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8 **UNITED STATES DISTRICT COURT**
9 **SOUTHERN DISTRICT OF CALIFORNIA**

10
11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

14 LOUIS V. SCHOOLER and FIRST
15 FINANCIAL PLANNING
CORPORATION d/b/a WESTERN
16 FINANCIAL PLANNING
CORPORATION,

17 Defendants.
18
19

Case No. 3:12-cv-02164-GPC-JMA

**RECEIVER'S OPPOSITION TO
DEFENDANTS' MOTION FOR
MODIFICATION OF
PRELIMINARY INJUNCTION
(INJUNCTION AGAINST
RECEIVER'S INTERFERENCE
WITH BALLOTING BY GENERAL
PARTNERS AND MISLEADING
WEBSITE)**

Date: October 3, 2014
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

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1 Thomas C. Hebrank ("Receiver"), Court-appointed receiver for First Financial
2 Planning Corporation d/b/a Western Financial Planning Corporation ("Western"),
3 and its subsidiaries and other specifically-listed entities (collectively, "Receivership
4 Entities"), submits this response to Defendants' Motion for Modification of
5 Preliminary Injunction (Injunction Against Receiver's Interference with Balloting by
6 General Partners and Misleading Website) ("Motion").

7 I. INTRODUCTION

8 In its July 22, 2014 Order on *Sua Sponte* Reconsideration of August 16, 2013
9 Order to Release General Partnerships from Receivership ("Reconsideration
10 Order"), the Court provided detailed instructions for the GPs to prepare and submit a
11 response to the Court's decision to keep them in the receivership. Dkt. No. 629.
12 The order contemplates investors in each GP will communicate with each other,
13 determine their consensus position, draft a brief (including a statement of whether
14 the GP wants to be heard at the October 10, 2014 hearing), circulate the brief to the
15 investors in their GP, give investors who disagree the opportunity to prepare a
16 statement of their specific points of disagreement, attach such statement (if any) to
17 the brief, attach a list of the investors who sign on to brief, and file the brief with the
18 Court on or before September 12, 2014. If a GP elects not to file a brief, but wants
19 to be heard at the October 10, 2014 hearing, it is instructed to file a notice of
20 intention to appear at the hearing.

21 Instead of following these instructions, however, a group of investors opposed
22 to the receivership met outside the courtroom immediately after the July 18, 2014
23 hearing, *i.e.*, before the Reconsideration Order was entered. This group disregarded
24 the Court's instructions and instead formed a "committee" of seven investors to
25 "explore the avenues available to remove our investments from the control of the
26 Receiver." The purported committee, whose members own interests in only 20 of
27 the 86 GPs, created a ballot and got an investor in each GP to request that the
28 Partnership Administrators circulate the ballot to the investors in their GP. The

1 Partnership Administrators did so without notifying or consulting the Receiver. The
2 ballots were only circulated by e-mail. If the Partnership Administrators did not
3 have a current e-mail address for an investor, that investor did not receive a ballot.

4 The ballot asks investors to vote on the following two issues:

5 1. Request the above partnership to take the legal steps
6 necessary to remove the partnership from control of the
Receiver.

7 () YES, I CAST ALL OF MY UNIT VOTES IN
8 FAVOR OF REQUESTING THE PARTNERSHIP TO
9 TAKE THE LEGAL STEPS NECESSARY TO
REMOVE THE GENERAL PARTNERSHIP FROM THE
RECEIVERSHIP

10 () NO, I CAST ALL OF MY UNIT VOTES TO
11 KEEP THE GENERAL PARTNERSHIP IN THE
RECEIVERSHIP.

12 2. Request that each investor in our general partnership
13 agree to an assessment of not more than Thirty Dollars
(\$30.00) per investor to enable our general partnership to
14 retain legal services related to the removal of the
receivership.

15 () YES, I CAST ALL OF MY UNIT VOTES IN
16 FAVOR OF ASSESSING EACH INVESTOR IN THE
17 GENERAL PARTNERSHIP NOT MORE THAN
THIRTY DOLLARS (\$30.00) FOR RETAINING LEGAL
18 SERVICES RELATED TO THE REMOVAL OF THE
RECEIVERSHIP.

19 () NO, I WILL RETAIN MY OWN ATTORNEY.

20 *See Exhibit A.*

21 The Reconsideration Order, however, does not instruct the GPs to take a vote
22 on whether "to take the legal steps necessary to remove the partnership from control
23 of the Receiver." The only vote or poll GPs are instructed to take under the
24 Reconsideration Order is whether investors sign on to the brief prepared by the GP.
25 Yet, the ballot says nothing about signing on to the brief. In fact, the ballot was
26 circulated without a brief so investors do not have a chance to review the brief
27 before voting. Nor does the Reconsideration Order contemplate a \$30 assessment to
28

1 each investor in each GP, a total of approximately \$270,000,¹ for legal fees.
 2 Moreover, the ballot does not present a real choice; it states investors can either
 3 agree to be assessed \$30 for legal fees or hire their own attorney. Neither GPs nor
 4 investors, however, are required to hire attorneys.

5 In response to investor questions about the ballots, the Receiver posted a
 6 Frequently Asked Question on the receivership website. It reads as follows:

7 **I recently received a ballot circulated by the**
 8 **Partnership Administrators. Was this ordered by the**
 9 **Court?**

10 No, the ballots were not approved or authorized by the
 11 Court, nor were the issues the ballots ask investors to vote
 12 on approved or authorized by the Court.

13 After the July 18th hearing, a small group of investors held
 14 an informal meeting and created a committee that appears
 15 to be responsible for generating this ballot, according to
 16 correspondence provided by some investors. The
 17 Partnership Administrators then circulated these ballots to
 18 investors by e-mail without the Receiver's prior
 19 knowledge or input. It has been represented to the
 20 Receiver that an investor from each of the 84² active
 21 General Partnerships requested the ballot be circulated.
 22 We additionally understand that these ballots only went
 23 out to investors that had email addresses available. The
 24 ballot also asks investors to approve assessing each of the
 25 approximately 9,000 investor interests for the 84 General
 26 Partnerships (there are 3,400 investors, but many hold
 27 interests in more than one partnership) \$30 each for
 28 retaining legal services. The assessment of legal fees has
 not been authorized by the Court, and the Receiver is not
 requesting that the investors pay these amounts.

21 This information is entirely accurate and important for investors to have. The
 22 Reconsideration Order contemplates a process whereby investors collaborate to
 23 prepare a brief and investors either sign on to the brief or prepare a statement of
 24 their points of disagreement. The ballot, on the other hand, is part of a larger
 25

26 ¹ Although there are approximately 3,400 unique investors, many of them have
 27 interests in more than one GP. The investor lists for all GPs total approximately
 28 9,000.

² The correct total number of GPs is 86. The receivership website has been
 revised to reflect the correct total.

1 campaign conducted by the purported committee to control what GPs say in their
2 briefs and at the October 10, 2014 hearing. These issues will be addressed more
3 fully in the Receiver's response due on September 26, 2014. The ballot, however,
4 was not authorized or approved by the Court as the receivership website correctly
5 states.

6 It should be noted that although the ballots were not authorized and although
7 work related to tallying the ballots has consumed the Partnership Administrators'
8 time and delayed completion of other GP tasks, the Receiver has not instructed the
9 Partnership Administrators to retract the ballots or cease tallying the votes. Rather
10 than affirmatively stopping the unauthorized balloting, the Receiver has let the votes
11 be cast and tallied. The Court can decide what significance, if any, the votes have in
12 relation to its decision to keep the GPs in the receivership. Accordingly, there is no
13 basis for an injunction prohibiting the Receiver from interfering with the balloting or
14 requiring the Receiver to change the content of the receivership website.

15 II. ARGUMENT

16 A. Broad Equitable Powers of the Court

17 "The power of a district court to impose a receivership or grant other forms of
18 ancillary relief does not in the first instance depend on a statutory grant of power
19 from the securities laws. Rather, the authority derives from the inherent power of a
20 court of equity to fashion effective relief." *SEC v. Wencke*, 622 F.2d 1363, 1369
21 (9th Cir. 1980). The "primary purpose of equity receiverships is to promote orderly
22 and efficient administration of the estate by the district court for the benefit of
23 creditors." *SEC v. Hardy*, 803 F.2d 1034, 1038 (9th Cir. 1986). As the appointment
24 of a receiver is authorized by the broad equitable powers of the court, any
25 distribution of assets must also be done equitably and fairly. *See S.E.C. v. Elliot*,
26 953 F.2d 1560, 1569 (11th Cir. 1992).

27 District courts have the broad power of a court of equity to determine the
28 appropriate action in the administration and supervision of an equity receivership.

1 See *SEC v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th Cir. 2005). The Ninth
2 Circuit explained:

3 A district court's power to supervise an equity receivership
4 and to determine the appropriate action to be taken in the
5 administration of the receivership is extremely broad. The
6 district court has broad powers and wide discretion to
7 determine the appropriate relief in an equity receivership.
8 The basis for this broad deference to the district court's
9 supervisory role in equity receiverships arises out of the
10 fact that most receiverships involve multiple parties and
11 complex transactions. A district court's decision
12 concerning the supervision of an equitable receivership is
13 reviewed for abuse of discretion.

14 *Id.* (citations omitted); see also *Commodities Futures Trading Comm'n. v.*
15 *Topworth Int'l, Ltd.*, 205 F.3d 1107, 1115 (9th Cir. 1999) ("This court affords 'broad
16 deference' to the court's supervisory role, and 'we generally uphold reasonable
17 procedures instituted by the district court that serve th[e] purpose' of orderly and
18 efficient administration of the receivership for the benefit of creditors.").
19 Accordingly, the Court has broad equitable powers and discretion in the
20 administration of the receivership estate.

21 **B. Defendants' Arguments Should Not Be Considered**

22 To begin with, the Court has repeatedly ruled it will not consider arguments
23 Defendants make on behalf of the GPs. Once again, however, Defendants seek
24 relief that applies directly to the GPs – an injunction prohibiting the Receiver from
25 interfering with the GPs balloting their investors. If the GPs believe the receivership
26 website improperly interferes with preparation of their briefs or other steps to
27 prepare for the October 10, 2014 hearing, they can make those arguments
28 themselves. Accordingly, Defendants' arguments should not be considered and the
29 Motion should be denied.

30 **C. The Receivership Website Correctly States the Court Did Not**
31 **Approve or Authorize the Ballots**

32 Defendants argue the Court's instructions in the Reconsideration Order
33 necessitate the ballots, and therefore the ballots were approved by the Court. This is

1 incorrect. The Reconsideration Order provides detailed instructions on preparing
2 briefs, statements of points of disagreement, notices of intention to appear, and lists
3 of investors who sign on to the brief, as well as the deadline to file the briefs/notices,
4 and making appearances at the October 10, 2014 hearing. The order says nothing
5 about GPs balloting their investors, nor were ballots mentioned at the July 18, 2014
6 hearing. Likewise, the Reconsideration Order says nothing about assessing
7 investors for legal fees, nor were any such assessments mentioned at the July 18,
8 2014 hearing.

9 The order does require investors be asked whether they sign on to the brief to
10 be submitted by their GP. Stating whether one signs on to a brief, however,
11 necessitates reviewing the brief. Reviewing the brief is also necessary for investors
12 to prepare a statement of their specific points of disagreement and have such
13 statement added to the brief. Yet, the ballot requires investors to vote before the
14 brief is prepared, thereby removing them from the process of preparing the brief or
15 providing input. Similarly, the ballot removes from investors the decision of which
16 attorney to engage, if any, and puts that in the hands of the purported committee.
17 Even if a ballot was necessary to determine which investors sign on to the brief, the
18 language of the ballot and the fact that investors were asked to vote without the
19 opportunity to review the brief run contrary to the Court's instructions.

20 The Court clearly gave considerable thought to crafting the Reconsideration
21 Order. The Court issued a tentative ruling prior to the July 18, 2014 hearing,
22 considered the arguments of counsel at the hearing, modified the tentative ruling in
23 light of some of those comments, and issued the Reconsideration Order. If the
24 Court had intended GPs to circulate ballots to their investors, it would have provided
25 instructions regarding the content of the ballots, deadlines as to when ballots should
26 be circulated and returned, and directions as to who would be responsible for
27 tallying and reporting the results. The Reconsideration Order does none of those
28 things. The Court also would have required ballots be mailed to investors for whom

1 the Partnership Administrators do not have a current e-mail address, as opposed to
2 excluding those investors from participating.

3 The ballot also runs contrary to the intent of the Reconsideration Order. The
4 order clearly contemplates investors will be involved in forming the official
5 response of their GP, stating their points of disagreement, and appearing at the
6 October 10, 2014 hearing. But instead, the ballot seeks to have decision-making
7 authority delegated to the purported committee and/or an unidentified attorney. The
8 ballot does not say what "legal steps" will be taken, who will take such steps, when
9 such steps will be taken, what attorney will be engaged to represent each GP, the
10 attorney's credentials, or any other information that would allow investors to make
11 an informed decision. Therefore, the ballot is inconsistent with the Court's
12 instructions and the receivership website correctly states it was not approved or
13 authorized by the Court.

14 Nevertheless, when the Receiver learned of the unauthorized balloting, he
15 allowed the process to run its course and the votes to be collected and tallied by the
16 Partnership Administrators. The Court can decide what significance, if any, the
17 votes have in relation to its decision to keep the GPs in the receivership.
18 Accordingly, there is no basis for an injunction prohibiting the Receiver from
19 interfering with the balloting or requiring the Receiver to change the content of the
20 receivership website.

21 **III. CONCLUSION**

22 WHEREFORE, the Receiver requests the Motion be denied.

23
24 Dated: September 19, 2014

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

25
26 By: /s/ Ted Fates

27 TED FATES
Attorneys for Receiver
THOMAS C. HEBRANK

EXHIBIT INDEX

Exhibit A	Example Email and Ballot Sent to Investors	10
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EXHIBIT A

EXHIBIT A

----- Forwarded message -----

From: **Beverly Schuler** <bev@wcas.sdcoxmail.com>

Date: Tue, Aug 12, 2014 at 4:56 PM

Subject: Gold Ridge Partners - Ballot for Removal of Receiver

To: Lawrence and Jane Abts Contacts Email <abtsla@cox.net>, Lawrence and Jane Abts Spouses Email <jane.smith@msssoftware.com>, Juan C and Evelyn Araiza Alternate Email <jca_enterprise@yahoo.com>, Juan C and Evelyn Araiza Contacts Email <evelynaraiza@yahoo.com>, Thomas W and Patricia Averell Contacts Email <pattynpoway@sbcglobal.net>, Edward and Nancy Babas Alternate Email <nbabas@paynefears.com>, Edward and Nancy Babas Contacts Email <babas@pcf-lawyers.com>, Arkady and Susanna Bablumyan Alternate Email <spetrosyan@ucsd.edu>, Arkady and Susanna Bablumyan Contacts Email <sysaboetrisuab@yahoo.com>, Arkady and Susanna Bablumyan Spouses Email <susanpetrosian@yahoo.com>, John and Dara Bertagni Contacts Email <jjbmb@cox.net>, John and Dara Bertagni Spouses Email <darabetagni@hotmail.com>, Sven & Laura Blomberg Contacts Email <sven.blomberg@post.ca.gov>, Sylvia F and Mark Borovay Contacts Email <sborovay@hotmail.com>, Edward H and Irene Brabant Contacts Email <ehbrabant@gmail.com>, Edward H and Irene Brabant Spouses Email <irenebrabant@yahoo.com>, Bruce T and Kathryn L Burton Contacts Email <bruceburton3@gmail.com>, Kathleen P Cavanaugh Contacts Email <Kathy499@aol.com>, Vee Comstock Contacts Email <veefever@gmail.com>, "David R and Sandra S. Cox Contacts Email" <drcox@san.rr.com>, "David R and Sandra S. Cox Spouses Email" <sandycox@san.rr.com>, Thomas N Engler Contacts Email <tengler@cox.net>, Kenneth and Norma Garland Alternate Email <garlandken@gmail.com>, Scott L and Dawn Gessner Contacts Email <sgessner@gmail.com>, David L and Tina Marie Guidotti Contacts Email <guidotti@san.rr.com>, David L and Tina Marie Guidotti Spouses Email <tguidotti@san.rr.com>, Richard and Shelley A Hall Contacts Email <randshall@cox.net>, Taylor A Hanan Contacts Email <smhanan@cox.net>, Roy D and Valeda Honig Contacts Email <mhonig@cox.net>, Dennis R and Cynthia Stellar Howe Contacts Email <dennylifecoach@sbcglobal.net>, Ty Lyons and Dona Hufford Alternate Email <ty@abscommercial.net>, Ty Lyons and Dona Hufford Contacts Email <tyhufford@gmail.com>, Susan Hutchinson Contacts Email <drhutchinson@ocmigraine.org>, Mary and Jeffrey Ingertson Contacts Email <mingertson@cox.net>, Mary and Jeffrey Ingertson Spouses Email <jingertson@cox.net>, Tomasz M and

Monika Jagielinski Alternate Email <jagielinski@cumminsallison.com>, Tomasz M and Monika Jagielinski Contacts Email <tomaszj02@gmail.com>, Linda R Jalving Alternate Email <linda@jewlsbythesea.biz>, Linda R Jalving Contacts Email <ljalving@san.rr.com>, Jr Contacts Email <davidjunker4@hotmail.com>, Jr Spouses Email <david.junker@invitrogen.com>, Lari Kacoon Contacts Email <london.lari@gmail.com>, Daniel J and Judith E Knapp Contacts Email <jknapp@lacorps.org>, Craig C Koehler Contacts Email <darthvader@san.rr.com>, Richard W and Julia A Koenke Alternate Email <rich.koenke@gmail.com>, Charles T and Chih-I Lee Contacts Email <81.charles.lee@gmail.com>, Pauline Lessman Contacts Email <plessman@roadrunner.com>, Lucy & Steve LoCicero Contacts Email <stevenlucy@cox.net>, Steven and Michelle Madsen Contacts Email <madsen_steven@hotmail.com>, Steven and Michelle Madsen Spouses Email <michelle.madsen@pepperdine.edu>, William and Susan Milano Contacts Email <lagunatik@aol.com>, Tammy L Miller Contacts Email <tamster927@cox.net>, John H and Sue Moore Contacts Email <jmooresales@gmail.com>, G Scott and Janet Andrechak O'Connell Contacts Email <janscottmikedave@aol.com>, Scott R and Janyce Oulton Alternate Email <scott.r.oultton@usdoj.gov>, Scott R and Janyce Oulton Contacts Email <sroutton@hotmail.com>, David F and Stephanie Pfafman Contacts Email <pfafman@hdmg.net>, Stephen D and Danielle Polsinelli Contacts Email <spolsinelli@roadrunner.com>, Roberto and Christina Puga Contacts Email <rpuga@projectnavigator.com>, Indar M and Shashikala Rai Contacts Email <indar.rai@navy.mil>, Indar M and Shashikala Rai Spouses Email <Shashikrai@hotmail.com>, Arthur V and Kristie Rocco Contacts Email <artrocco@cox.net>, Arthur V and Kristie Rocco Spouses Email <klr232@cox.net>, James P and Mora Riera Russ Contacts Email <james@mikeruss.org>, Richard J and Celeste F Sanders Contacts Email <richard@billabong-usa.com>, Curtis J and Christine Sathre III Contacts Email <curtissathre@cox.net>, Curtis J and Christine Sathre III Spouses Email <cris_sathre@yahoo.com>, James W and Carolyn M Schropp Contacts Email <byldin@aol.com>, Darren and Shelly Scott Contacts Email <darren@johnjorycorp.com>, Darren and Shelly Scott Spouses Email <shelly@equitytec.com>, Jesus and Rosa Silva Contacts Email <california_eu@hotmail.com>, Sanjay and Vandana Singh Contacts Email <singhsanjay@hotmail.com>, David M Sloan Contacts Email <dsaxsloan@gmail.com>, Patricia A Smikle Contacts Email <assani@hotmail.com>, Edwin and Analee Kredel Speer Contacts Email <analeek@aol.com>, Brian D and Shanna Sterck Contacts Email <bsterck@southlandtechnology.com>, Everardo and Iliana Trujillo Contacts Email <everardo.trujillo@gmail.com>, James and Rachel Warren Contacts Email <warrenjp24@gmail.com>, Nancy E Way Contacts Email <nway@cox.net>, Western Financial Planning Corp Contacts Email <louisschooler@gmail.com>, Sarita & Johns E Mihaly Alternate Email <sarita@moonlighthairdesign.com>, Sarita & Johns E Mihaly Contacts Email <sarita@micelani.com>, "W. Clinton and Karen Wilhoite Alternate Email" <clint.wilhoite@ulalaunch.com>, "W. Clinton and Karen Wilhoite Contacts Email" <ckwilhoite@yahoo.com>, Gary L and Joyce Williams Contacts Email <gary@bytebuilder.com>, Jason and Theresa Wurl Contacts Email <jmwurl@mac.com>

Dear Gold Ridge Partners,

We have received requests from one of your co-partners to have the control of the Partnership removed from receivership (E3 Advisors).

Attached is a ballot for you to cast your vote.

Also attached is an Exhibit A which shows your percents of ownership in the investment. If you see your name more than once, please make copies for each percent of ownership. Please vote for each option, sign and return.

Please act upon it immediately and have your response back to us by no later than

August 31, 2014. This is so that all votes can be counted and ready for submission to the courts by Sept 12, 2014.

Thank you,

Beverly Schuler

email: bev@wcas.sdcoxmail.com

Alice Jacobson

email: alice@wcas.sdcoxmail.com

FAX: [\(769\) 295-4632](tel:(769)295-4632)

West Coast Administrative Services

270 N. El Camino Real #F533

Encinitas, CA 92024

This message and any files transmitted with it may contain confidential information and may be privileged. If

you are not the intended recipient, you are hereby notified that any use, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your system. E mail may be susceptible to data corruption, interception and unauthorized amendment, and we do not accept liability for any such occurrence or the consequences of it.

GOLD RIDGE PARTNERS,
A California General Partnership

BALLOT
REMOVAL OF RECEIVER PLACED UPON
GENERAL PARTNERSHIP

(Please Print)

NAME: _____

ADDRESS: _____

PHONE: _____ **EMAIL:** _____

This ballot is requesting your immediate vote on the following issues:

- 1. Request the above partnership to take the legal steps necessary to remove the partnership from control of the Receiver.
- () YES, I CAST ALL OF MY UNIT VOTES IN FAVOR OF REQUESTING THE PARTNERSHIP TO TAKE THE LEGAL STEPS NECESSARY TO REMOVE THE GENERAL PARTNERSHIP FROM THE RECEIVERSHIP
- () NO, I CAST ALL OF MY UNIT VOTES TO KEEP THE GENERAL PARTNERSHIP IN THE RECEIVERSHIP.
- 2. Request that each investor in our general partnership agree to an assessment of not more than Thirty Dollars (\$30.00) per investor to enable our general partnership to retain legal services related to the removal of the receivership.
- () YES, I CAST ALL OF MY UNIT VOTES IN FAVOR OF ASSESSING EACH INVESTOR IN THE GENERAL PARTNERSHIP NOT MORE THAN THIRTY DOLLARS (\$30.00) FOR RETAINING LEGAL SERVICES RELATED TO THE REMOVAL OF THE RECEIVERSHIP.
- () NO, I WILL RETAIN MY OWN ATTORNEY.

Date: _____ Print Name: _____ Signature: _____

Date: _____ Print Name: _____ Signature: _____

In order for your vote to count you must return your ballot on or before: AUGUST 31, 2014
Return your completed ballot either by:

Scan the ballot & EMAIL it to: Alice@wcas.sdcoxmail.com or Bev@wcas.sdcoxmail.com, OR
FAX the completed ballot to: 760-295-4632, OR
MAIL the completed ballot to: West Coast Administrative Service
270 North El Camino Real, #F 533, Encinitas, CA 92024

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PROOF OF SERVICE

I am employed in the County of San Diego, State of California. I am over the age of eighteen (18) and am not a party to this action. My business address is 501 West Broadway, 15th Floor, San Diego, California 92101-3541.

On September 19, 2014, I served the within document(s) described as:

- **RECEIVER'S OPPOSITION TO DEFENDANTS' MOTION FOR MODIFICATION OF PRELIMINARY INJUNCTION (INJUNCTION AGAINST RECEIVER'S INTERFERENCE WITH BALLOTING BY GENERAL PARTNERS AND MISLEADING WEBSITE)**

on interested parties in this action by:

BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF"): the foregoing document(s) will be served by the court via NEF and hyperlink to the document. On September 19, 2014, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email addressed indicated below:

- Lynn M. Dean - deanl@sec.gov; larofiling@sec.gov; berryj@sec.gov; irwinma@sec.gov; cavallones@sec.gov
- Philip H. Dyson - phildysonlaw@gmail.com; jldossegger2@yahoo.com; phdtravel@yahoo.com
- Edward G. Fates - tfates@allenmatkins.com; bcrfilings@allenmatkins.com; jbatiste@allenmatkins.com
- Eric Hougen - eric@hougenlaw.com
- Sara D. Kalin - kalins@sec.gov; irwinma@sec.gov
- Sam S. Puathasnanon - puathasnanons@sec.gov; haackk@sec.gov; berryj@sec.gov; irwinma@sec.gov; cavallones@sec.gov
- Edward P. Swan, Jr. - pswan@jonesday.com; dpippin@jonesday.com

BY MAIL: I placed a true copy of the document in a sealed envelope or package addressed as indicated on the attached Service List on the above-mentioned date in San Diego, California for collection and mailing pursuant to the firm's ordinary business practice. I am familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed on September 19, 2014, at San Diego, California.

Ted Fates
(Type or print name)

/s/ Ted Fates
(Signature of Declarant)