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19 and FIRST FINANCIAL PLANNING CORPORATION

20 **UNITED STATES DISTRICT COURT**
21 **SOUTHERN DISTRICT OF CALIFORNIA**

22 SECURITIES AND EXCHANGE
23 COMMISSION,

24 Plaintiff,

25 v.

26 LOUIS V. SCHOOLER and
27 FIRST FINANCIAL PLANNING
28 CORPORATION d/b/a
WESTERN FINANCIAL
PLANNING CORPORATION,

Defendants.

) Case No. 12 CV 2164 GPC JMA

) **DECLARATION OF PHILIP H.
DYSON IN SUPPORT OF
DEFENDANTS' OPPOSITION TO
RECEIVER'S THIRD INTERIM FEE
APPLICATIONS**

) Date: August 16, 2013

) Time: 1:30 p.m.

) Ctrm.: 2D

) Judge: Hon. Gonzalo P. Curiel

1 I, Philip H. Dyson, hereby declare, pursuant to 28 U.S.C. § 1746, as follows:

2 1. I have personal knowledge of the matters set forth herein and, if called
3 as a witness, I could and would testify competently hereto under oath.

4 2. At all times described herein, my office has been co-counsel of record
5 for Defendants.

6 3. On July 18, 2013, my office faxed and emailed a letter to Ted Fates,
7 Esq., at Allen Matkins Leck Gamble Mallory & Natsis LLP, counsel of record for
8 the Receiver, regarding the Receiver's failure to make certain payments scheduled
9 for June 15, 2013, July 3, 2013, and July 15, 2013 on various underlying notes from
10 Defendant Western Financial Planning Corporation ("Western") to the original
11 sellers of the real estate now owned by the real estate general partnerships ("GPs")
12 that are the subject of this action.

13 4. On the afternoon of Friday, July 19, 2013, I received a phone call from
14 Mr. Fates in response to my letter of July 18. In the phone conversation, Mr. Fates
15 stated that the Receiver was not making the payments on the underlying notes
16 because "there is a small amount of cash, and he needs monies to pay employees
17 and pay whatever expenses there are in moving."

18 5. Mr. Fates then said that the Receiver was working on a cash flow
19 analysis and would know what payments he was going to make by the following
20 Monday, July 22, 2013.

21 6. After further conversation, I concluded the phone call by telling Mr.
22 Fates that I expected to receive from him, by the close of business on Monday, July
23 22, an analysis of the cash flow and a status report of the payments on the
24 underlying notes.

25 7. I did not receive an analysis of the cash flow or a status report of the
26 payments on the underlying notes from Mr. Fates or from the Receiver on July 22,
27 2013, and have received neither as of the date of this declaration. Instead, my office
28 was electronically served with the Receiver's Supplemental Brief/Surreply on July

1 23, 2013, in which the Receiver alleged he had made most of the payments on the
2 underlying notes but did not state which payments were made and when they were
3 made.

4 I declare under penalty of perjury under the laws of the United States that the
5 foregoing is true and correct.

6 Executed this 2nd day of August, 2013, in La Mesa, California.

7
8 /s/Philip H. Dyson

9 PHILIP H. DYSON
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1 **CERTIFICATION**

2 I hereby certify that on the 2nd day of August 2013, I submitted the foregoing
3 via electronic mail to the Court's chambers together with Defendants' Opposition to
4 Third Interim Applications For Approval And Payment Of Fees And Costs
5 (Receiver And Counsel To Receiver), with the following counsels of record
6 included on that electronic mail communication:

7 Sam S. Puathasnanon, Esq.
8 Sara D. Kalin, Esq.
9 Securities and Exchange Commission
5670 Wilshire Boulevard, 11th Floor
Los Angeles, CA 90036

10 Ted Fates, Esq.
11 Allen Matkins Leck Gamble Mallory & Natsis LLP
12 501 West Broadway, 15th Floor
San Diego, CA 92101

13
14 /s/ Philip H. Dyson
15 Philip H. Dyson