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10 Attorneys for Receiver
11 THOMAS C. HEBRANK

12 **UNITED STATES DISTRICT COURT**
13 **SOUTHERN DISTRICT OF CALIFORNIA**
14

15 SECURITIES AND EXCHANGE
16 COMMISSION,

17 Plaintiff,

18 v.

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

22 Defendants.

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

**RECEIVER'S TWENTY-FIRST
INTERIM REPORT**

Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 Thomas C. Hebrank ("Receiver"), Court-appointed receiver for First Financial
2 Planning Corporation d/b/a Western Financial Planning Corporation ("Western"), its
3 subsidiaries and the General Partnerships listed on Schedule 1 to the Preliminary
4 Injunction Order entered on March 13, 2013 (collectively, "Receivership Entities"),
5 submits this Twenty-First Interim Report, which focuses on the Receiver's activities
6 during the third quarter of 2017.

7 I. EXECUTIVE SUMMARY

8 The Receiver continued his work to preserve and protect the assets of the
9 Receivership Entities, which during the third quarter focused on implementing the
10 Court's May 25, 2016 order (Dkt. No. 1304), which granted in part and denied in
11 part the Receiver's orderly sale/distribution plan motion (Dkt. No. 1181), including
12 marketing and selling receivership estate properties pursuant to the Court-approved
13 Modified Orderly Sale Procedures. The Receiver also continued to address other
14 business and legal issues unique to certain GPs. In addition, the Receiver prepared
15 his Twentieth Interim Report, which was filed on August 9, 2017. Dkt. No. 1505.

16 II. SUMMARY OF RECEIVER'S ACTIVITIES

17 The Receiver's primary focus since his appointment has been on preserving
18 and protecting the Receivership Entities' assets. These activities fall into the
19 following general categories:

20 A. Business Operations

21 The Receiver continued to operate the Receivership Entities, process receipts
22 and disbursements, and address issues regarding GP properties, letters of intent from
23 potential purchasers, and related issues.

24 B. Asset Recoveries

25 The Receiver has investigated and pursued recoveries from various assets,
26 including the following:

27 **Notes Payable from LinMar Entities.** The Receiver has continued efforts to
28 enforce the judgments entered by the Court against LinMar Management,

1 LinMar III, and LinMar IV. The Receiver has taken various steps to enforce the
 2 judgments, including levying on bank accounts (from which \$10,252 was collected
 3 towards the LinMar Management judgment), obtaining the appointment of a post-
 4 judgment receiver over the LinMar III property, and negotiating a judgment payoff
 5 of \$205,000 for the LinMar IV judgment with the new owner of LinMar IV. During
 6 the third quarter of 2017, the Receiver continued to monitor the activities and
 7 progress of the LinMar III post-judgment receiver.

8 **C. Specific Property Issues**

9 The Receiver has addressed the following issues that have arisen pertaining to
 10 GP properties:

11 **Tecate.** The Receiver received a letter from the United States Army Corps of
 12 Engineers stating its desire to purchase easements on two of the seven Tecate
 13 properties (Vista Tecate and International). The easement would be for the border
 14 patrol to use certain paths/trails on the properties, which are very close to the United
 15 States/Mexico border. The amounts offered for the easements are very modest. The
 16 Receiver has been in communication with the United States Army Corps of
 17 Engineers, which is gathering more information about the proposed easements to
 18 ascertain whether there is truly a public need for the proposed easements and
 19 whether the amounts offered are reasonable. The Receiver continues to wait for an
 20 update from the Army Corps of Engineers.

21 **LV Kade.** The Receiver received a letter from the City of North Las Vegas
 22 stating its intention to exercise its eminent domain power over a small portion of the
 23 LV Kade property for the construction of a storm drain system. The Receiver
 24 communicated with the City to gather more information about the intended storm
 25 drain construction, scope of the project, appraisal process, timing, and related issues.
 26 In November 2016, an appraiser visited the property to perform an evaluation for the
 27 City. The City then offered to pay \$4,700 for the easement. The Receiver reviewed
 28 the report and provided additional information to the City, which led to an improved

1 offer of \$5,300. After consulting with the engineer hired to perform an engineering
2 analysis of the easement's impact, the Receiver accepted the improved offer. The
3 Receiver signed the easement agreement, which is currently going through the City
4 approval and recording process. As the easement will help extend City services to
5 the property, its placement enhances the value of the property.

6 **Property Tax Appeals.** In 2013, as directed by the Court, the Receiver
7 obtained an appraisal of each GP property for purposes of inclusion in his Real
8 Estate Valuation Report. Dkt. No. 203. In 2015, as directed by the Court, the
9 Receiver obtained an updated appraisal for GP properties that could afford one and
10 broker opinions of value for other GP properties. Based on the appraised values of
11 GP properties and the assessed values of such properties in property tax statements,
12 the Receiver appealed the property tax assessments for certain GPs. Those appeals
13 have generated a savings to the GPs of approximately \$88,000, net of fees owed to
14 the property tax consultants, who worked entirely on contingency. The reductions
15 in assessed values reduced the annual and ongoing property tax obligations of the
16 receivership estate.

17 **The Stead Property.** As discussed in prior reports, there were two tenants
18 living rent-free in a duplex on the Stead property. Upon learning of the tenants, the
19 Receiver contacted them and advised they would need to pay rent. One tenant left
20 shortly thereafter. The remaining tenant was paying rent; however, the rent was not
21 received timely and consistently. After various attempts to resolve disputes with the
22 tenant, including the tenant demanding improvements to the property, violating the
23 lease and subletting the vacant portion of the property to a third party, and generally
24 failing to timely pay rent, the lease was terminated. The tenant vacated the property
25 and the Receiver worked with a local broker to secure the property and post no-
26 trespassing signs.

27 The Court-approved broker for the property recommended some clean-up
28 efforts, which were substantial in scope. These efforts include removal of over

1 1,000 used tires, removal of various abandoned automobiles throughout the property
2 and general clean-up of the items remaining in both the home and garage. The cost
3 of this work totaled \$11,666. The Receiver and the broker negotiated a short-term
4 contract for the broker's property management work. Because of the clean-up costs
5 and questions raised by a potential buyer (who later determined not to pursue a
6 purchase of the property), the Receiver is seeking additional environmental reports
7 about the condition of the property to aid in an eventual sale.

8 **Taxes and Mortgages.** The Receiver negotiated with various taxing
9 authorities, special assessment districts, and mortgage holders regarding reductions
10 in taxes, loan balances, late charges, penalties, default interest, and similar amounts
11 owed that previously accrued because of GPs that ran out of cash. The Receiver has
12 negotiated reductions of approximately \$57,500 in principal balances due on loans,
13 some of which had become due or were in arrears due to those respective
14 partnerships' inability to pay. In many instances, the Receiver was also able to
15 convince the noteholders to waive past due penalties and interest charges.

16 Additionally, the Receiver was able to successfully negotiate with the Washoe
17 County Special Assessment District to obtain a waiver of \$184,317.60 in special
18 assessment district bond penalties for the Washoe 3 property. Previously, the
19 Washoe 3 partnerships had been unable to raise the funds necessary to timely pay
20 the assessments. Penalties on these bonds were significant in that they could more
21 than double the amount due after only a short period of time. After significant
22 efforts by the Receiver and his counsel, the Washoe County District Attorney
23 worked with the related Assessment District to provide substantial relief.

24 The Receiver was also able to resolve the dispute regarding the payoff
25 amount for the mortgages in favor of Tower 98, LLC on the Santa Fe property. The
26 Receiver had sought authority to bring an action to quiet title to the property, which
27 authority was granted. Dkt. Nos. 1454, 1485. The discussions regarding the payoff
28 amount were quite lengthy as Tower 98 was challenging to work with, but

ultimately, the Receiver and Tower 98 agreed on a discounted payoff amount, the payment was made, and reconveyance documents clearing the liens from title to the property were recorded.

D. Closed and Pending Property Sales

The following is a summary of closed and pending sales of GP properties:

- The Court approved the Receiver's motion for approval of the sale of the Jamul Valley property on August 30, 2016. Dkt. No. 1361. The Graham Investors then appealed the sale order (along with several other orders). Dkt. No. 1363. As a result, TNC could not obtain a title insurance policy and the sale could not close until the appeal was resolved. In March 2017, the Graham Investors voluntarily dismissed their appeal as to all orders. Dkt. No. 1453. Accordingly, the Receiver and TNC worked toward closing the sale, which occurred on August 4, 2017.
- The Receiver's motion for approval of the sale of the Reno Vista and Reno View properties was approved on August 30, 2016. Dkt. No. 1360. It was then discovered that the properties were encumbered by four deeds of trust dating back to 1980 and 1981: (a) two in favor of Tierra Del Mar Corporation, an entity held in a family trust set up by Defendant Louis Schooler's parents prior to their deaths, (b) one in favor of Schooler's parents directly, and (c) one in favor of EBS Land Company, an affiliated entity controlled by Schooler. The Receiver has successfully removed the Tierra Del Mar liens through the probate trustee appointed over the family trust and the Schooler parents' direct lien through a petition to the Nevada state court. The Receiver also filed a motion with this Court for an order confirming EBS Land as an affiliate of the Receivership Entities, and therefore within the scope of the receivership, so the title company would accept the release/reconveyance of the EBS Land lien executed by the Receiver. Dkt. No. 1472. On August 4, 2017, the Court appointed the

1 Receiver as Elisor to reconvey the EBS Land lien such that the sale could
2 close. Dkt. No. 1502. The closing occurred on September 1, 2017.

- 3 • On January 17, 2017, the Receiver filed a motion for approval of the sale
4 of the Honey Springs property. Dkt. No. 1430. The sale was approved on
5 March 20, 2017 (Dkt. No. 1449) and closed on March 30, 2017.
- 6 • On February 27, 2017, the Receiver filed a motion for approval of the sale
7 of the Reno Partners property. Dkt. No. 1443. The sale was approved on
8 April 12, 2017 (Dkt. No. 1463) and closed on April 28, 2017.
- 9 • On May 4, 2017, the Receiver filed a motion for approval of the sale of the
10 Valley Vista Partners property. Dkt. No. 1475. The sale was approved on
11 June 14, 2017 (Dkt. No. 1486) and closed on June 30, 2017.
- 12 • On May 25, 2017, the Receiver filed a motion for approval of the sale of
13 the Bratton View property. Dkt. No. 1480. During the overbid period, the
14 Receiver received a qualified overbid, which, after the original buyer
15 declined to bid further, became the winning bid. The motion to approve
16 the sale to the overbidder was granted on August 4, 2017, and the sale
17 closed on August 21, 2017.
- 18 • On August 18, 2017, the Receiver filed a motion for approval of the sale
19 of the LV Kade property. Dkt. No. 1506. The sale was approved on
20 September 6, 2017 (Dkt. No. 1511) and is expected to close in
21 December 2017.
- 22 • On August 25, 2017, the Receiver filed a motion for approval of the sale
23 of the Silver Springs North property. Dkt. No. 1508. During the title
24 review process, a lien for a transaction prior to any of the receivership
25 entities was found to be clouding title. The escrow officer was able to
26 make contact with the owner of that lien, but was unable to get them to
27 submit the paperwork necessary to remove the lien. The Receiver, through
28 counsel, reached out to the buyer and was able to secure a reconveyance of

1 the lien. The sale was approved on September 20, 2017 (Dkt. No. 1520),
2 and closed on October 31, 2017.

- 3 • On September 8, 2017, the Receiver filed a motion for approval of the sale
4 of the Park Vegas property. Dkt. No. 1513. The sale was approved on
5 October 19, 2017 (Dkt. No. 1536) and closed on November 7, 2017.
- 6 • On September 13, 2017, the Receiver filed a motion for approval of the
7 sale of the Washoe V property. Dkt. No. 1515. The sale was approved on
8 October 19, 2017 (Dkt. No. 1537) and is expected to close in
9 December 2017.
- 10 • On September 28, 2017, the Receiver filed a motion for approval of the
11 sale of the Silver State property. Dkt. No. 1527. The sale was approved
12 on October 30, 2017 (Dkt. No. 1543) and is expected to close shortly.
- 13 • The Receiver has received offers, notified investors of the same,
14 negotiated with the prospective purchasers, and entered into purchase and
15 sale agreements for the following properties, subject to overbid and Court
16 approval: (a) Dayton I, (b) Dayton IV, and (c) Fernley I. The prospective
17 purchasers for Dayton I and Fernley I are currently conducting their due
18 diligence. If and when they remove their contingencies for the sales, the
19 Receiver will file motions seeking approval of the proposed sales, subject
20 to overbid. The prospective purchaser for Dayton IV removed his
21 contingencies on November 7, 2017 and a motion for approval of the sale
22 will be filed shortly.

23 **E. Pending Offers and Negotiations**

24 The Receiver has recently received offers for two other properties, while
25 other previously noticed offers have been withdrawn. The newly received offers are
26 consistent with the previously received valuations for the applicable properties.
27 Consistent with the Modified Orderly Sale Process, the Receiver has notified
28 investors of the offers and is continuing to negotiate with the potential buyers.

III. RECEIPTS AND DISBURSEMENTS

Attached hereto as Exhibit A is a summary of the receipts and disbursements for the consolidated receivership accounts during the third quarter of 2017. As noted above, pursuant to the Court's May 25, 2016 Order (Dkt. No. 1304), the cash balances in GP accounts and Western accounts were pooled together in one account. Receipts during the period comprised of proceeds from the sales of receivership properties and bank interest earned on the account balance. Notable expenses during the period include:

- Mortgage payments of \$11,712.
- Court-approved fees and expenses of the Receiver and the Receiver's counsel of \$283,587.
- Property taxes and special assessment district bond payments of \$85,007.

Attached as Exhibit B is the Standardized Fund Accounting Report for the third quarter of 2017.

IV. INVESTOR COMMUNICATIONS

The Receiver has continued to update his website, www.ethreeadvisors.com, with orders entered by the Court, Receiver reports, and briefs filed by the parties that pertain directly to the receivership. The Receiver and his staff have also responded to numerous inquiries from investors and other interested parties about the receivership and have updated the Case Updates section of the Receiver's website to address common questions and themes in correspondence from investors. The Receiver has provided answers to Frequently Asked Questions to address common investor questions and misconceptions about the receivership. As in the past, the Receiver had to respond to numerous e-mails and calls from investors with concerns. Investors are again reminded of the importance of informing the Receiver of any change in their e-mail address or physical address.

1 Starting with January 2017, the Receiver has provided monthly email updates
2 to all investors. The emails provide investors with updates on new developments in
3 the receivership, including sales of properties, mailing of K-1 tax statements, and
4 related issues. Each case update reminds investors to provide updated contact
5 information if their contact information changes. Investors are able to sign up to
6 receive these updates on the Receiver's website or to "unsubscribe" from receiving
7 the updates if they choose.

8 **V. INVESTOR CLAIMS PROCESS**

9 The Receiver worked with tax accountant Duffy Kruspodin, LLP ("Duffy") to
10 prepare and send investor notices regarding the approved claims process and the
11 Receiver's calculation of their claims. Letters to most claimants were sent out by
12 August 1, 2017, while letters to certain former employees/sales agents and other
13 related persons were sent out by August 15, 2017. Pursuant to the approved
14 procedures, investors (including former employees/sales agents) had 30 days from
15 receipt of the notice to respond in writing with any dispute concerning the
16 calculation of their claim, stating the nature of the dispute and provide
17 documentation supporting their position as to the calculation of their claim amount.
18 The Receiver reviewed and considered all such disputes, of which there were
19 only 21, and attempted to resolve disputes with the applicable investors. At the
20 conclusion of that process, only six disputed claims remained. The Receiver filed
21 his motion asking the Court to resolve the claim disputes and approve his proposed
22 allowed amounts of all claims on November 2, 2017. Dkt. No. 1545. The motion is
23 set to be heard on December 15, 2017.

24 **VI. PROPOSED CLOSURE OF GENERAL PARTNERSHIPS**

25 The Receiver believes that continuing to incur costs to prepare and file tax
26 returns for the 86 GPs and related entities, as well as to prepare and send K-1s to the
27 approximately 3,400 investors is an unnecessary drain on the receivership estate,
28 considering that the Court has approved the pooling of all receivership estate assets

1 for distribution to investors on a *pro rata* basis. Accordingly, in connection with his
 2 motion seeking approval of the proposed allowed amounts of claims, the Receiver
 3 has requested authority to transfer GP properties to Western, prepare final tax
 4 returns and K-1s, and close the GPs. Dkt. No. 1545. If approved, all properties and
 5 other receivership estate assets will fall under the Qualified Settlement Fund tax
 6 return prepared for the estate as a whole. As properties are sold pursuant to the
 7 Modified Orderly Sale Process, the sale proceeds will be deposited into the pooled
 8 account for future distribution. This relief, if approved, will save the receivership
 9 estate over \$100,000 annually in tax preparation fees.

10 **VII. RECOMMENDATIONS**

11 The Receiver recommends the receivership over Western and the other
 12 Receivership Entities continue pursuant to the Court's orders and the Receivership
 13 Entities' assets continue to be preserved and protected until properties have been
 14 sold and distributions have been made pursuant to the Court-approved distribution
 15 plan and the Receiver provides his final report and accounting.

16 **VIII. CONCLUSION**

17 Based on the foregoing, the Receiver requests approval of this Twenty-First
 18 Interim Report and his recommendations discussed above.

19
 20 Dated: November 8, 2017

ALLEN MATKINS LECK GAMBLE
 MALLORY & NATSIS LLP

21 By: /s/ Edward Fates
 22 EDWARD G. FATES
 23 Attorneys for Receiver
 24 THOMAS C. HEBRANK
 25
 26
 27
 28

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	PAGE NO.
Exhibit A	Summary of Receipts and Disbursements for Consolidated Receivership Accounts During Third Quarter of 2017	13
Exhibit B	Standardized Fund Accounting Report	15

EXHIBIT A

EXHIBIT A

	Jul-17	Aug-17	Sep-17	Q3 2017 TOTAL
Beginning Balance - WFP Receivership	415,570	576,073	38,454	38,454
Beginning Balance - Money Market	250,543	250,586	1,250,656	1,250,656
Total	666,113	826,659	1,289,109	1,289,109
Ordinary Income/Expense				
Income				
Transfer to Money Market Account	-	1,000,000	-	1,000,000
36000 - Interest - Money Market	43	70	206	318
37000 - Linmar Settlement	1,017	-	-	1,017
47900 - Sales - WFPC Property	37,926	-	-	37,926
48000 - Sales - Partnership Property	216,468	761,915	66,555	1,044,938
63300 - Insurance Expense - Refund	-	-	-	-
67000 - Property Tax - Refund	1,226	-	-	1,226
2430 Yuma 3 (Yuma APN 202-09-007) - Loan Payoff Refund	-	-	-	-
2422 Yuma 3 (Yuma APN 202-49-005) - Loan Payoff Refund	-	-	-	-
69000 - WFP-Partnership Capital Contribution - Credit	-	-	-	-
Total Income	256,679	1,761,985	66,760	2,085,425
Total Receivership Income	256,636	761,915	66,555	1,085,107
Expense				
60000 - Marketing of Property Sales	-	1,073	580	1,653
61700 - Computer and Internet Expenses	45	45	45	135
63300 - Insurance Expense	-	6,189	-	6,189
63400 - Interest on Mortgages	541	259	248	1,049
63450 - Mortgage Payoff Fees	-	-	-	-
63451 - Mortgage Late Penalties	-	-	-	-
63460 - Loan Write Off - Paid in Full	-	-	-	-
63500 - Maintenance	-	2,500	-	2,500
65000 - Postage & Shipping Fees	-	2,972	-	2,972
65500 - Printing Services	-	-	-	-
66500 - LLC Filing Fees	1,250	-	475	1,725
66650 - Legal Fees	-	133,858	-	133,858
66700 - Professional Fees	720	-	-	720
66750 - Receiver Fees	-	149,729	-	149,729
66800 - Tax Preparation Services	-	-	-	-
66830 - Permit Fees	611	-	-	611
67000 - Property Tax	52,784	-	122	52,906
67050 - Property Tax Special Assessment	32,102	-	-	32,102
67500 - Storage	671	673	1,027	2,371
68000 - Taxes - Federal and State	-	-	-	-
68600 - Utilities	182	-	-	182
69000 - WFP-Partnership Capital Contribution Refunds	-	-	12	12
69500 - WFP - Note Payment Partnership	-	-	-	-
Transfer to Money Market Account	-	1,000,000	-	-
Total Expense	88,907	1,297,298	2,509	388,713
Western Loans				
2422 Yuma 3 (Yuma APN 202-49-005)	-	-	-	-
2423 Yuma 3	-	-	-	-
2427 Yuma 3	-	-	-	-
2428 Yuma 3	-	-	-	-
2429 Yuma 3	-	-	-	-
2430 Yuma 3 (Yuma APN 202-09-007)	-	-	-	-
2431 Yuma 3	-	-	-	-
2435 Dayton 4 (APN 04-291-18)	-	-	-	-
2436 Dayton 4 (Storey APN 04-291-18)	-	-	-	-
2437 Dayton 4 (Storey APN 04-291-18)	-	-	-	-
2438 Dayton 4 (Lyon APN 16-021-20)	-	-	-	-
2440 Dayton 4 (Lyon APN 16-021-20)	-	-	-	-
2444 Dayton 4 (WFPC Owned) (Lyon APN 16-021-28)	-	-	-	-
2446 Dayton 4 (WFPC Owned) (Lyon APN 16-021-28)	-	-	-	-
Total Western Loans	-	-	-	-
SFV II Loans				
Washoe 5	2,226	2,237	2,248	6,712
Total SFV II Loans	2,226	2,237	2,248	6,712
Santa Fe Venture LLC Loans				
1 - Santa Fe	-	-	-	-
2 - Santa Fe - Tract 2, 3, 4 (Tower 98 Loan - Tract 2, 3, 4)	5,000	-	-	5,000
Total Santa Fe Venture LLC Loans	5,000	-	-	5,000
Total Long Term Liabilities	7,226	2,237	2,248	11,712
Total Liabilities	96,133	1,299,535	4,757	1,400,425
Net Ordinary Income	160,504	(537,620)	61,798	(315,318)
Net Income	160,504	(537,620)	61,798	(315,318)
Ending Balance - WFP Receivership	576,073	38,454	100,251	100,251
Ending Balance - Money Market	250,586	1,250,656	1,250,861	1,250,861
Total Ending Balance	826,659	1,289,109	1,351,113	1,351,113

EXHIBIT B

EXHIBIT B

Thomas C. Hebrank, Receiver
E3 Advisors
401 West A Street, Suite 1830
San Diego, CA 92101
(619) 567-7223

STANDARDIZED FUND ACCOUNTING REPORT

CIVIL - RECEIVERSHIP FUND

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,

v.

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

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

REPORTING PERIOD 07/01/2017 TO 09/30/2017

STANDARDIZED FUND ACCOUNTING REPORT for Western Financial Planning - Cash Basis

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

Reporting Period 07/01/2017 to 09/30/2017

FUND ACCOUNTING (See instructions):			
	Detail	Subtotal	Grand Total
Line 1 Beginning Balance (As of 07/01/17):	782,107		666,113
<i>Increases in Fund Balance:</i>			
Line 2 Business Income	-		-
Line 3 Cash and Securities	-		-
Line 4 Interest/Dividend Income	125		318
Line 5 Business Asset Liquidation	269,944		1,082,864
Line 6 Personal Asset Liquidation	-		-
Line 7 Third-Party Litigation Income	-		-
Line 8 Misc - Insurance & Prop Tax Refunds	-		2,243
Total Funds Available (Lines 1 - 8):	1,052,176		1,751,538
<i>Decreases in Fund Balance:</i>			
Line 9 Disbursements to Investors	-		-
Line 10 Disbursements to Receivership Operations			
Line 10a Disbursement to Receiver or Other Professionals	(89,527)		(284,307)
Line 10b Business Asset Expenses	(296,536)		(116,118)
Line 10c Personal Asset Expenses	-		-
Line 10d Investment Expenses	-		-
Line 10e Third-Party Litigation Expenses	-		-
1. Attorney Fees	-		-
2. Litigation Expenses	-		-
Total Third-Party Litigation Expenses	-		-
Line 10f Tax Administrator Fees and Bonds	-		-
Line 10g Federal and State Tax Payments	-		-
Total Disbursements for Receivership Operations			(400,425)
Line 11 Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a Distribution Plan Development Expenses:			
1. Fees:			
Fund Administrator.....	-		-
Independent Distribution Consultant (IDC).....	-		-
Distribution Agent.....	-		-
Consultants.....	-		-
Legal Advisors.....	-		-
Tax Advisors.....	-		-
2. Administrative Expenses	-		-
3. Miscellaneous	-		-
Total Plan Developmental Expenses			-
Line 11b Distribution Plan Implementation Expenses:			
1. Fees:			
Fund Administrator.....	-		-
IDC.....	-		-
Distribution Agent.....	-		-
Consultants.....	-		-
Legal Advisors.....	-		-
Tax Advisors.....	-		-
2. Administrative Expenses	-		-
3. Investor Identification:			
Notice/Publishing Approved Plan.....	-		-
Claimant Identification.....	-		-
Claims Processing.....	-		-
Web Site Maintenance/Call Center.....	-		-
4. Fund Administrator Bond	-		-
5. Miscellaneous	-		-
6. Federal Account for Investor Restitution (FAIR) Reports Expenses	-		-
Total Plan Implementation Expenses			-
Total Disbursements for Distribution Expenses Paid by the Fund			-
Line 12 Disbursements to Court/Other:			
Line 12a Investment Expenses/Court Registry Investment System (CRIS) Fees	-		-
Line 12b Federal Tax Payments	-		-
Total Disbursement to Court/Other:			-
Total Funds Disbursed (Lines 9 - 11):			(400,425)
Line 13 Ending Balance (As of 09/30/2017):			1,351,113

STANDARDIZED FUND ACCOUNTING REPORT for Western Financial Planning - Cash Basis

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

Reporting Period 07/01/2017 to 09/30/2017

Line 14 Ending Balance of Fund - Net Assets:			
Line 14a	Cash & Cash Equivalents		1,351,113
Line 14b	Investments		-
Line 14c	Other Assets or Uncleared Funds		-
Total Ending Balance of Fund - Net Assets			1,351,113
OTHER SUPPLEMENTAL INFORMATION:			
	Detail	Subtotal	Grand Total
Report of Items NOT to be Paid by the Fund:			
Line 15 Disbursement for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	Plan Development Expenses Not Paid by the Fund:		
1. Fees:			
	Fund Administrator.....	-	-
	IDC.....	-	-
	Distribution Agent.....	-	-
	Consultants.....	-	-
	Legal Advisors.....	-	-
	Tax Advisors.....	-	-
2. Administrative Expenses		-	-
3. Miscellaneous		-	-
Total Plan Developmental Expenses Not Paid by the Fund			-
Line 15b	Plan Implementation Expenses Not Paid by the Fund		
1. Fees:			
	Fund Administrator.....	-	-
	IDC.....	-	-
	Distribution Agent.....	-	-
	Consultants.....	-	-
	Legal Advisors.....	-	-
	Tax Advisors.....	-	-
2. Administrative Expenses		-	-
3. Investor Identification			
	Notice/Publishing Approved Plan.....	-	-
	Claimant Identification.....	-	-
	Claims Processing.....	-	-
	Web Site Maintenance/Call Center.....	-	-
4. Fund Administrator Bond		-	-
5. Miscellaneous		-	-
6. FAIR Reporting Expenses		-	-
Total Plan Implementation Expenses Not Paid by the Fund			-
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund		-
Total Disbursements for Plan Administration Expenses Not Paid by the Fund			-
Line 16 Disbursements to Court/Other Not Paid by the Fund:			
Line 16a	Investment Expenses/CRIS Fees	-	-
Line 16b	Federal Tax Payments	-	-
Total Disbursement to Court/Other Not Paid by the Fund:			-
Line 17	DC & State Tax Payments	-	-
Line 18 No. of Claims:			
Line 18a	# of Claims Received This Reporting Period.....		0
Line 18b	# of Claims Received Since Inception of Fund.....		0
Line 19 No. of Claimants/Investors:			
Line 19a	# of Claimants/Investors Paid this Reporting Period.....		0
Line 19b	# of Claimants/Investors Paid Since Inception of Fund.....		0

Receiver:

By:



Thomas C. Hebrank

Court-Appointed Receiver

Date: _____

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 November 8, 2017, I served the within document(s) described as:

• RECEIVER'S TWENTY-FIRST INTERIM REPORT

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 November 8, 2017, 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:

- Gary J. Aguirre - gary@aguirrelawapc.com; maria@aguirrelawapc.com
- John Willis Berry - berryj@sec.gov; LAROFiling@sec.gov
- Lynn M. Dean - deanl@sec.gov; longoa@sec.gov; larofiling@sec.gov; berryj@sec.gov; irwinma@sec.gov; cavallones@sec.gov
- Timothy P. Dillon - tdillon@dghmalaw.com; kramirez@dghmalaw.com; sahuja@dghmalaw.com
- Philip H. Dyson - phildysonlaw@gmail.com; jldossegger2@yahoo.com; phdtravel@yahoo.com
- Edward G. Fates - tfates@allenmatkins.com; bcrfilings@allenmatkins.com; jholman@allenmatkins.com
- Dennis Frisman - gary@aguirrelawapc.com
- Eric Hougen - eric@hougenlaw.com
- Sara D. Kalin - kalins@sec.gov; chattoop@sec.gov; irwinma@sec.gov
- E. Andrew Schooler - andyschooler@att.net
- Carol Elizabeth Schultze - schultzec@sec.gov; masseym@sec.gov; caroleschultze@gmail.com; clarket@sec.gov
- Bryan Charles Vess - annamforsberg@gmail.com
- David R. Zaro - dzaro@allenmatkins.com; mdiaz@allenmatkins.com

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

Executed on November 8, 2017, at San Diego, California.

Edward G. Fates
(Type or print name)

/s/ Edward Fates
(Signature of Declarant)