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THOMAS C. HEBRANK

11 **UNITED STATES DISTRICT COURT**
12 **SOUTHERN DISTRICT OF CALIFORNIA**

13
14 SECURITIES AND EXCHANGE
COMMISSION,

15 Plaintiff,

16 v.

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

20 Defendants.
21

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

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

Date: September 16, 2016
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 fifteenth interim application for payment of professional fees and reimbursement of costs for the time period January 1, 2016 through March 31, 2016 ("Fifteenth Application Period"). Allen Matkins incurred \$100,615.05 in fees and \$63.40 in costs during the three-month period and seeks interim approval and payment of 80% of fees incurred, or \$80,492.04, 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 Fifteenth Application Period, Allen Matkins provided a total of 198.3 hours of service for a total of \$100,615.05 in fees. Allen Matkins requests payment on an interim basis of 80% of this amount, or \$80,492.04. 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	1.70	\$936.90
Reporting	4.30	\$2,089.80
Operations and Asset Sales	64.80	\$31,084.65
Claims and Distributions	125.90	\$65,726.10
Third Party Recoveries	1.20	\$583.20
Employment/Fees	.40	\$194.40
Total Fees	198.30	\$100,615.05

II. TASKS PERFORMED

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

A. General Receivership

This category includes time assisting the Receiver in reviewing and analyzing the final judgment entered against Defendants Louis Schooler and Western, in responding to requests for information from the Securities and Exchange Commission ("Commission"), and in responding to a request from the Internal Revenue Service for information relating to an audit of Mr. Schooler's tax returns. The reasonable and necessary fees for work in this category total \$936.90.

B. Reporting

This category includes work to prepare the Receiver's Fourteenth Interim Report, which was filed on February 22, 2015.¹ Dkt. No. 1189. The Fourteenth Interim Report includes detailed updates regarding enforcement of the judgments against the LinMar entities, property tax appeals, real property owned by Western, issues with the tenant located on the Stead property, information packets and capital calls, offers and letters of intent for GP properties, and receipts and disbursements for each Receivership Entity. The reasonable and necessary fees for work in this category total \$2,089.80.

C. Operations and Asset Sales

Allen Matkins' time in this category focused on assisting the Receiver with legal issues relating to the ongoing operations of Western and the GPs, including responding to letters of intent and offers to purchase GP properties and one Western property, addressing water rights issues relating to the Minden property, seeking confirmation of the Court-authorized sale of the Jamul Valley property, and seeking

¹ Pursuant to the Court's May 25, 2016 Order, the Fourteenth Interim Report was withdrawn and refiled on June 17, 2016. Dkt. Nos. 1314, 1315.

1 authority to engage real estate brokers for certain GP properties pursuant to the
2 Court's May 12, 2015 Order. Allen Matkins also assisted in responding to numerous
3 requests and filings of the Aguirre Investors and Dillon Investors relating to the
4 Jamul Valley sale and the engagement of brokers for other GP properties.

5 1. Jamul Valley Sale

6 On June 17, 2015, the Court adopted the Receiver's recommendation to move
7 forward with negotiations with The Nature Conservancy ("TNC") regarding a sale
8 of the Jamul Valley property. Dkt. No. 1085. Negotiations then took place and a
9 purchase and sale agreement with TNC was signed in November 2015. TNC's due
10 diligence period was then extended via an amendment, the Receiver sent letters to
11 two neighbors encroaching on the property, and TNC issued its notice to continue
12 with the purchase in early January 2016. Accordingly, the sale was expected to
13 close in late January or early February 2016.

14 The title company, however, stated that it would require an order confirming
15 the identity of the purchaser and the purchase price before it would issue the title
16 policy. Therefore, on February 26, 2016, the Receiver filed an *ex parte* application
17 for the required order. Dkt. No. 1191. The *ex parte* application was opposed by the
18 Aguirre Investors and Dillon Investors despite the fact that Xpera Group, their own
19 expert, endorsed the sale. The Receiver filed a supplemental brief on April 6, 2016,
20 addressing the objections and laying out public sale procedures in compliance with
21 28 U.S.C. § 2001(a). Ultimately, the Court denied the *ex parte* application without
22 prejudice and instructed the Receiver to file a noticed motion for approval of the
23 sale incorporating the public sale procedures laid out in his supplemental brief. The
24 motion was filed on June 8, 2016, and is set to be heard on July 15, 2016. Dkt.
25 No. 1310.

26 2. Western Land (Silver Springs)

27 In his Seventh Interim Report, the Receiver recommended and sought
28 permission to list properties owned by Western for sale with licensed brokers. Dkt.

1 No. 547. The Court approved the Receiver's recommendation ("Order"). Dkt.
2 No. 549. Schooler then sought reconsideration of the Order, which was denied.
3 Dkt. Nos. 560, 595.

4 Pursuant to the Order, the Receiver listed certain of the Western properties,
5 including the property identified as "Silver Springs So." on Exhibit D to the Seventh
6 Interim Report, with a licensed broker. After almost two years of marketing the
7 property, an offer was received, the parties negotiated terms and a purchase and sale
8 agreement was signed, subject to overbid and Court approval. The proposed sale
9 includes seller financing, so a promissory note and deed of trust also had to be
10 prepared as part of the transaction. The motion to approve the sale was filed on
11 May 25, 2016, and is set to be heard on July 15, 2016. Dkt. No. 1302.

12 3. Yuma II

13 The Yuma II property was purchased by Western from Associates Land
14 Specialists of Arizona II, LLC ("ALSA"). The Yuma II property was part of a
15 larger series of parcels that ALSA had purchased from an entity known as the
16 "Taylor Trust" with seller financing from the Taylor Trust. When Western
17 purchased the Yuma II property from ALSA, it agreed to pay a portion of the seller
18 financing owed to the Taylor Trust, with ALSA being responsible for the remainder.
19 A dispute subsequently arose between ALSA and the Taylor Trust as to what
20 payments ALSA had made on its portion of the seller financing. The Taylor Trust
21 threatened to foreclose on the entire series of parcels (including Yuma II), which
22 efforts were stopped when the Receiver provided the Taylor Trust with notice of the
23 Court's Preliminary Injunction Order. The Receiver is now working to resolve the
24 issues and have the Taylor Trust release its deed of trust on the Yuma II property.

25 The reasonable and necessary fees for Allen Matkins' work in this category
26 total \$31,084.65.

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28

1 **D. Claims and Distributions**

2 This category includes time assisting the Receiver in analyzing issues and
3 formulating a plan for the distribution of receivership estate assets. Considerable
4 time was spent on analyzing the facts, projected distributions, and legal issues, and
5 formulating a distribution plan that treats investors fairly and equitably. Allen
6 Matkins assisted in preparing the Receiver's Motion for (A) Authority to Conduct
7 Orderly Sale of GP Properties, (B) Approval of Plan for Distributing Receivership
8 Estate Assets, and (C) Approval of Procedures for the Administration of Investor
9 Claims (Dkt. No. 1181), including supporting exhibits and the proposed Distribution
10 Plan itself ("Motion"). The firm also participated in meet and confer discussions
11 with counsel for the Commission and counsel for Mr. Schooler regarding issues
12 raised in the Motion.

13 This category also includes considerable time spent responding to the
14 informal requests for documents and information of the Aguirre Investors and
15 Dillon Investors. Starting in mid-February, correspondence (letters and emails)
16 from Mr. Aguirre in particular came on a daily basis and often multiple
17 communications and requests per day. Allen Matkins assisted in analyzing the
18 numerous requests, gathering relevant documents and information, and promptly
19 responding to Mr. Aguirre and/or Mr. Dillon. The Receiver made extensive efforts
20 to accommodate the requests of the Aguirre Investors and Dillon Investors, and, in a
21 short period of time, produced thousands of accounting records, emails, appraisals
22 and other documents in response to their numerous requests. The firm also assisted
23 the Receiver in addressing and responding to various filings concerning the Motion,
24 including requests from the Aguirre Investors and Dillon Investors to change the
25 briefing schedule and continue the hearing.

26 As usual, this category also includes time reviewing and responding to
27 communications from investors, creditors, and their counsel, both directly and via
28

1 the receivership website, regarding the receivership, claims, distributions, and
2 related issues. The reasonable and necessary fees for this work total \$65,726.10.

3 **E. Third Party Recoveries**

4 Allen Matkins' work in this category focused on collection of the outstanding
5 judgment against LinMar III. Allen Matkins communicated with the Fresno County
6 Sheriff regarding the potential forced sale of the LinMar III property, reviewed the
7 post-judgment receiver's reports, and advised on legal issues relating to the post-
8 judgment receivership. The reasonable and necessary fees for work in this category
9 total \$583.20.

10 **F. Employment/Fees**

11 Although fee applications are a necessary component of federal equity
12 receiverships, neither the Receiver nor his professionals bill time for preparing their
13 own detailed applications. Allen Matkins assisted the Receiver in preparing his
14 Fourteenth Interim Fee Application. The reasonable and necessary fees for this
15 work total \$194.40.

16 **G. Summary of Costs Requested**

17 Allen Matkins requests the Court approve reimbursement of \$63.40 for out-
18 of-pocket costs incurred in executing the foregoing tasks, as itemized in Exhibit A.
19 Pursuant to the Court's Order Granting in Part First Fee Applications, Allen Matkins
20 has reduced its request for reimbursement of copy costs to five cents per page and
21 written off any excess copy charges incurred.

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

23 From inception of the receivership through March 31, 2016, the Receiver
24 incurred fees and costs of \$1,305,085.13, of which amount \$255,381.21 is subject to
25 holdback pending approval of the Receiver's final fee application at the conclusion
26 of the receivership, \$186,718.39 is awaiting the Court's review and approval in the
27 Receiver's Fourteenth and Fifteenth Interim Fee Applications, and \$862,985.53 has
28 been approved by the Court and paid. During the same time period, Allen Matkins

1 incurred fees and costs of \$928,718.86, of which amount \$195,946.16 is subject to
 2 holdback pending approval of the Allen Matkins' final fee application at the
 3 conclusion of the receivership, \$96,816.53 is awaiting the Court's review and
 4 approval in Allen Matkins' Fourteenth and Fifteenth Interim Fee Applications, and
 5 \$635,956.17 has been approved by the Court and paid. Finally, during the same
 6 time period, tax accountant Duffy Kruspodin & Company, LLP ("Duffy") has
 7 incurred and been paid \$46,687.52 for preparing tax returns for Western and other
 8 non-GP Receivership Entities, and has incurred and been paid \$376,149.52 for
 9 preparing GP tax returns.

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

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

19 **A. Complexity of Tasks**

20 Here, the tasks performed by Allen Matkins are significantly complex and the
 21 number of hours billed to complete them are reasonable. These tasks include
 22 (a) analyzing corporate documents, loan agreements, and other contracts,
 23 (b) advising the Receiver regarding federal equity receivership, debtor/creditor, real
 24 property, contract, employment, insurance, tax, civil procedure, appellate procedure,
 25 and other applicable areas of law, and (c) assisting the Receiver in selling assets,
 26 collecting loans, protecting the Receivership Entities' interests in pending litigation,
 27 (d) assisting the Receiver in analyzing the facts and legal issues and preparing a plan
 28 for distributing receivership assets that treats investors fairly and equitably, and

1 (e) providing detailed reports to the Court and interested parties. Allen Matkins
2 wrote off and did not charge for 1.6 hours of time during the Fifteenth Application
3 Period.

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

5 The Court has previously determined the discounted hourly rates of the
6 Receiver and Allen Matkins represent the fair value of their time, labor, and skill.

7 **C. Quality of Work Performed**

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

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

19 Pursuant to the Court's May 25, 2016 Order (Dkt. No. 1304), the assets of the
20 Receivership Entities (Western and the GPs) have been pooled, creating a common
21 pool of receivership estate cash from which mortgages, property taxes, and other
22 operating expenses have been and will continue to be paid. The cash balance will
23 grow as properties are sold through the proposed Modified Orderly Sale Process
24 (Dkt. No. 1309), including the Jamul Valley property, Reno Vista and Reno View
25 properties, and the Western land (Silver Springs), all of which are set to be heard on
26 July 15, 2016. Therefore, the receivership estate has the ability to pay the fees and
27 costs requested herein.

28

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

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

- Dated: July 6, 2016

By: */s/ Edward Fates*

LAW OFFICES

EXHIBIT INDEX

Exhibit A	Detailed Time Reports	12
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EXHIBIT A

EXHIBIT A

06/08/16 16:24:51 PROFORMA STATEMENT FOR MATTER 372640-00002 (General Receivership) 372640-00002

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00002

Matter Name: General Receivership

Date of Last Billing: 02-26-2016

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
01/21/16	6758633	Review order granting SEC motion for final judgment and monetary remedies, advise Receiver regarding same.	Fates, Edward G.	0.2	97.20	97.20
01/22/16	6760844	Review/evaluate the judgment against defendant, evaluate/assess the impact on case/plan (.4). Call with counsel to address the judgment against defendants and impact on the case/possible appeal (.2).	Zaro, David R.	0.6	402.30	499.50
02/03/16	6770936	Calls with Receiver and SEC's counsel regarding issues related to enforcement of judgment against Schooler.	Fates, Edward G.	0.7	340.20	839.70
02/12/16	6780363	Advise Receiver regarding IRS request for financial records relating to Schooler audit.	Fates, Edward G.	0.2	97.20	936.90

Disbursements for Matter 372640-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt
01/07/16	2203364	Document Search - - Pacer Service 09/01/2015-12/31/2015^2505376-Q420	1.00	6.20

06/08/16 16:24:51 PROFORMA STATEMENT FOR MATTER 372640-00002 (General Receivership) 372640-00002

Trans Date	Index	Type	Quantity	Amt
01/11/16	2200206	Service of Process - - Nationwide - USDC-SD ^ 426020	1.00	12.00
02/05/16	2202964	Duplication	56.00	2.80
02/05/16	2208614	Service of Process - - Nationwide - USDC - SOUTHERN ^ 426268	1.00	10.00
02/26/16	2216727	Service of Process Nationwide - Service of Process USDC/SAN DIEGO BUSINESS OFFICE ^ 426391	1.00	12.00
03/01/16	2210735	Duplication	208.00	10.40
03/07/16	2216741	Service of Process Nationwide - Service of Process USDC/SAN DIEGO BUSINESS OFFICE ^ 426504	1.00	10.00

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David R. Zaro	0.6	670.50	402.30
001665	Edward G. Fates	1.1	486.00	534.60
		<u>1.7</u>		<u>936.90</u>
Total Fees				936.90
Total Disbursements				63.40

06/08/16 16:20:15 PROFORMA STATEMENT FOR MATTER 372640-00004 (Reporting) 372640-00004

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00004

Matter Name: Reporting

Date of Last Billing: 02-26-2016

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
02/08/16	6775372	Work on Fourteenth Interim Report.	Fates, Edward G.	2.3	1,117.80	1,117.80
02/15/16	6780550	Work on Fourteenth Interim Report and financial exhibits to same; and discuss with Receiver and G. Rodriguez.	Fates, Edward G.	1.4	680.40	1,798.20
02/19/16	6784691	Work on exhibits to Fourteenth Interim Report, discuss same with G. Rodriguez, and finalize report.	Fates, Edward G.	0.6	291.60	2,089.80

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	4.3	486.00	2,089.80
		<u>4.3</u>		<u>2,089.80</u>
Total Fees				2,089.80
Total Disbursements				0.00

06/10/16 08:55:56 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00005

Matter Name: Operations & Asset Sales

Date of Last Billing: 11-02-2015

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
01/05/16	6745390	Review and respond to inquiry from Attorney G. Aguirre regarding recommendation on pending letters of intent (.2); discuss status regarding proposed broker listing agreements for recommendation with G. Rodriguez (.1); telephone conference with Attorney P. Prindle (.4); discuss calls from G. Aguirre and P. Prindle with Receiver and SEC counsel (.8).	Fates, Edward G.	1.5	729.00	729.00
01/06/16	6746066	Work on recommendation regarding brokers for five GP properties and discuss same with Receiver.	Fates, Edward G.	1.8	874.80	1,603.80
01/07/16	6747842	Discuss Jamul Valley sale and letters to neighbors regarding encroachment issues with G. Rodriguez and work on letters.	Fates, Edward G.	0.8	388.80	1,992.60
01/07/16	6763186	Review client request; draft and finalize letter to Geraldine Pura regarding encroachments.	Consani, Jonathan	1.3	397.80	2,390.40
01/08/16	6748456	Work on details for letters to Jamul Valley neighbors regarding encroachments (.7); draft and revise recommendation regarding broker listing agreements for five GP	Fates, Edward G.	2.1	1,020.60	3,411.00

06/10/16 08:55:56 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		properties and discuss same with Receiver and G. Rodriguez (1.4).				
01/08/16	6763196	Review client request; draft and finalize letter to James & Barbara Groessel regarding encroachments.	Consani, Jonathan	1.3	397.80	3,808.80
01/12/16	6750812	Review continuation notice from TNC pursuant to purchase and sale agreement for Jamul Valley property.	Fates, Edward G.	0.1	48.60	3,857.40
01/14/16	6753684	Review order approving various reports and recommendations and discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	0.3	145.80	4,003.20
01/19/16	6755964	Review letter regarding default on Santa Fe property mortgage.	Fates, Edward G.	0.2	97.20	4,100.40
01/20/16	6757366	Communications with Nevada counsel regarding water right issues for GP property.	Fates, Edward G.	0.2	97.20	4,197.60
01/26/16	6763637	Review motion related to sale procedures concerning assets and advice to counsel re same (.3).	Zaro, David R.	0.3	201.15	4,398.75
01/26/16	6762280	Discuss title issues regarding Jamul Valley sale with G. Rodriguez.	Fates, Edward G.	0.3	145.80	4,544.55
01/27/16	6763228	Discuss title requirements and certified orders for Jamul Valley sale with G. Rodriguez.	Fates, Edward G.	0.2	97.20	4,641.75
01/29/16	6765330	Discuss Jamul Valley neighbor and title issues with G. Rodriguez.	Fates, Edward G.	0.1	48.60	4,690.35
02/03/16	6771283	Communications with Receiver and Nevada counsel to arrange call to discuss water rights issues.	Fates, Edward G.	0.2	97.20	4,787.55
02/04/16	6772448	Prepare responses to inquiries from	Fates, Edward G.	0.4	194.40	4,981.95

06/10/16 08:55:56 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		counsel for investor group and discuss same with Receiver.				
02/05/16	6773774	Finalize response to inquiries regarding properties from counsel for investors (.2); review and discuss correspondence received from Lansing with Receiver (.4); advise Receiver and G. Rodriguez regarding title issues for Jamul Valley sale (.3).	Fates, Edward G.	0.9	437.40	5,419.35
02/08/16	6775089	Call with counsel in Nevada and Receiver regarding water rights issues for Minden and Stead properties (.5); review emails from counsel for investors, discuss Jamul Valley sale with G. Rodriguez, and respond to counsel for investors (.4); discuss response to Lansing with Receiver (.3).	Fates, Edward G.	1.2	583.20	6,002.55
02/08/16	6775926	Discuss communications about Jamul Valley sale from counsel for investor group with Receiver and respond to same.	Fates, Edward G.	0.4	194.40	6,196.95
02/09/16	6777173	Discuss issues regarding Lansing with G. Rodriguez.	Fates, Edward G.	0.2	97.20	6,294.15
02/10/16	6777287	Review investor communication regarding pending Jamul Valley sale and discuss same with G. Rodriguez (.1); call with counsel for First American regarding title questions for Jamul Valley sale and advise Receiver regarding same (.4).	Fates, Edward G.	0.5	243.00	6,537.15
02/15/16	6780570	Review purchase agreement and seller financing documents for sale of Western land and discuss same with G. Rodriguez (.8); initial work on	Fates, Edward G.	1.3	631.80	7,168.95

06/10/16 08:55:56 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		seller financing documents (.3); initial work on motion for approval of sale (.2).				
02/16/16	6781555	Call with G. Rodriguez to discuss sale and seller financing documents for sale of Western land.	Fates, Edward G.	0.4	194.40	7,363.35
02/16/16	6781573	Discuss with Geno Rodriguez the sale of the Silver Springs Property, and review related documentation.	Lorenzen, Jonathan	0.7	264.60	7,627.95
02/17/16	6782307	Discuss title insurance issues regarding Jamul Valley sale and possible ex parte application for order approving sale with Receiver and G. Rodriguez (.4); review information on offers for Washoe 1 property and advise G. Rodriguez regarding steps of orderly sale process (.4); assist regarding documentation for sale of Western land (.2).	Fates, Edward G.	1.0	486.00	8,113.95
02/17/16	6782328	Review initial draft of PSA for Silver Springs Property from Broker and begin preparation of redraft with Note and Deed of Trust.	Lorenzen, Jonathan	1.3	491.40	8,605.35
02/18/16	6783535	Calls and emails to discuss steps of orderly sale process and protocol for offers on listed GP properties with Receiver and G. Rodriguez (.7); revise note to investors soliciting comments on Washoe I offers (.2).	Fates, Edward G.	0.9	437.40	9,042.75
02/19/16	6784248	Advise Receiver and G. Rodriguez regarding steps of sale process for GPs that fail to raise sufficient capital (.2); advise regarding title issues for Jamul Valley sale (.1).	Fates, Edward G.	0.3	145.80	9,188.55

06/10/16 08:55:56 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
02/19/16	6784722	Review updated PSA from Broker for sale of Silver Springs Property.	Lorenzen, Jonathan	0.8	302.40	9,490.95
02/22/16	6787865	Review of counsel for investors as to sale of assets/discovery requests and motion (.4). Conference related to the response to investor's counsel and discovery issues (.3).	Zaro, David R.	0.7	469.35	9,960.30
02/22/16	6785970	Advise regarding governing law, jurisdiction, and venue sections of purchase and sale agreement and seller financing documents for sale of Western land.	Fates, Edward G.	0.3	145.80	10,106.10
02/22/16	6785888	Prepare Addendum to Purchase and Sale Agreement to address issues regarding as-is nature of property, default, exculpation, release and indemnity, dispute resolution and other miscellaneous provisions.	Lorenzen, Jonathan	2.7	1,020.60	11,126.70
02/23/16	6786597	Review invoices from Nevada counsel regarding water rights work for Minden property and discuss same with Receiver (.2); discuss status regarding Jamul Valley sale and title issues with Receiver and work on ex parte application for order confirming sale (1.9).	Fates, Edward G.	2.1	1,020.60	12,147.30
02/24/16	6787915	Work on ex parte application regarding order confirming Jamul Valley sale and discuss same with G. Rodriguez (.4); review information regarding proposed listing agreements and recommendation regarding same (.2).	Fates, Edward G.	0.6	291.60	12,438.90
02/24/16	6788061	Continue preparation of addendum to	Lorenzen, Jonathan	1.1	415.80	12,854.70

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Purchase and Sale Agreement (0.6); prepare mark-up of draft Purchase and Sale Agreement prepared by Broker (0.5).				
02/25/16	6789119	Discuss proposed listing agreements for Las Vegas and Tecate properties with G. Rodriguez (.2); work on ex parte application for order confirming Jamul Valley sale and proposed order regarding same and discuss form of proposed order with G. Rodriguez (1.9); communications with SEC's counsel, Schooler's counsel, and counsel for investor group regarding ex parte application (.3).	Fates, Edward G.	2.4	1,166.40	14,021.10
02/26/16	6790038	Finalize ex parte application and proposed order confirming Jamul Valley sale and exhibits thereto, and discuss issues regarding TNC and fire code issues with G. Rodriguez (.9); advise on issues related to potential sale of Western land (.2); communications with G. Aguirre regarding opposition to ex parte application and request for documents, discuss same with Receiver with G. Rodriguez, and locate requested documents and respond to request (1.4).	Fates, Edward G.	2.5	1,215.00	15,236.10
02/26/16	6790917	Review and respond to outstanding issues that need to be resolved to finalize redraft of PSA and Addendum for Silver Springs property.	Lorenzen, Jonathan	0.9	340.20	15,576.30
02/29/16	6791284	Work on recommendation regarding engagement of real estate brokers for Las Vegas 1, Las Vegas 2, and	Fates, Edward G.	1.8	874.80	16,451.10

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Tecate properties and discuss same with G. Rodriguez (.4); communications with Receiver and G. Aguirre regarding deadline to oppose ex parte application regarding Jamul Valley sale and G. Aguirre's request to push application out two months and gather facts and respond to request (1.3); call with SEC's counsel regarding response to G. Aguirre request (.1).				
03/01/16	6795505	Communications with G. Aguirre, Receiver and G. Rodriguez regarding G. Aguirre's requests for information and to delay response deadline for ex parte application regarding Jamul Valley sale and gather, review, and send information and documents.	Fates, Edward G.	1.9	923.40	17,374.50
03/02/16	6796085	Work on response to G. Aguirre ex parte motion for extension of time to respond to ex parte motion for order confirming sale of Jamul Valley and discuss facts with Receiver and G. Rodriguez.	Fates, Edward G.	2.7	1,312.20	18,686.70
03/02/16	6796251	Review and revise PSA.	Lorenzen, Jonathan	0.4	151.20	18,837.90
03/03/16	6796623	Review investor correspondence related to Jamul Valley sale.	Fates, Edward G.	0.1	48.60	18,886.50
03/04/16	6797517	Work on recommendation regarding brokers and listing agreements for Las Vegas 1, Las Vegas 2, and Tecate properties and discuss same with Receiver and G. Rodriguez (1.9); review Aguirre's motion to strike response to ex parte application regarding extension of time regarding	Fates, Edward G.	2.5	1,215.00	20,101.50

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Jamul Valley sale and discuss same with Receiver (.6).				
03/07/16	6798899	Review joinders filed by G. Aguirre with respect to Jamul Valley sale and additional investor clients (.2); finalize recommendation regarding engagement of brokers for Las Vegas 1, Las Vegas 2, and Tecate properties (.4).	Fates, Edward G.	0.6	291.60	20,393.10
03/08/16	6801620	Discuss potential sale of Washoe 1 property and sale approval process with Receiver and G. Rodriguez and review investor input on purchase offer and counter-offer.	Fates, Edward G.	0.8	388.80	20,781.90
03/09/16	6802681	Review emails from G. Aguirre regarding proposed delay in recommendation regarding engagement of brokers, discuss same with Receiver, and respond to same.	Fates, Edward G.	0.6	291.60	21,073.50
03/10/16	6804132	Review ex parte motion filed by G. Aguirre to delay recommendation regarding brokers for Las Vegas 1, Las Vegas 2, and Tecate properties and supporting declaration.	Fates, Edward G.	0.4	194.40	21,267.90
03/11/16	6804488	Analyze issues and discuss potential response to G. Aguirre's ex parte motion to delay recommendation regarding brokers for Las Vegas 1, Las Vegas 2, and Tecate properties with Receiver (.5); prepare response and discuss same with Receiver and G. Rodriguez (2.6); finalize response (.2); discuss potential sale of Washoe 1 property and motion for approval of	Fates, Edward G.	3.6	1,749.60	23,017.50

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		same with G. Rodriguez (.3).				
03/14/16	6806661	Review documentation relating to foreclosure on Yuma II property, call and emails with foreclosure trustee regarding same, and discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	1.1	534.60	23,552.10
03/15/16	6807370	Review title and loan documents provided by foreclosure trustee for lender regarding Yuma II property, discuss same with Receiver and G. Rodriguez, and communications with foreclosure trustee.	Fates, Edward G.	1.5	729.00	24,281.10
03/16/16	6808978	Discuss review and analysis of Yuma loan and deed of trust issues with G. Rodriguez (.2); discuss issues relating to offers and overbids on Washoe, 1 property and potential sale motion regarding same with G. Rodriguez (.2).	Fates, Edward G.	0.4	194.40	24,475.50
03/17/16	6810583	Respond to request from SEC's counsel for unredacted Jamul Valley sale order.	Fates, Edward G.	0.1	48.60	24,524.10
03/23/16	6815088	Respond to G. Aguirre's request for unredacted Jamul Valley sale order and discuss same with Receiver.	Fates, Edward G.	0.3	145.80	24,669.90
03/24/16	6816469	Call/email related to Yuma property and follow-up with Receiver re same (.4).	Zaro, David R.	0.4	268.20	24,938.10
03/24/16	6816434	Communication with foreclosure trustee for Yuma II regarding litigation stay and cancellation of foreclosure.	Fates, Edward G.	0.2	97.20	25,035.30
03/28/16	6818272	Discuss status of capital calls, further broker listings, and results of investor	Fates, Edward G.	0.2	97.20	25,132.50

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		voting on letters of intent with Receiver and G. Rodriguez.				
03/28/16	6889509	Research regarding 28 USC 2001 issues (.8).	Fates, Edward G.	0.8	388.80	25,521.30
03/29/16	6821289	Review further issues/analysis of research as to the waiver/court discretion re 28 U.S.C. 2001 (.5). Call/email related to the possible waiver of the provisions of 28 U.S.C. 2001 (.2).	Zaro, David R.	0.7	469.35	25,990.65
03/29/16	6820361	Analyze issues regarding potential sale of Western property, seller financing and required documents.	Fates, Edward G.	0.2	97.20	26,087.85
03/29/16	6820282	Review executed PSA for Silver Springs property and confirm status of items required to close.	Lorenzen, Jonathan	0.6	226.80	26,314.65
03/30/16	6822653	Several calls/conference related to the sale motion, address the auction format/process (.3). Research/analysis re sale process/public versus private sale (1.1). Call with SEC counsel re sale/stipulation and waiver issues as to 2001(b) (.5).	Zaro, David R.	1.9	1,273.95	27,588.60
03/30/16	6821113	Discuss Jamul Valley sale issues and response to G. Aguirre and T. Dillon filings regarding same with Receiver (.4); work on supplemental brief in support of Jamul Valley ex parte application (2.2).	Fates, Edward G.	2.6	1,263.60	28,852.20
03/31/16	6823368	Address further issues related to asset/property sale with Receiver and counsel, approach to public sale (.4). Address the notice/auction process	Zaro, David R.	0.6	402.30	29,254.50

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		for public sale under 2001(a) (.2).				
03/31/16	6823384	Review/evaluate the issues/claims concerning the development prospects for the properties/assess response (.4). Calls with consultant and counsel as to potential analysis of properties (.3).	Zaro, David R.	0.7	469.35	29,723.85
03/31/16	6822785	Work on supplemental brief re Jamul Valley sale, discuss same with Receiver	Fates, Edward G.	2.8	1,360.80	31,084.65

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David R. Zaro	5.3	670.50	3,553.65
001665	Edward G. Fates	48.4	486.00	23,522.40
002115	Jonathan Lorenzen	8.5	378.00	3,213.00
002232	Jonathan Consani	2.6	306.00	795.60
		<u>64.8</u>		<u>31,084.65</u>
Total Fees				31,084.65
Total Disbursements				0.00

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Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00006

Matter Name: Claims & Distributions

Date of Last Billing: 06-25-2015

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
01/04/16	6744466	Review and respond to inquiry from Attorney G. Aguirre.	Fates, Edward G.	0.2	97.20	97.20
01/05/16	6745562	Discuss preliminary analysis of distribution issues with Receiver.	Fates, Edward G.	0.2	97.20	194.40
01/06/16	6747853	Address/analysis of the approach to distribution plan and advice to compel re inter-entity transfers (.4). confer with counsel as to distribution plan options/approach (.2).	Zaro, David R.	0.6	402.30	596.70
01/06/16	6747858	Review information concerning the process for claims, proof of claims, and advice to counsel re same (.4).	Zaro, David R.	0.4	268.20	864.90
01/06/16	6746069	Analyze claims and distribution plans issues and discuss same with Receiver.	Fates, Edward G.	0.3	145.80	1,010.70
01/07/16	6747781	Advise Receiver and G. Rodriguez regarding response to investor inquiry regarding sale of Jamul Valley property.	Fates, Edward G.	0.2	97.20	1,107.90
01/08/16	6748826	Meeting and follow up calls with Receiver and G. Rodriguez to review and analyze sale proceeds/distribution projections,	Fates, Edward G.	2.2	1,069.20	2,177.10

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		potential terms of distribution plan, claims process, and related issues (1.6); work on distribution plan/claim procedure motion (.6).				
01/11/16	6750160	Advise G. Rodriguez regarding response to inquiries from investor D. Gilman.	Fates, Edward G.	0.2	97.20	2,274.30
01/12/16	6751478	Review analysis and projections for formulation of distribution plan and discuss same with Receiver.	Fates, Edward G.	0.9	437.40	2,711.70
01/13/16	6755718	Work with counsel on distribution plan analysis, advice re legal issues (.4).	Zaro, David R.	0.4	268.20	2,979.90
01/13/16	6752687	Meet and confer with SEC's counsel regarding terms of proposed distribution, claims process, and related issues (1.1); discuss same with Receiver and work on proposed plan and claims motion (1.6); communications with SEC's counsel and Receiver to arrange follow up conference call (.2); review lengthy correspondence from investors D. Gilman, D. Karp, and S. Gessner (.2).	Fates, Edward G.	3.1	1,506.60	4,486.50
01/14/16	6753363	Meet and confer calls with SEC's counsel and Receiver regarding distributions, claims process, and related issues (.9); review lengthy correspondence from investor D. Karp (.2); research facts and legal issues relating to distributions and claims motion and discuss same and proposed distributions with Receiver (2.8).	Fates, Edward G.	3.9	1,895.40	6,381.90
01/15/16	6754307	Communications with Receiver and SEC's counsel concerning distribution	Fates, Edward G.	0.7	340.20	6,722.10

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		issues.				
01/18/16	6757132	Email/call with counsel concerning the Receiver's distribution plan/issues as to division of recovered proceeds (.4).	Zaro, David R.	0.4	268.20	6,990.30
01/18/16	6755129	Work on distribution plan, claims process, and motion for related relief (5.4); call with counsel for investor group regarding offers, listing agreement, sale questions, and related GP issues (.6); advise Receiver regarding same (.2).	Fates, Edward G.	6.2	3,013.20	10,003.50
01/19/16	6755252	Meet and confer communications with counsel for Schooler (.2); review correspondence from investors D. Gilman and D. Karp (.1); work on distribution/claims motion and discuss same with Receiver (1.3).	Fates, Edward G.	1.6	777.60	10,781.10
01/20/16	6758073	Review/evaluate the legal and factual issues related to distribution plan options, assess alternative approaches based on facts (1.3). Review proposal of the plan for distribution, confer with counsel re options (.6).	Zaro, David R.	1.9	1,273.95	12,055.05
01/20/16	6756875	Work on distribution/claims motion issues, analyze investor outcomes, formulate proposal, and discuss same with Receiver (2.3); review correspondence from investor Iwanowski (.1).	Fates, Edward G.	2.4	1,166.40	13,221.45
01/21/16	6760680	Call/email related to the distribution plan (.3). Research case law as to the plan alternatives as to collapse of entities for the purpose of distribution	Zaro, David R.	1.8	1,206.90	14,428.35

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		(.8). Call with Receiver/counsel as to the overall approach to the plan, assess the strategy/equity and legal issues (.7).				
01/21/16	6759896	Work on sale/distributions/claims motion, discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	3.6	1,749.60	16,177.95
01/22/16	6760788	Review of judgment, address impact on plan options, continue research/legal options to support the plan (.6). Call with counsel to address the distribution issues, meet/confer with parties (.3). Follow-up call as to distribution plan issues, potential disputes as to the same (.4). Evaluate the Receiver's records with regard to claims/investors, counsel/receiver and address the approach/timing of claims process (.6). Address claims administration process (.5).	Zaro, David R.	2.4	1,609.20	17,787.15
01/22/16	6759321	Work on distributions and claims motion and discuss facts and issues regarding GP outcomes and underwater properties with Receiver and G. Rodriguez.	Fates, Edward G.	3.1	1,506.60	19,293.75
01/23/16	6760010	Work on sale/distribution/claims motion, research and analyze legal issues, and discuss same with Receiver.	Fates, Edward G.	6.3	3,061.80	22,355.55
01/25/16	6763623	Review/evaluate/revise the draft of the Receiver's distribution plan, motion concerning plan for property disposition, claims and distribution (.9). Confer/advice to counsel related	Zaro, David R.	1.1	737.55	23,093.10

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		to schedules re: sales (.2).				
01/25/16	6760345	Follow up communications with Schooler's counsel regarding scheduling meet and confer regarding distribution motion (.1); review data on GP property appraised values and discuss same with Receiver and G. Rodriguez (.9); work on distribution plan (1.6); review correspondence from investor D. Gilman (.1); review loan documents for underwater properties regarding potential deed in lieu of foreclosure (.8).	Fates, Edward G.	3.5	1,701.00	24,794.10
01/26/16	6763636	Review of draft plan/motion to approve the plan of distribution, assess approach and supporting case law (.5). Conference with counsel as to Receiver's distribution plan, advice as to evidence to support potential opposition (.3).	Zaro, David R.	0.8	536.40	25,330.50
01/26/16	6762262	Work on distribution plan (2.6); work on motion regarding sale/distributions/claims and discuss data for same with G. Rodriguez (1.2); communications with Schooler's counsel regarding scheduling meet and confer call (.1).	Fates, Edward G.	3.9	1,895.40	27,225.90
01/27/16	6763928	Discuss outstanding issues for sale, distribution, and claims motion with Receiver (.2); communications with Schooler's counsel regarding meet and confer on motion (.1).	Fates, Edward G.	0.3	145.80	27,371.70
01/28/16	6764323	Revisions and additions to sale, distributions, and claims motion and exhibits and discuss exhibits with	Fates, Edward G.	2.9	1,409.40	28,781.10

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Receiver and G. Rodriguez.				
01/29/16	6765324	Work on sale, distribution, and claims motion and exhibits thereto and discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	4.4	2,138.40	30,919.50
02/01/16	6770298	Work on distribution plan issues/motion draft related approval of plan, follow-up to advise counsel re same (.4).	Zaro, David R.	0.4	268.20	31,187.70
02/01/16	6769184	Work on sale, distributions, and claims motion, analyze projections on investor recoveries, work on exhibits, and discuss same with Receiver and G. Rodriguez (4.3); review letters filed with Court from investors Iwanowski, Hettinger, and Diehl (.2); communications with SEC's counsel to arrange call to discuss motion (.2).	Fates, Edward G.	4.7	2,284.20	33,471.90
02/02/16	6769561	Revisions to sale, distributions, and claims motion and discuss same and changes to exhibits with Receiver and G. Rodriguez (4.4); meet and confer call with SEC's counsel (.2).	Fates, Edward G.	4.6	2,235.60	35,707.50
02/03/16	6773664	Further analysis and conference regarding the distribution plan and to motion related to the same including address potential objections to consolidated payment (.4)	Zaro, David R.	0.4	268.20	35,975.70
02/03/16	6773669	Address issues related to proposed claims process/means to adjudicate disputes on summary basis follow-up (.3).	Zaro, David R.	0.3	201.15	36,176.85
02/03/16	6770885	Work on sale, distributions, claims motion and exhibits to same (1.1);	Fates, Edward G.	1.3	631.80	36,808.65

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		review email from counsel for investors and discuss same with Receiver (.2).				
02/04/16	6771645	Revisions to exhibits to sale, distribution, and claims motion, finalize motion for filing, and prepare proposed order.	Fates, Edward G.	1.6	777.60	37,586.25
02/08/16	6775106	Review order regarding briefing schedule for sale, distribution, and claims motion and advise Receiver regarding same (.1); advise Receiver regarding Court-approved investor surrender of GP units (.2).	Fates, Edward G.	0.3	145.80	37,732.05
02/09/16	6777172	Advise Receiver regarding response to investor letter.	Fates, Edward G.	0.2	97.20	37,829.25
02/17/16	6782518	Review invoice for Nevada counsel and discuss waiver of claim for pre-receivership fees with Nevada counsel (.2); communications from counsel for investor group regarding deadline to object to motion regarding sale, distributions, and claims and documents to be requested in connection with same and discuss same with Receiver (.5).	Fates, Edward G.	0.7	340.20	38,169.45
02/18/16	6783538	Discuss response to communications from counsel for investor group with Receiver (.3); meet and confer with SEC's counsel regarding same (.2); prepare response to counsel for investor group (.2); review ex parte application, declaration, and exhibits filed by counsel for investor group (.3); work on opposition to ex parte application and discuss same with	Fates, Edward G.	1.4	680.40	38,849.85

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Receiver (.4).				
02/19/16	6784256	Work on limited opposition to ex parte application to extend opposition deadline for motion regarding sales, distributions, and claims and discuss same with Receiver (.7); review SEC joinder and reply from G. Aguirre (.2).	Fates, Edward G.	0.9	437.40	39,287.25
02/22/16	6785691	Review order extending briefing deadlines and continuing hearing on motion regarding sales, distributions, and claims and advise Receiver regarding same (.2); review email with document requests from counsel for investor group, analyze legal issues regarding same, and discuss with Receiver (.7).	Fates, Edward G.	0.9	437.40	39,724.65
02/23/16	6787962	Review issues related to discovery demands of investor counsel and follow-up as to relevance to plan issues (.4). Call with counsel to address response and discovery re: distribution motion (.3).	Zaro, David R.	0.7	469.35	40,194.00
02/23/16	6786890	Calls and emails to discuss G. Aguirre requests for documents and deposition with Receiver and respond to G. Aguirre regarding same (1.1); review documents related to G. Aguirre's requests (.3); work on response to G. Aguirre's document requests and discuss same with Receiver (.8).	Fates, Edward G.	2.2	1,069.20	41,263.20
02/24/16	6790373	Legal advice concerning distribution motion objections from certain investors, address discovery demands/deposition (.4).	Zaro, David R.	0.4	268.20	41,531.40

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
02/24/16	6787911	Finalize and send response to document requests and deposition request to G. Aguirre.	Fates, Edward G.	0.3	145.80	41,677.20
02/25/16	6789532	Review lengthy email and further document requests from G. Aguirre.	Fates, Edward G.	0.1	48.60	41,725.80
02/26/16	6790040	Review further emails and document requests from G. Aguirre and discuss responses and documents requested with Receiver and G. Rodriguez (1.4); work on responses to G. Aguirre requests (.7).	Fates, Edward G.	2.1	1,020.60	42,746.40
02/27/16	6791090	Communications with Receiver and G. Aguirre regarding requested documents.	Fates, Edward G.	0.3	145.80	42,892.20
02/29/16	6794454	Review issues raised by counsel for investors opposed to the distribution plan (.4). Call with counsel to advise on investor claims/response to their opposition (.3).	Zaro, David R.	0.7	469.35	43,361.55
02/29/16	6791600	Gather and review documents requested by G. Aguirre in connection with motion regarding sales, distributions, and claims, discuss same with G. Rodriguez, and follow up communications with G. Aguirre regarding GPs in which clients have interests.	Fates, Edward G.	1.6	777.60	44,139.15
03/01/16	6795506	Communications with G. Aguirre regarding further documents and information requested regarding motion regarding sales, distributions, and claims, discuss same with Receiver and G. Rodriguez, and gather and review requested	Fates, Edward G.	2.2	1,069.20	45,208.35

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		documents.				
03/02/16	6796157	Attention to issues regarding production of emails to G. Aguirre.	Fates, Edward G.	0.2	97.20	45,305.55
03/03/16	6796730	Discuss responses to G. Aguirre's document requests with Receiver.	Fates, Edward G.	0.2	97.20	45,402.75
03/04/16	6797730	Work on verifying applicable GPs for Aguirre's clients, production of documents requested by G. Aguirre, and discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	1.8	874.80	46,277.55
03/07/16	6798900	Discuss issues regarding documents requested by G. Aguirre and review of additional client list with Receiver and G. Rodriguez (.7); communications with G. Aguirre regarding identity and capacity of client in Reno Partners, documents already produced, and production of additional documents (.6); review documents to be produced (.2).	Fates, Edward G.	1.5	729.00	47,006.55
03/08/16	6803786	Conference concerning the opposition to distribution motion/strategy to address opposition (.4).	Zaro, David R.	0.4	268.20	47,274.75
03/08/16	6801659	Discuss further document requests from G. Aguirre and production of documents in response to same with Receiver and G. Rodriguez and review financial documents to be produced.	Fates, Edward G.	0.6	291.60	47,566.35
03/09/16	6802034	Correspondence with G. Aguirre regarding further document production related to motion regarding sales, distributions, and claims and discuss same with	Fates, Edward G.	0.4	194.40	47,760.75

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Receiver.				
03/14/16	6806653	Review further document requests from G. Aguirre, discuss same with Receiver and G. Rodriguez, gather relevant information, and prepare response to requests (1.7); review further document requests from G. Aguirre and discuss same with Receiver (.2).	Fates, Edward G.	1.9	923.40	48,684.15
03/15/16	6807383	Communications with counsel in Nevada regarding G. Aguirre request for documents relating to entitlements, mining rights, and water rights (.4); review documents related to Dayton III mineral rights (.2); respond to G. Aguirre's request regarding individual transaction information and discuss same with Receiver (.8); respond to G. Aguirre's request for documents relating to entitlements and discuss same with Receiver (.4); discuss further request from G. Aguirre regarding broker information with G. Rodriguez and respond to G. Aguirre regarding same (.4); review notice of joinder filed by investors represented by T. Dillon and advise Receiver regarding same (.2).	Fates, Edward G.	2.3	1,117.80	49,801.95
03/16/16	6811360	Evaluate the continued opposition to the Receiver's plan/approach to valuation and follow-up call to advise counsel as to the approach to discovery demands (.4).	Zaro, David R.	0.4	268.20	50,070.15
03/16/16	6808599	Confer with SEC's counsel regarding various Aguirre filings and position and potential response to same and	Fates, Edward G.	0.7	340.20	50,410.35

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		advise Receiver regarding same (.4); confer with SEC's counsel regarding T. Dillon request for meeting with SEC and Receiver and advise Receiver regarding same (.3).				
03/17/16	6810584	Review lengthy letter from G. Aguirre regarding accounting documents/bank statements and discuss response to same with Receiver.	Fates, Edward G.	0.7	340.20	50,750.55
03/18/16	6810874	Prepare response to G. Aguirre's letter and further document requests and discuss same with Receiver.	Fates, Edward G.	1.9	923.40	51,673.95
03/20/16	6812308	Review of letter from Aguirre related to discovery, assess accusations and follow-up (.3); Review/edit letter response to discovery dispute/follow-up thereon (.6).	Zaro, David R.	0.9	603.45	52,277.40
03/20/16	6811671	Prepare response to request from T. Dillon to delay hearing on motion regarding sales, distributions, and claims and discuss same with Receiver (.9); communications with Receiver and SEC's counsel regarding T. Dillon's request for meeting (.4); revisions to response letter to G. Aguirre (.3).	Fates, Edward G.	1.6	777.60	53,055.00
03/21/16	6814238	Follow-up on the discovery dispute with counsel for investor group, work on the production issues and strategy (.4).	Zaro, David R.	0.4	268.20	53,323.20
03/21/16	6812015	Finalize letter to G. Aguirre regarding document requests (.2); finalize response to T. Dillon regarding request to delay April 29 hearing date	Fates, Edward G.	1.1	534.60	53,857.80

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		(.2); draft response to further correspondence from T. Dillon regarding delay of April 29 hearing and discuss same with Receiver (.7).				
03/22/16	6815525	Calls/emails related to pending motion to establish plan for distribution and sale process (.3).	Zaro, David R.	0.3	201.15	54,058.95
03/22/16	6813996	Discuss strategy regarding responses to Dillon and Aguirre's requests to delay motion dates with Receiver (.3); meet and confer with SEC's counsel regarding Dillon's request for meeting, Dillon's request to delay hearing, Aguirre's document requests, and related issues (.8).	Fates, Edward G.	1.1	534.60	54,593.55
03/23/16	6815594	Review ex parte briefing, draft/revise notice of intent to oppose Mr. Dillon's and Aguirre's counsel briefs for investor groups (.6). Review pleadings, address several oppositions to Receiver's motion/plan and ex parte application for a continuance (.4). Calls/email with Receiver and counsel re same (.30). Call with the Court to address ex parte/Receiver's opposition (.2). Review SEC briefing, email from Receiver and analysis of issues, correspond with Receiver re same (.7).	Zaro, David R.	2.2	1,475.10	56,068.65
03/23/16	6814512	Review Dillon's ex parte motion to delay hearing with Receiver and discuss response to same with Receiver (.8); work on response (.3); review SEC's brief regarding G. Aguirre's requests to delay and	Fates, Edward G.	1.4	680.40	56,749.05

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		advise Receiver regarding same (.3).				
03/24/16	6816462	Assess issues following review of emails/letter from Aguirre and SEC related to discovery demands, pleadings and related issues (.6). Follow-up emails/communications with Receiver as well as counsel to address ongoing demands of investor counsel, evaluate scope of information and advice to Receiver re legal issues/strategy (.8). Letter to Mr. Aguirre related to discovery issues (.). Review ex parte application, draft outline of opposition brief (.6). Emails/call with Receiver re same (.2).	Zaro, David R.	2.9	1,944.45	58,693.50
03/24/16	6815437	Review further correspondence and document requests from G. Aguirre and discuss same with Receiver.	Fates, Edward G.	0.9	437.40	59,130.90
03/25/16	6818617	Review/revise the draft opposition to the ex parte (1.2). Email/call re opposition to the plan (.4).	Zaro, David R.	1.6	1,072.80	60,203.70
03/25/16	6817651	Work on opposition to T. Dillon's ex parte motion to extend deadline to oppose sale, distribution, and claims motion.	Fates, Edward G.	0.9	437.40	60,641.10
03/28/16	6819714	Call related to 28 USC 2001, follow-up to address the legal requirements related to sale process/waiver (.7). Review emails/issues raised by Investors' counsel re discovery/production of records (.4). Call with counsel related to the pending motion (.3).	Zaro, David R.	1.4	938.70	61,579.80

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
03/28/16	6818251	Work on opposition to T. Dillon's ex parte motion to delay for 30 days and discuss same with Receiver (.9); discuss G. Aguirre's requests for further documents with Receiver and gather and review requested documents (.5); review lengthy email from G. Aguirre to SEC's counsel and discuss with Receiver (.2); communications with G. Aguirre regarding under seal filings (.1); review G. Aguirre's response to SEC's brief and discuss same with Receiver (.7).	Fates, Edward G.	2.4	1,166.40	62,746.20
03/29/16	6819834	Review letter to G. Aguirre from SEC's counsel and advise Receiver regarding same (.2); communications with G. Aguirre regarding further document requests and gather documents regarding same (.4); review further correspondence and document requests from G. Aguirre (.3); review T. Dillon's reply regarding requested 30 day delay (.2).	Fates, Edward G.	1.1	534.60	63,280.80
03/30/16	6822648	Analysis of the overall plan/approach to the sale/public versus private sale issues (.5). Emails related to assertions by investor group and address accounting issues (.2). Conference call with Receiver and counsel to address the sale/distribution, public versus private sale (.7).	Zaro, David R.	1.4	938.70	64,219.50
03/30/16	6821095	Discuss latest G. Aguirre letters, accounting records, and potential response to same with Receiver (.5);	Fates, Edward G.	1.4	680.40	64,899.90

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Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		discuss T. Dillon inquiry regarding unsealing recommendations/orders with Receiver and G. Rodriguez (.4); prepare response to T. Dillon (.2); review further correspondence from G. Aguirre and discuss same with Receiver (.3).				
03/31/16	6822784	Analyze issues regarding anticipated oppositions to motion regarding sales/distributions/claims, discuss same with Receiver (.5) review further responses from SEC counsel to G. Aguirre correspondence, advise Receiver re same (.2) respond to requests for documents and information from T. Dillon (.6) review G. Aguirre joinder to T. Dillon reply regarding request to delay 30 days, discuss same with Receiver (.4)	Fates, Edward G.	1.7	826.20	65,726.10

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David R. Zaro	24.6	670.50	16,494.30
001665	Edward G. Fates	101.3	486.00	49,231.80
		<u>125.9</u>		<u>65,726.10</u>
Total Fees				65,726.10
Total Disbursements				0.00

06/08/16 16:20:15 PROFORMA STATEMENT FOR MATTER 372640-00007 (Third Party Recoveries) 372640-00007

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00007

Matter Name: Third Party Recoveries

Date of Last Billing: 02-26-2016

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
01/12/16	6751535	Review post-judgment receiver's monthly report.	Fates, Edward G.	0.2	97.20	97.20
02/01/16	6769299	Address inquiry from Fresno County sheriff regarding forced sale of LinMar III property.	Fates, Edward G.	0.2	97.20	194.40
02/08/16	6775304	Call and email with Fresno County Sheriff's office regarding levy on LinMar III property.	Fates, Edward G.	0.3	145.80	340.20
03/08/16	6800970	Discuss status and strategy regarding LinMar III property and post-judgment receivership with Receiver and review post-judgment receiver's report.	Fates, Edward G.	0.5	243.00	583.20

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	1.2	486.00	583.20
		<u>1.2</u>		<u>583.20</u>
Total Fees				583.20
Total Disbursements				0.00

06/08/16 16:20:15 PROFORMA STATEMENT FOR MATTER 372640-00009 (Employment/Fees) 372640-00009

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00009

Matter Name: Employment/Fees

Date of Last Billing: 06-25-2015

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
03/03/16	6797446	Revisions to Receiver's fourteenth interim fee application.	Fates, Edward G.	0.4	194.40	194.40

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	0.4	486.00	194.40
		<u>0.4</u>		<u>194.40</u>
Total Fees				194.40
Total Disbursements				0.00