticipate any additional work to be required in this category.

Name	Title	Rate	Hours	Fees
Christopher V. Hawkins	Shareholder	\$340	10.7	\$3,638.00
Lawrence G. Campitiello	Shareholder	\$340	.3	\$102.00
D. Gianna Garcia	Paralegal	\$135	1.8	\$243.00
TOTAL			12.8	\$3,983.00
Avg. Hourly Rate		\$311.17		

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 16 **F. Fee Applications (2761.16330)**

17 Sullivan Hill provides services in connection with fee applications, including:
 18 Prepared the firm’s first interim application and supporting documents; assisted the
 19 Receiver in preparation of her first interim application; advised the Receiver re the
 20 foregoing and other matters; and otherwise addressed issues relating to professional
 21 fees.

22 These services are required by the Court’s orders, local rules, Commission
 23 guidelines and similar requirements; are necessary to allow the Court, the
 24 Commission and parties in interest to evaluate the cost-effectiveness of the
 25 receivership; and thus benefitted the estates accordingly.

26 Sullivan Hill performed services totaling \$10,660.50 in this category, but is not
 27 charging for these services.
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1 **G. Costs**

2 Sullivan Hill requests reimbursement of a total of \$546.16 in costs actually
3 advanced by the firm on behalf of the receivership estates, broken down as follows:

Type of Cost	Amount
PACER	\$28.00
Overnight Delivery	\$98.66
Photocopy	\$93.45
Postage	\$189.98
Travel Expenses	\$136.07
TOTAL	\$546.16

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11 **IV.**

12 **THE REQUESTED FEES ARE REASONABLE AND SHOULD BE**
13 **APPROVED**

14 The fees sought by this fee application are based on the time expended and the
15 nature, extent and value of the services performed on behalf of the Trustee. The time
16 expended and hourly rates are reasonable considering the skill and experience of the
17 attorneys and paralegals engaged in performing the above-described work. In
18 addition, the fees prayed for in this fee application are based on the normal and
19 customary hourly charges of Sullivan Hill. The services that were performed were
20 essential to the estates and benefited creditors and other parties-in-interest. This fee
21 application has been submitted to the Commission in accordance with the
22 Commission's rules on the compensation of professionals for receivers.

23 Pursuant to agreement with the Commission, Sullivan Hill has discounted the
24 hourly rates of its professionals by 10 percent, and has agreed that at the time of its
25 final fee application, the firm's blended hourly rate for all professionals will not
26 exceed \$360 per hour. This discount saved the estates \$2,169.04 ($\$21,690.40 \times .10$)
27 during the period covered by this application. In addition, the firm wrote off another
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1 \$11,748.50 in charges, in an effort to treat the estates and its constituency as fairly as
2 possible.

3 **V.**

4 **CONCLUSION**

5 Based on the foregoing, Sullivan Hill respectfully requests that the Court enter
6 an order in substantially the form submitted as Exhibit "1" herewith:

7 (1) awarding and authorizing for immediate payment \$21,690.40 in interim
8 fees;

9 (2) awarding and authorizing for immediate payment \$546.16 in interim cost
10 reimbursement; and

11 (3) granting such other relief as the Court may find just and proper.

12 Dated: November 19, 2013

SULLIVAN, HILL, LEWIN, REZ & ENGEL
A Professional Law Corporation

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By: Christopher V. Hawkins
Christopher V. Hawkins
Attorneys for Krista L. Freitag. Receiver

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EXHIBIT 1

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

ALVIN R. BROWN, FIRST CHOICE
INVESTMENT, INC., and
ADVANCED CORPORATE
ENTERPRISES, INC., d/b/a A-CORP
ENTERPRISES a/k/a ACORP
DEVELOPMENT a/k/a A-CORP
INVESTMENT,

Defendants.

CASE NO. CV 13-01629-ABC (VBKx)

**[PROPOSED] ORDER
APPROVING SECOND INTERIM
APPLICATION FOR APPROVAL
AND PAYMENT OF FEES AND
COSTS OF SULLIVAN HILL
LEWIN REZ & ENGEL AS
RECIEVER'S COUNSEL**

Ctrm: 680
United States Courthouse
Edward R. Roybal Federal Building
255 East Temple Street
Los Angeles, CA 90012-3332
Judge: Hon. Audrey B. Collins

The Second Interim Application for Approval and Payment of Fees and Costs (“Fee Application”) of Sullivan, Hill, Lewin, Rez & Engel (“Sullivan Hill”), court approved general counsel for the court appointed Receiver herein, Krista L. Freitag (“Receiver”), came on regularly for hearing on January 6, 2014 at 10:00 a.m. United States District Judge Audrey B. Collins presiding. Christopher V. Hawkins appeared on behalf of Sullivan Hill and as counsel for the Receiver and there were no other appearances at the hearing.

The Court having considered the Fee Application, the supporting Declaration of Christopher V. Hawkins filed on November 19, 2013, the representations of counsel at the hearing; no opposition to the Fee Application having been filed; notice appearing proper; and good cause appearing therefor,

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IT IS HEREBY ORDERED that Sullivan Hill is awarded interim fees in the amount of \$21,690.40, plus interim costs in the amount of \$546.16, for a total interim award of \$22,236.56 for the period of July 1, 2013 through September 30, 2013, as prayed for in the Fee Application.

IT IS SO ORDERED.

Dated: _____, 2014

HON. AUDREY B. COLLINS
UNITED STATES DISTRICT JUDGE