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10 Attorneys for Receiver
11 THOMAS C. HEBRANK

12 UNITED STATES DISTRICT COURT
13 SOUTHERN DISTRICT OF CALIFORNIA
14

15 SECURITIES AND EXCHANGE
COMMISSION,

16 Plaintiff,

17 v.

18 LOUIS V. SCHOOLER and FIRST
19 FINANCIAL PLANNING
CORPORATION d/b/a WESTERN
20 FINANCIAL PLANNING
CORPORATION,

21 Defendants.
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23
24
25
26
27
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Case No. 3:12-cv-02164-GPC-JMA

**TWENTY-EIGHTH INTERIM FEE
APPLICATION OF ALLEN
MATKINS LECK GAMBLE
MALLORY & NATSIS LLP,
COUNSEL TO RECEIVER**

Date: January 31, 2020
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"), counsel for Thomas C. Hebrank ("Receiver"), Court-appointed receiver for First Financial Planning Corporation d/b/a Western Financial Planning Corporation ("Western"), and its subsidiaries and the General Partnerships listed in Schedule 1 to the Preliminary Injunction Order entered on March 13, 2013 (collectively, "Receivership Entities"), hereby submits this Twenty-Eighth Interim Application for payment of professional fees and reimbursement of costs for the time period April 1, 2019, through June 30, 2019 ("Twenty-Eighth Application Period"). Allen Matkins incurred \$35,789.05 in fees and \$96.76 in costs during the three-month period and seeks interim approval and payment of 80% of fees incurred, or \$28,631.24, and 100% of costs incurred. As it has throughout the case, Allen Matkins has discounted its customary hourly rates by 10%.

I. FEE APPLICATION SUMMARY

During the Twenty-Eighth Application Period, Allen Matkins provided a total of 72.90 hours of service for a total of \$35,789.05 in fees. Allen Matkins requests payment on an interim basis of 80% of this amount, or \$28,631.24. The firm has provided its services in the following categories, as discussed in further detail below and as set forth task-by-task in Exhibit A:

Category	Hours	Total
General Receivership	2.00	\$1,035.00
Reporting	2.80	\$1,449.00
Operations and Asset Sales	36.40	\$16,900.30
Claims and Distributions	7.50	\$3,881.25
Third Party Recoveries	21.70	\$11,229.75
Employment/Fees	2.50	\$1,293.75
Total Fees	72.90	\$35,789.05

As the table reflects, the majority of the work done during the Twenty-Eighth Application Period was in the Operations and Asset Sales categories as the Receiver's focus has been on maximizing the value of receivership properties

1 through sales pursuant to the Court-approved Modified Orderly Sale Process. At
 2 this point, the Court has approved sales of receivership properties with purchase
 3 prices totaling more than \$25 million.

4 **II. TASKS PERFORMED**

5 During the Twenty-Eighth Application Period, Allen Matkins worked
 6 diligently to assist the Receiver with legal issues affecting the receivership. The
 7 following is a discussion of Allen Matkins' work, broken down by the categories
 8 listed above.

9 **A. General Receivership**

10 Work in this category focused on assisting the Receiver in responding to a
 11 subpoena to appear at trial issued by an investor in a state court action against his
 12 former accountant. The reasonable and necessary fees for work in this category
 13 total \$1,035.00.

14 **B. Reporting**

15 This category includes time spent preparing the Receiver's Twenty-Seventh
 16 Interim Report filed on May 6, 2019. Dkt. No. 1718. The report includes detailed
 17 updates regarding enforcement of judgments against the LinMar entities, closed
 18 and pending sales of properties, and receipts and disbursements for the receivership
 19 estate. The reasonable and necessary fees for work in this category total \$1,449.00.

20 **C. Operations and Asset Sales**

21 Allen Matkins' time in this category focused on assisting the Receiver with
 22 legal issues relating to the ongoing operations of Western and the GPs, including
 23 sales of receivership properties via the Modified Orderly Sale Process. The firm
 24 assisted with preparing notices of offers received to investors, purchase and sale
 25 agreements, purchase and sale agreements to be signed by overbidders, motions to
 26 approve sales (including supporting declarations and proposed orders), notices
 27 concerning overbids and auctions, and closing documents for Court-approved sales.
 28 The receivership properties to which this work pertained during the Twenty-Eighth

1 Application Period include Stead 1, Vista Tecate, ABL/Mex-Tec, and the Yuma
2 properties. The reasonable and necessary fees for Allen Matkins' work in this
3 category total \$16,900.30.

4 **D. Claims and Distributions**

5 Allen Matkins assisted in preparing the Receiver's motion for authority to
6 make a second interim distribution to investors with allowed claims. Dkt. 1714.
7 The motion was granted on June 17, 2019 (Dkt. 1727) and a total of \$6 million was
8 distributed, bringing the total distributed to \$19 million. The firm also assisted in
9 addressing unique issues with investor distributions, preparing monthly case
10 updates to investors, and responding to several direct inquiries from investors or
11 their counsel regarding distributions. The reasonable and necessary fees for this
12 work total \$3,881.25.

13 **E. Third Party Recoveries**

14 Allen Matkins' work in this category focused on recovery on the judgment
15 against LinMar III. The sale of the LinMar III property by the post-judgment
16 receiver closed on December 31, 2019 and the Receiver was able to recover
17 \$120,000 from the proceeds of the sale. During the Twenty-Eighth Application
18 Period, Allen Matkins assisted in efforts to wrap up the post-judgment receivership,
19 including communications with the post-judgment receiver and counsel for the SEC
20 regarding turnover of the remaining funds held by the post-judgment receiver (at
21 the SEC's request) to the Receiver.

22 In June 2019, attorney Phil Dyson claimed he had not agreed that the
23 remaining funds held by the post-judgment receiver would be turned over to the
24 SEC. Allen Matkins assisted the Receiver in attempting to resolve the dispute with
25 Mr. Dyson and counsel for the SEC, but Mr. Dyson demanded more than 60% of
26 the remaining funds. Mr. Dyson then filed an ex parte application asking the Court
27 to set a status conference and allow discovery to be taken. Allen Matkins assisted
28 the Receiver in opposing Mr. Dyson's ex parte application and in preparing a

1 motion to resolve the dispute and close the post-judgment receivership. The
 2 Receiver's motion is set to be heard on October 25, 2019. The reasonable and
 3 necessary fees for work in this category total \$11,229.75.

4 **F. Employment/Fees**

5 Although fee applications are a necessary component of federal equity
 6 receiverships, neither the Receiver nor his professionals bill time for preparing their
 7 own detailed applications. Allen Matkins assisted the Receiver in preparing his
 8 Twenty-Sixth and Twenty-Seventh Interim Fee Application, which were filed on
 9 April 4 and July 17, 2019, respectively. Dkt. 1709, 1731. The reasonable and
 10 necessary fees for this work total \$1,293.75.

11 **G. Summary of Costs Requested**

12 Allen Matkins requests the Court approve reimbursement of \$96.76 for out-
 13 of-pocket costs incurred in executing the foregoing tasks, as itemized in Exhibit A.
 14 Pursuant to the Court's Order Granting in Part First Fee Applications, Allen
 15 Matkins has reduced its request for reimbursement of copy costs to five cents per
 16 page and written off any excess copy charges incurred.

17 **III. FEES AND COSTS INCURRED AND PAID TO DATE**

18 From inception of the receivership through June 30, 2019, the Receiver
 19 incurred fees and costs of \$2,372,860.11, of which amount \$465,662.16 is subject
 20 to holdback pending approval of the Receiver's final fee application at the
 21 conclusion of the receivership, \$33,004.67 is awaiting the Court's review and
 22 approval, and \$1,880,761.48 has been approved by the Court and paid to date.
 23 During the same time period, Allen Matkins has incurred fees and costs of
 24 \$1,793,745.35, of which amount \$366,837.97 is subject to holdback pending
 25 approval of the Allen Matkins' final fee application at the conclusion of the
 26 receivership, \$35,885.81 is awaiting the Court's review and approval, and
 27 \$1,398,179.38 has been approved by the Court and paid to date. Finally, during the
 28 same time period, tax accountant Duffy Kruspodin & Company, LLP ("Duffy") has

1 incurred fees and costs totaling \$972,104.93, all of which has been paid to date for
2 preparing tax returns for Western, GP, and other non-GP Receivership Entities.

3 **IV. APPROVAL OF REQUESTED FEES AND COSTS**

4 In its Order Granting in Part First Interim Fee Applications ("First Fee
5 Order"), the Court analyzed the case law regarding approval of interim fee
6 applications in regulatory receiverships and determined the following factors
7 should be considered: (1) the complexity of the receiver's tasks; (2) the fair value
8 of the time, labor, and skill measured by conservative business standards; (3) the
9 quality of work performed, including the results obtained and the benefit to the
10 receivership estate; (4) the burden the receivership estate may safely be able to
11 bear; and (5) the Commission's opposition or acquiescence. Dkt. No. 169, p. 7.

12 **A. Complexity of Tasks**

13 Here, the tasks performed by Allen Matkins are significantly complex and
14 the number of hours billed to complete them are reasonable. These tasks include
15 (a) analyzing corporate documents, loan agreements, and other contracts,
16 (b) advising the Receiver regarding federal equity receivership, debtor/creditor
17 rights, real property, contract, insurance, tax, civil procedure, judgment
18 enforcement and other applicable areas of law, and (c) assisting the Receiver in
19 selling assets, and protecting the Receivership Entities' interests in pending
20 litigation, (d) assisting the Receiver in analyzing investor claims and distributing
21 receivership assets in a manner that treats investors fairly and equitably, and
22 (e) providing detailed reports to the Court and interested parties.

23 **B. Fair Value of Time, Labor & Skill**

24 The Court has previously determined on multiple occasions, including on
25 April 10, 2017, that the discounted hourly rates of Allen Matkins represent the fair
26 value of their time, labor, and skill. Dkt. No. 1460. Accordingly, Allen Matkins'
27 discounted hourly rates continue to represent the fair value of its time, labor, and
28

1 skill. In addition, Allen Matkins wrote off and did not charge for 1.8 hours of time
2 during the Twenty-Eighth Application Period (\$931.50).

3 **C. Quality of Work Performed**

4 Allen Matkins has diligently and competently assisted the Receiver in all
5 aspects of the receivership, including preserving and protecting the assets of the
6 Receivership Entities, analyzing the Receivership Entities' assets and liabilities,
7 addressing Western's cash shortage, reducing Western's operating expenses as well
8 as administrative expenses of the receivership, selling assets and collecting loans,
9 protecting the Receivership Entities' interests in pending litigation and other legal
10 matters, preserving and pursuing causes of action against third parties, formulating
11 plans and procedures for the determination of investor claims and the fair and
12 equitable distribution of receivership estate assets, and preparing detailed reports to
13 the Court and interested parties. These services have allowed the Receiver to
14 preserve and protect the value of the Receivership Entities' assets for the benefit of
15 investors.

16 **D. Receivership Estate's Ability to Bear Burden of Fees**

17 Pursuant to the Court's May 25, 2016 Order (Dkt. No. 1304), the assets of the
18 Receivership Entities (Western and the GPs) have been pooled, creating a common
19 pool of receivership estate cash from which mortgages, property taxes, and other
20 operating expenses have been and will continue to be paid. The cash balance has
21 grown and will continue to grow as properties are sold through the Court-approved
22 Modified Orderly Sale Process (Dkt. Nos. 1309, 1359). As a result of sales closed
23 as of June 30, 2019, and factoring in interim distributions that had been cashed as
24 of that date, the receivership estate held approximately \$9.15 million.

25 As noted above, on June 17, 2019, the Court approved a second interim
26 distribution to investors with allowed claims in the total amount of \$6 million. As
27 part of the Receiver's motion, a reserve sufficient to pay the ongoing fees and costs
28

1 of the receivership was maintained. Therefore, the receivership estate has the
2 ability to pay the fees and costs requested herein.

3 **E. Commission's Opposition or Acquiescence**

4 Prior to filing, the Receiver and Allen Matkins provided these fee
5 applications to counsel for the Commission in substantially final form. Counsel for
6 the Commission has advised that the Commission has no opposition to the fees and
7 costs requested.

8 Accordingly, the five factors identified by the Court for considering interim
9 fee applications all support interim approval and payment of the requested fees and
10 costs.

11 **V. CONCLUSION**

12 WHEREFORE, the Receiver and Allen Matkins respectfully request entry of
13 an order:

- 14 1. Approving payment of fees to Allen Matkins on an interim basis of
15 \$28,631.24;
- 16 2. Approving reimbursement of expenses to Allen Matkins on an interim
17 basis of \$96.76;
- 18 3. Authorizing and directing the Receiver to pay these amounts to Allen
19 Matkins from assets of the Receivership Entities; and
- 20 4. Granting such further and other relief as the Court deems just and
21 proper.

22
23 Dated: October 23, 2019

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

24
25 By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
THOMAS C. HEBRANK

EXHIBIT INDEX

Exhibit A	Detailed Time Reports	10
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EXHIBIT A

EXHIBIT A

08/09/19 10:05:22 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00002

Matter Name: General Receivership

Date of Last Billing: 06-20-2019

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00002 (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
05/14/19	7838531	Review request for declaration from investor in action against former accountant, analyze data on investor, advise Receiver regarding response to same (.7).prepare response to investor (.4).	Fates, Edward	1.1	569.25	569.25	WO HD TR_____
05/15/19	7839120	Address further correspondence from investor in pending action against former accountant, advise Receiver regarding same.	Fates, Edward	0.7	362.25	931.50	WO HD TR_____
06/04/19	7857591	Review revised final judgment against Schooler and advise Receiver regarding same.	Fates, Edward	0.2	103.50	1,035.00	WO HD TR_____

Disbursements for Matter 372640-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt	Circle Action
04/10/19	2527892	Document Search - - PACER Service Center, 1/01/2019-3/31/2019^44 06104-Q12019^4406104Q12019B	1.00	0.70	WO HD TR_____
05/13/19	2528261	Messenger - - Nationwide Legal, LLC, USDC, Southern District, DELIVER COURTESY COPY^9782	1.00	11.50	WO HD TR_____

Trans Date	Index	Type	Quantity	Amt	Circle	Action
05/14/19	2528262	Messenger - - Nationwide Legal, LLC, USDC, Southern District, DELIVER COURTESY COPY^9782	1.00	11.50	WO	HD TR_____
06/04/19	2532373	Messenger -- Federal Express Invoice No: 657559972 1665 Ship To: Amy Gutierrez	1.00	18.45	WO	HD TR_____
06/04/19	2537081	Messenger - - Nationwide Legal, LLC, USDC, Southern District, Obtain a certified copy of document^10346	1.00	37.00	WO	HD TR_____
06/19/19	2537459	Messenger -- Federal Express Invoice No: 659691278 1665 Ship To: Amy Gutierrez	1.00	17.61	WO	HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.0	517.50	1,035.00
		2.0		1,035.00
Total Fees				1,035.00
Total Disbursements				96.76

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 6/30/2020: 7/2016 rates less 10% DISCOUNT ON FEES (rated code 10)- AUTOMATIC; copies @ .05; no text editing

Account Summary- As Of 06/30/2019

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	68,624.28	59,234.65	9,389.63	1,131.76	1,035.00	96.76	429,075.21	391,395.18	37,680.03

Unbilled Adj	(1,073.06)	0.41	(1,073.47)	0.00	0.00	0.00	(7,769.74)	(65.05)	(7,704.69)
Billed	137,520.19	128,033.76	9,486.43	3,438.27	2,898.00	540.27	420,173.71	390,295.13	29,878.58
Collected	137,520.19	128,033.76	9,486.43	3,438.27	2,898.00	540.27	420,173.71	390,295.13	29,878.58
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Total</i>	<i>Fees</i>	<i>Cost</i>						
<i>WIP Balance</i>	<i>6,169.93</i>	<i>5,899.50</i>	<i>270.43</i>						
<i>AR Balance</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>						
<i>Unalloc Payment</i>	<i>0.00</i>								
<i>Client Trust Balance</i>	<i>0.00</i>								

Billing Address

Thomas C. Hebrank, as Receiver for Western Financial
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101
ATTN:

08/09/19 10:05:22 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

Preliminary Billing Form

08/09/19 09:35:53 PROFORMA STATEMENT FOR MATTER 372640-00004 (Thomas C. Hebrank, as Receiver for Western Financial) (Reporting)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00004

Matter Name: Reporting

Date of Last Billing: 06-20-2019

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
04/16/19	7811406	Work on Receiver's 27th interim report (1.7); discuss same with Receiver (.2).	Fates, Edward	1.9	983.25	983.25	WO HD TR_____
05/06/19	7830592	Review exhibits from Receiver and finalize 27th interim report.	Fates, Edward	0.6	310.50	1,293.75	WO HD TR_____
05/31/19	7852844	Discuss revisions to content for interim reports with G. Rodriguez	Fates, Edward	0.3	155.25	1,449.00	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.8	517.50	1,449.00
		2.8		1,449.00
Total Fees				1,449.00
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 6/30/2020: 7/2016 rates less 10% DISCOUNT ON FEES (rated code 10)- AUTOMATIC; copies @ .05;

no text editing

Account Summary- As Of 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	12,834.00	12,834.00	0.00	1,449.00	1,449.00	0.00	163,171.70	162,779.85	391.85
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	(6.83)	5.69	(12.52)
Billed	25,919.10	25,919.10	0.00	3,519.00	3,519.00	0.00	161,715.87	161,336.54	379.33
Collected	25,919.10	25,919.10	0.00	3,519.00	3,519.00	0.00	161,715.87	161,336.54	379.33
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	3,984.75	3,984.75	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Thomas C. Hebrank, as Receiver for Western Financial
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101
ATTN:

08/09/19 09:35:53 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00005

Matter Name: Operations & Asset Sales

Date of Last Billing: 06-20-2019

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00005 (Operations & Asset Sales)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
04/10/19	7807104	Review and revise overbid PSA for Stead 1.	Lorenzen, Jonathan	0.6	245.70	245.70	WO HD TR_____
04/10/19	7810461	Begin drafting the Overbid Purchase and Sale Agreement ("PSA") for the Blake Hoffmann PSA.	Thiels, Megan	1.6	520.00	765.70	WO HD TR_____
04/11/19	7808067	Revise PSA for Stead 1.	Lorenzen, Jonathan	0.4	163.80	929.50	WO HD TR_____
04/12/19	7809008	Discuss timing and strategy for offers/potential sales for Yuma and Minden properties with G. Rodriguez.	Fates, Edward	0.3	155.25	1,084.75	WO HD TR_____
04/17/19	7813433	Analysis of bulk sale versus single sales for remaining properties (.4).	Zaro, David	0.4	280.80	1,365.55	WO HD TR_____
04/25/19	7819434	Advise on issues regarding draft purchase and sale agreement for Yuma properties.	Fates, Edward	0.4	207.00	1,572.55	WO HD TR_____
04/29/19	7821173	Discuss issues and strategy for overbids for Stead 1 sale with G. Rodriguez.	Fates, Edward	0.4	207.00	1,779.55	WO HD TR_____
04/30/19	7822797	Advise G. Rodriguez on auction and bid procedures for sale of remainder of Stead 1 property (.3) prepare notice of receipt of overbids (.3)	Fates, Edward	0.6	310.50	2,090.05	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
05/01/19	7826947	Address issues regarding purchase and sale agreement for Yuma properties, communications with G. Rodriguez regarding same.	Fates, Edward	0.4	207.00	2,297.05	WO	HD TR_____
05/01/19	7827139	Communications with Receiver and G. Rodriguez regarding Stead 1 auction procedures and timing.	Fates, Edward	0.4	207.00	2,504.05	WO	HD TR_____
05/01/19	7838847	Begin drafting purchase and sale agreement for KSA Advancements to purchase property in Yuma, Arizona pursuant to letter of intent signed on April 18, 2019.	Thiels, Megan	2.9	942.50	3,446.55	WO	HD TR_____
05/02/19	7827489	Communications with Receiver and G. Rodriguez regarding Stead 1 auction procedures (.7); participate on conference call for auction (.5); initial work on notice of auction results and amended proposed order approving sale (.4); advise Receiver and G. Rodriguez on revisions to high bidder PSA and back up bidder PSA (.6).	Fates, Edward	2.2	1,138.50	4,585.05	WO	HD TR_____
05/02/19	7827856	Review and revise PSA for Yuma properties.	Lorenzen, Jonathan	1.1	450.45	5,035.50	WO	HD TR_____
05/03/19	7828485	Work on notice of results of Stead I auction and amended order.	Fates, Edward	0.8	414.00	5,449.50	WO	HD TR_____
05/06/19	7831113	Communications with G. Rodriguez regarding revised PSAs for high bidder and back up bidder for Stead 1 auction.	Fates, Edward	0.4	207.00	5,656.50	WO	HD TR_____
05/07/19	7832013	Review PSA and related documents for sale of ABL/Mex-Tec property, discuss same with G. Rodriguez.	Fates, Edward	0.6	310.50	5,967.00	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action		
05/08/19	7832571	Work on motion for approval of sale of ABL/Mex-Tec property (1.7); discuss same with Receiver and G. Rodriguez (.3); advise G. Rodriguez on revisions to PSA for winning bidder from Stead 1 auction (.4).	Fates, Edward	2.4	1,242.00	7,209.00	WO	HD	TR_____
05/09/19	7834732	Revisions to PSA for winning bidder for Stead 1 property, discuss same with G. Rodriguez (.4); work on Receiver declaration in support of ABL/Mex-Tec sale motion and proposed order (1.4); discuss same with Receiver (.3).	Fates, Edward	2.1	1,086.75	8,295.75	WO	HD	TR_____
05/10/19	7835533	Finalize motion, declaration, exhibits and proposed order regarding sale of ABL/Mex-Tec property (.7).communications with G. Rodriguez regarding revisions to back-up bidder PSA for Stead 1 sale (.4).	Fates, Edward	1.1	569.25	8,865.00	WO	HD	TR_____
05/13/19	7836526	Review revised PSA from back up bidder, finalize notice of results of auction for Stead 1 and amended order approving sale to highest bid.	Fates, Edward	0.6	310.50	9,175.50	WO	HD	TR_____
05/16/19	7840272	Discuss Vista Tecate sale terms, auction process, and motion for approval with G. Rodriguez (.4); initial work on sale approval motion (.4).	Fates, Edward	0.8	414.00	9,589.50	WO	HD	TR_____
05/17/19	7840933	Work on motion for approval of sale of Vista Tecate property (1.8); discuss same with G. Rodriguez (.4).	Fates, Edward	2.2	1,138.50	10,728.00	WO	HD	TR_____
05/21/19	7844033	Analyze issues with Stead 1 neighbor, access to property, and	Fates, Edward	2.1	1,086.75	11,814.75	WO	HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		issues with winning bidder at auction, advise G. Rodriguez regarding same (.7); work on notice of motion, Receiver declaration, and proposed order for Vista Tecate sale motion (1.4).						
05/22/19	7845317	Finalize Vista Tecate sale motion, Receiver declaration and proposed order.	Fates, Edward	0.6	310.50	12,125.25	WO HD	TR_____
05/31/19	7852834	Discuss issues re: pending sales and strategy/timing for sales of remaining properties with G. Rodriguez	Fates, Edward	0.8	414.00	12,539.25	WO HD	TR_____
06/04/19	7857578	Review order approving sale of 65-acre Stead property, advise Receiver and G. Rodriguez regarding same and next steps for closing.	Fates, Edward	0.5	258.75	12,798.00	WO HD	TR_____
06/06/19	7874942	Begin drafting and revising the PSA for the Yuma properties with Anthony Mercer as the buyer.	Thiels, Megan	1.1	357.50	13,155.50	WO HD	TR_____
06/07/19	7864696	Analyze and assist with issues relating to deed of trust, reconveyance, title and legal description for Yuma properties (.4); communications with G. Rodriguez regarding same (.2).	Fates, Edward	0.6	310.50	13,466.00	WO HD	TR_____
06/07/19	7864757	Review deed of trust issues.	Lorenzen, Jonathan	0.7	286.65	13,752.65	WO HD	TR_____
06/07/19	7874955	Continue drafting and revising the PSA for the Yuma properties with Anthony Mercer as the buyer; review files to determine if a reconveyance was prepared and recorded for the reaming lien on the Yuma property held by The Schafer Family Trust;	Thiels, Megan	2.1	682.50	14,435.15	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		correspond with the client re: such reconveyance.					
06/10/19	7868757	Review title for Yuma property and related releases of deeds of trust.	Lorenzen, Jonathan	0.6	245.70	14,680.85	WO HD TR_____
06/11/19	7867259	Address issues regarding remaining R. Schafer lien on title to Yuma properties, discuss same with G. Rodriguez.	Fates, Edward	0.4	207.00	14,887.85	WO HD TR_____
06/13/19	7884829	Correspond with the client re: the status of the reconveyance of the deed of trust on the Yuma property.	Thiels, Megan	0.3	97.50	14,985.35	WO HD TR_____
06/14/19	7869853	Discuss Yuma title issue and removal of remaining lien with G. Rodriguez (.4); advise on issues re: revised purchase and sale agreement (.3).	Fates, Edward	0.7	362.25	15,347.60	WO HD TR_____
06/14/19	7870354	Review and revise updated Yuma PSA.	Lorenzen, Jonathan	0.6	245.70	15,593.30	WO HD TR_____
06/14/19	7884890	Correspond with the client re: the revised grant deed to be included in the Yuma Purchase and Sale Agreement which provides for a California notary page.	Thiels, Megan	0.2	65.00	15,658.30	WO HD TR_____
06/17/19	7870820	Review order approving sale of Fernley property, advise Receiver and G. Rodriguez regarding same and discuss sale closing issues (.5); discuss lack of qualified bids for Vista Tecate with G. Rodriguez (.2); prepare notice of no overbids (.4).	Fates, Edward	1.1	569.25	16,227.55	WO HD TR_____
06/19/19	7874190	Advise on revisions to proposed purchase and sale agreement for Yuma properties.	Fates, Edward	0.3	155.25	16,382.80	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
06/20/19	7874660	Finalize notice of non-receipt of qualified overbids for Vista Tecate.	Fates, Edward	0.2	103.50	16,486.30	WO HD TR_____
06/25/19	7878967	Advise G. Rodriguez on revisions to draft purchase and sale agreement and sale approval procedures for Yuma properties.	Fates, Edward	0.4	207.00	16,693.30	WO HD TR_____
06/27/19	7881701	Discuss prospective sale of Yuma properties and lien/title insurance issues regarding same with G. Rodriguez.	Fates, Edward	0.4	207.00	16,900.30	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	0.4	702.00	280.80
001665	Edward Fates	23.8	517.50	12,316.50
002115	Jonathan Lorenzen	4.0	409.50	1,638.00
002306	Megan Thiels	8.2	325.00	2,665.00
		<u>36.4</u>		<u>16,900.30</u>
Total Fees				16,900.30
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 6/30/2020: 7/2016 rates less 10% DISCOUNT ON FEES (rated code 10)- AUTOMATIC; copies @ .05; no text editing

Account Summary- As Of 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	131,772.25	131,596.25	176.00	16,900.30	16,900.30	0.00	431,233.85	431,006.85	227.00
Unbilled Adj	(174.63)	1.37	(176.00)	2.19	2.19	0.00	(210.98)	16.02	(227.00)
Billed	198,635.77	198,635.77	0.00	27,018.44	27,018.44	0.00	414,122.57	414,122.57	0.00
Collected	198,635.77	198,635.77	0.00	27,018.44	27,018.44	0.00	414,122.57	414,122.57	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	29,966.10	29,966.10	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Thomas C. Hebrank, as Receiver for Western Financial
 c/o E3 Advisors
 501 West Broadway, Suite 800
 San Diego, CA 92101
 ATTN:

08/09/19 09:35:53 PROFORMA STATEMENT FOR MATTER 372640-00006 (Thomas C. Hebrank, as Receiver for Western Financial) (Claims & Distributions)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00006

Matter Name: Claims & Distributions

Date of Last Billing: 06-20-2019

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00006 (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
04/01/19	7797373	Revisions to motion for authority to make second interim distribution, discuss same with Receiver and G. Rodriguez.	Fates, Edward	0.7	362.25	362.25	WO HD TR_____
04/03/19	7798801	Discuss motion for authority to make second interim distribution with Receiver and G. Rodriguez (.4); revisions to same (.7); meet and confer communications with SEC counsel regarding motion (.2); work on Receiver declaration in support of motion (.7).	Fates, Edward	2.0	1,035.00	1,397.25	WO HD TR_____
04/08/19	7803185	Finalize motion for authority to make second interim distribution, supporting declaration and exhibit (.4); respond to inquiry from investor (.2).	Fates, Edward	0.6	310.50	1,707.75	WO HD TR_____
04/10/19	7806259	Revisions to monthly case update to investors.	Fates, Edward	0.3	155.25	1,863.00	WO HD TR_____
04/18/19	7813892	Respond to direct inquiry from investor regarding timing of distributions.	Fates, Edward	0.2	103.50	1,966.50	WO HD TR_____
05/06/19	7831112	Respond to inquiries from counsel for investor regarding investor claim and	Fates, Edward	0.3	155.25	2,121.75	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		timing of distributions.						
05/10/19	7836028	Respond to counsel for investor regarding second interim distribution and timing.	Fates, Edward	0.2	103.50	2,225.25	WO HD	TR_____
05/16/19	7839997	Communications with G. Rodriguez regarding updates/postings to receivership website (.2); revisions to monthly investor update (.4).	Fates, Edward	0.6	310.50	2,535.75	WO HD	TR_____
05/16/19	7840267	Analyze inquiry from IRA administrator regarding investor accounts and distributions, advise G. Rodriguez on response to same.	Fates, Edward	0.7	362.25	2,898.00	WO HD	TR_____
05/20/19	7842563	Advise on changes to monthly case update to investors.	Fates, Edward	0.3	155.25	3,053.25	WO HD	TR_____
05/31/19	7853135	Discuss updates to receivership website, monthly case updates and strategy for communications with investors with G. Rodriguez	Fates, Edward	0.4	207.00	3,260.25	WO HD	TR_____
06/05/19	7860410	Advise Receiver on investor communications and updates to receivership website.	Fates, Edward	0.3	155.25	3,415.50	WO HD	TR_____
06/17/19	7870821	Review order authorizing second interim distribution, advise Receiver and G. Rodriguez regarding same.	Fates, Edward	0.3	155.25	3,570.75	WO HD	TR_____
06/18/19	7872805	Revisions to monthly case update and notice to investors regarding second interim distribution (.4); discuss same with G. Rodriguez (.2).	Fates, Edward	0.6	310.50	3,881.25	WO HD	TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	7.5	517.50	3,881.25
		7.5		3,881.25
Total Fees				3,881.25
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 6/30/2020: 7/2016 rates less 10% DISCOUNT ON FEES (rated code 10)- AUTOMATIC; copies @ .05; no text editing

Account Summary- As Of 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	52,273.80	52,273.80	0.00	3,881.25	3,881.25	0.00	181,496.25	181,496.25	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	(2.15)	(2.15)	0.00
Billed	58,065.75	58,065.75	0.00	2,901.60	2,901.60	0.00	177,612.85	177,612.85	0.00
Collected	58,065.75	58,065.75	0.00	2,901.60	2,901.60	0.00	177,612.85	177,612.85	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	7,400.25	7,400.25	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Thomas C. Hebrank, as Receiver for Western Financial
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101

ATTN:

08/09/19 09:35:53 PROFORMA STATEMENT FOR MATTER 372640-00007 (Thomas C. Hebrank, as Receiver for Western Financial) (Third Party Recoveries)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00007

Matter Name: Third Party Recoveries

Date of Last Billing: 06-20-2019

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00007 (Third Party Recoveries)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
04/01/19	7797236	Call/emails with SEC counsel regarding funds held by post-judgment receiver and turnover of same to Receiver.	Fates, Edward	0.5	258.75	258.75	WO HD TR_____
04/29/19	7821411	Communications with post-judgment receiver re: status of SEC communications and closure of post-judgment receivership.	Fates, Edward	0.2	103.50	362.25	WO HD TR_____
05/08/19	7832578	Call/emails with SEC counsel regarding issues relating to remaining funds held by post-judgment receiver.	Fates, Edward	0.6	310.50	672.75	WO HD TR_____
05/14/19	7837926	Respond to questions from SEC counsel relating to residual funds held by post-judgment receiver.	Fates, Edward	0.4	207.00	879.75	WO HD TR_____
05/30/19	7852828	Communications with SEC counsel regarding turnover of remaining funds in post-judgment receivership to Receiver and related issues.	Fates, Edward	0.4	207.00	1,086.75	WO HD TR_____
05/31/19	7852825	Communications with post-judgment receiver as to status and next steps regarding turnover of remaining funds	Fates, Edward	0.2	103.50	1,190.25	WO HD TR_____
06/03/19	7857017	Communications with SEC counsel	Fates, Edward	0.8	414.00	1,604.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		regarding closing of post-judgment receivership and turnover of funds to Receiver, revisions to stipulation and proposed order regarding same.						
06/04/19	7857579	Communications with SEC counsel regarding closing stipulation in post-judgment receivership and related issues.	Fates, Edward	0.4	207.00	1,811.25	WO HD	TR_____
06/05/19	7859571	Communications with SEC counsel and post-judgment receiver regarding execution of stipulation and order discharging post-judgment receiver (.4); communications with counsel for LinMar III regarding same (.4).	Fates, Edward	0.8	414.00	2,225.25	WO HD	TR_____
06/12/19	7867318	Communications with P. Dyson regarding stipulation for discharge of post-judgment receiver.	Fates, Edward	0.4	207.00	2,432.25	WO HD	TR_____
06/13/19	7869280	Analyze issues raised by atty P. Dyson regarding disposition of residual funds held by post-judgment receiver (.4); calls with G. Rodriguez and post-judgment receiver regarding same (.5).	Fates, Edward	0.9	465.75	2,898.00	WO HD	TR_____
06/14/19	7870274	Communications with post-judgment receiver and G. Rodriguez re: P. Dyson dispute as to distribution of residual funds (.5); review correspondence and advise G. Rodriguez re: same (.4).	Fates, Edward	0.9	465.75	3,363.75	WO HD	TR_____
06/18/19	7872310	Analyze issues and prepare email to P. Dyson regarding dispute as to distribution of residual funds held by post-judgment receiver (.7); call with P. Dyson regarding same (.3); advise	Fates, Edward	1.7	879.75	4,243.50	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		Receiver regarding same and next steps (.5); communications with counsel for SEC (.2).					
06/19/19	7873686	Review further correspondence from atty P. Dyson as to claim to residual funds, advise Receiver regarding same.	Fates, Edward	0.3	155.25	4,398.75	WO HD TR_____
06/24/19	7877324	Calls with SEC counsel regarding P. Dyson dispute as to distribution of residual funds held by post-judgment receiver (.5); communications with post-judgment receiver (.3); conference call with SEC counsel and post-judgment receiver (.4); advise Receiver and G. Rodriguez regarding same (.4).	Fates, Edward	1.6	828.00	5,226.75	WO HD TR_____
06/27/19	7880864	Call/emails with post-judgment receiver regarding status of P. Dyson dispute, discuss same and strategy with Receiver and G. Rodriguez (.8); analyze facts/arguments for brief on P. Dyson dispute (.6).	Fates, Edward	1.4	724.50	5,951.25	WO HD TR_____
06/28/19	7882625	Analyze ex parte application and proposed order filed by P. Dyson (.5); advise Receiver and G. Rodriguez regarding same (.4); communications with SEC counsel regarding same (.4); communications with court regarding intended opposition to ex parte motion (.2); work on notice of intent to oppose (.3); work on opposition to ex parte application (2.3); discuss same with Receiver and G. Rodriguez (.4); communications with post-judgment	Fates, Edward	7.3	3,777.75	9,729.00	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		receiver (.2); work on motion to approve distribution of funds and discharge of post-judgment receiver (2.6).					
06/29/19	7883918	Work on motion regarding discharge of post-judgment receiver and distribution of remaining funds (1.3) work on declarations of post-judgment receiver and Receiver in support of motion (1.6).	Fates, Edward	2.9	1,500.75	11,229.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	21.7	517.50	11,229.75
		21.7		11,229.75
Total Fees				11,229.75
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 6/30/2020: 7/2016 rates less 10% DISCOUNT ON FEES (rated code 10)- AUTOMATIC; copies @ .05; no text editing

Account Summary- As Of 06/30/2019

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	25,517.19	25,517.19	0.00	11,229.75	11,229.75	0.00	164,606.34	164,606.34	0.00

Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	(2.80)	(2.80)	0.00
Billed	13,252.44	13,252.44	0.00	4,868.94	4,868.94	0.00	153,373.79	153,373.79	0.00
Collected	13,252.44	13,252.44	0.00	4,868.94	4,868.94	0.00	153,373.79	153,373.79	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	20,243.25	20,243.25	0.00
AR Balance	0.00	0.00	0.00
Unalloc Payment	0.00		
Client Trust Balance	0.00		

Billing Address

Thomas C. Hebrank, as Receiver for Western Financial
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101
ATTN:

08/09/19 09:35:53 PROFORMA STATEMENT FOR MATTER 372640-00009 (Thomas C. Hebrank, as Receiver for Western Financial)
(Employment/Fees)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00009

Matter Name: Employment/Fees

Date of Last Billing: 06-20-2019

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00009 (Employment/Fees)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
04/01/19	7797238	Revisions to Receiver's 26th fee application (.6); meet and confer communications with SEC counsel (.1).	Fates, Edward	0.7	362.25	362.25	WO HD TR_____
04/03/19	7799418	Work on notice of hearing and proposed order for Receiver's 26th interim fee application.	Fates, Edward	0.4	207.00	569.25	WO HD TR_____
06/26/19	7880133	Communications with Receiver regarding preparation and timing of 27th interim fee applications.	Fates, Edward	0.2	103.50	672.75	WO HD TR_____
06/29/19	7883919	Work on Receiver's 27th interim fee application.	Fates, Edward	1.2	621.00	1,293.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.5	517.50	1,293.75
		2.5		1,293.75
Total Fees				1,293.75
Total Disbursements				0.00

Attorney Billing Instructions

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

Billing Instructions

EXPIRES 6/30/2020: 7/2016 rates less 10% DISCOUNT ON FEES (rated code 10)- AUTOMATIC; copies @ .05; no text editing
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Account Summary- As Of 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	12,264.75	12,264.75	0.00	1,293.75	1,293.75	0.00	36,307.35	36,307.35	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	(44.26)	(44.26)	0.00
Billed	13,765.50	13,765.50	0.00	6,106.50	6,106.50	0.00	34,969.34	34,969.34	0.00
Collected	13,765.50	13,765.50	0.00	6,106.50	6,106.50	0.00	34,969.34	34,969.34	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	2,328.75	2,328.75	0.00						
WIP Balance	2,328.75	2,328.75	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

Thomas C. Hebrank, as Receiver for Western Financial
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101
ATTN: