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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

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

**AMENDED ORDER
AUTHORIZING AND RATIFYING
TRANSFERS OF GENERAL
PARTNERSHIP PROPERTIES**

Before the Court is a Motion for Amended Order Authorizing and Ratifying Transfers of General Partnership Properties filed by Thomas C. Hebrank ("Receiver"), the Court-appointed receiver for First Financial Planning Corporation d/b/a Western Financial Planning Corporation ("Western"), its subsidiaries and the General Partnerships listed in Schedule 1 to the Preliminary Injunction Order entered on March 13, 2013 (collectively, "Receivership Entities"). ECF No. 1571. On December 11, 2017, the Court granted the Receiver's request for authority to transfer properties held by the General Partnerships ("GPs") included in the receiverships to Western and to close the GPs. ECF No. 1565. In the instant motion, the Receiver explains that he has been informed by the tax accountants at Duffy Kruspodin &

1 Company that to ensure the properties are recognized as being within the Qualified
2 Settlement Fund for federal and state tax reporting purposes, “the best course of
3 action was to setup a QSF trust to hold the properties and their sale proceeds
4 consistent with the Court orders.” ECF No. 1571-1 at 2. To complete the transfers
5 before the turn of the new year so as to avoid having to prepare 2018 tax returns for
6 the GPs, the Receiver set up a QSF Trust entitled “WFP Receivership QSF Trust”
7 with its own employer identification number. *Id.* The Receiver now seeks specific
8 authorization and ratification of the transfers of the GP properties to the QSF Trust.
9 *Id.* at 3. The Court set a deadline for any opposition to be filed by January 19, 2018.
10 ECF No. 1573. No party has filed an opposition to the motion.

11 According to the Receiver, title companies will not issue a title insurance
12 policy to the buyer in future sales unless the Court specifically authorizes transfers of
13 properties to the QSF Trust. *Id.* at 3. In fact, the title company involved in the sale
14 of the Dayton IV property has recently required the Receiver to provide an order
15 from this Court specifically authorizing the transfer of Dayton IV to the QSF Trust
16 and specifically approving and authorizing the sale of the property from the QSF
17 Trust to the buyer, KSA Advancements, LLC. *Id.* As a result, the Receiver asks that
18 in this order the Court also specifically authorize the sale of Dayton IV (on the exact
19 same terms previously approved) from the QSF Trust to KSA Advancements, LLC.
20 *Id.*

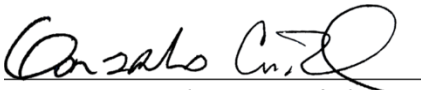
21 The Court finds good cause to grant the Receiver’s motion. The Receiver has
22 made clear that “there is no meaningful distinction between Western and the QSF
23 Trust for the receivership estate and the distribution of receivership assets to the
24 holders of allowed claims and the QSF Trust is simply being formed for tax reporting
25 purposes.” ECF No. 1571-1 at 2–3. As a result, the Court finds as follows:

- 26 1. The Motion is granted;
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1 2. The transfers of title to all properties held by the GPs from the GPs to
2 WFP Receivership QSF Trust, whether such transfers occur before or after entry of
3 the order are hereby authorized and ratified; and

4 3. The sale of the property known as Dayton IV, as described in the
5 Declaration of Thomas C. Hebrank filed on November 9, 2017, and exhibits thereto
6 (ECF No. 1550-2), from WFP Receivership QSF Trust to KSA Advancements, LLC,
7 on the same terms and conditions provided in the previously filed sale motion (ECF
8 No. 1550) and sale approval order (ECF No. 1566), is hereby approved and
9 authorized.

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11 Dated: February 7, 2018


12 Hon. Gonzalo P. Curiel
13 United States District Judge
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