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10
11 Attorneys for Receiver
THOMAS C. HEBRANK

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

14
15 SECURITIES AND EXCHANGE
COMMISSION,

16 Plaintiff,

17 v.

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

21 Defendants.
22

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

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

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

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

7 **I. EXECUTIVE SUMMARY**

8 The Receiver continued his work to preserve and protect the assets of the
9 Receivership Entities, including implementing the Court's May 25, 2016 order
10 (Dkt. No. 1304), which granted in part and denied in part the Receiver's orderly
11 sale/ distribution plan motion (Dkt. No. 1181), including marketing and selling
12 receivership estate properties pursuant to the Court-approved Modified Orderly
13 Sale Procedures. The Receiver also continued to address other business and legal
14 issues unique to certain GPs. In addition, the Receiver prepared his Twenty-First
15 Interim Report, which was filed on November 8, 2017. Dkt. No. 1549.

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 real properties, letters of intent
23 from 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
28 to 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.
6 During the fourth quarter of 2017, the Receiver continued to monitor the activities
7 and progress of the LinMar III post-judgment receiver. Based on recent
8 communications with the post-judgment receiver, the Receiver believes a sale of
9 the property and full recovery on the LinMar III judgment may be forthcoming in
10 the next 6 to 12 months.

11 **C. Specific Property Issues**

12 The Receiver has addressed the following issues that have arisen pertaining
13 to GP properties:

14 **LV Kade.** The Receiver received a letter from the City of North Las Vegas
15 stating its intention to exercise its eminent domain power over a small portion of
16 the LV Kade property for the construction of a storm drain system. The Receiver
17 communicated with the City to gather more information about the intended storm
18 drain construction, scope of the project, appraisal process, timing, and related
19 issues. In November 2016, an appraiser visited the property to perform an
20 evaluation for the City. The City then offered to pay \$4,700 for the easement. The
21 Receiver reviewed the report and provided additional information to the City,
22 which led to an improved offer of \$5,300. After consulting with the engineer hired
23 to perform an engineering analysis of the easement's impact, the Receiver accepted
24 the improved offer. The Receiver signed the easement agreement, which then went
25 through the City approval and recording process. As the easement will help extend
26 City services to the property, its placement enhances the value of the property.
27 Note, as discussed below, the sale of the LV Kade property closed on January 16,
28 2018.

1 **The Stead Property.** As discussed in prior reports, there were two tenants
2 living rent-free in a duplex on the Stead property. Upon learning of the tenants, the
3 Receiver contacted them and advised they would need to pay rent. One tenant left
4 shortly thereafter. The remaining tenant was paying rent; however, the rent was not
5 received timely and consistently. After various attempts to resolve disputes with
6 the tenant, including the tenant demanding improvements to the property, violating
7 the lease and subletting the vacant portion of the property to a third party, and
8 generally failing to timely pay rent, the lease was terminated. The tenant vacated
9 the property and the Receiver worked with a local broker to secure the property and
10 post no-trespassing signs.

11 The Court-approved broker for the property recommended some clean-up
12 efforts, which were substantial in scope. These efforts include removal of over
13 1,000 used tires, removal of various abandoned automobiles throughout the
14 property and general clean-up of the items remaining in both the home and garage.
15 The cost of this work totaled \$11,666. The Receiver and the broker negotiated a
16 short-term contract for the broker's property management work. Because of the
17 clean-up costs and questions raised by a potential buyer (who later determined not
18 to pursue a purchase of the property), the Receiver is seeking additional
19 environmental reports about the condition of the property to aid in an eventual sale.

20 **Minden Water Rights.** The Receiver has worked with local counsel in
21 Nevada to preserve and protect the water rights associated with the Minden
22 property, which have been recognized as adding value by consultants and brokers
23 who have evaluated the property. The steps necessary to preserve the water rights
24 with the county have now been completed.

25 **Taxes and Mortgages.** The Receiver negotiated with various taxing
26 authorities, special assessment districts, and mortgage holders regarding reductions
27 in taxes, loan balances, late charges, penalties, default interest, and similar amounts
28 owed that previously accrued because of GPs that ran out of cash. The Receiver

1 has negotiated reductions of approximately \$92,500 in principal balances due on
2 loans, some of which had become due or were in arrears due to those respective
3 partnerships' inability to pay. In many instances, the Receiver was also able to
4 convince the noteholders to waive past due penalties and interest charges.

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

13 **D. Closed and Pending Property Sales**

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

- 16 • On May 25, 2017, the Receiver filed a motion for approval of the sale of
17 the Bratton View property. Dkt. No. 1480. During the overbid period,
18 the Receiver received a qualified overbid, which, after the original buyer
19 declined to bid further, became the winning bid. The motion to approve
20 the sale to the overbidder was granted on August 4, 2017, and the sale
21 closed on August 21, 2017.
- 22 • On August 18, 2017, the Receiver filed a motion for approval of the sale
23 of the LV Kade property. Dkt. No. 1506. The sale was approved on
24 September 6, 2017 (Dkt. No. 1511) and closed on January 16, 2018.
- 25 • On August 25, 2017, the Receiver filed a motion for approval of the sale
26 of the Silver Springs North property. Dkt. No. 1508. During the title
27 review process, a lien for a transaction prior to any of the receivership
28 entities was found to be clouding title. The escrow officer was able to

1 make contact with the owner of that lien, but was unable to get them to
2 submit the paperwork necessary to remove the lien. The Receiver,
3 through counsel, reached out to the buyer and was able to secure a
4 reconveyance of the lien. The sale was approved on September 20, 2017
5 (Dkt. No. 1520), and closed on October 31, 2017.

6 • On September 8, 2017, the Receiver filed a motion for approval of the
7 sale of the Park Vegas property. Dkt. No. 1513. The sale was approved
8 on October 19, 2017 (Dkt. No. 1536) and closed on November 7, 2017.

9 • On September 13, 2017, the Receiver filed a motion for approval of the
10 sale of the Washoe V property. Dkt. No. 1515. The sale was approved
11 on October 19, 2017 (Dkt. No. 1537), and is expected to close in
12 February 2018.

13 • On September 28, 2017, the Receiver filed a motion for approval of the
14 sale of the Silver State property. Dkt. No. 1527. The sale was approved
15 on October 30, 2017 (Dkt. No. 1543), and closed on November 20, 2017.

16 • On November 9, 2017, the Receiver filed a motion for approval of the
17 sale of the Dayton IV property. Dkt. No. 1550. The sale was approved
18 on December 11, 2017 (Dkt. No. 1566), and is expected to close in
19 February 2018.

20 • The Receiver has received offers, notified investors of the same,
21 negotiated with the prospective purchasers, and entered into purchase and
22 sale agreements for the following properties, subject to overbid and Court
23 approval: (a) Dayton I, (b) Fernley I, (c) International, (d) Las Vegas 2,
24 (e) the majority of the Stead I property, and (f) Vista Tecate. The
25 prospective purchasers for each property are currently conducting their
26 due diligence. If and when they remove their contingencies for the sales,
27 the Receiver will file motions seeking approval of the proposed sales,
28 subject to overbid.

1 **E. Pending Offers and Negotiations**

2 The Receiver has continued to vet other potential offers, while other
3 previously noticed offers have been withdrawn. As the offers are developed, the
4 Receiver will endeavor to ensure they are consistent with the previously received
5 valuations for the applicable properties. Consistent with the Modified Orderly Sale
6 Process, the Receiver will notify investors of all credible offers.

7 **III. RECEIPTS AND DISBURSEMENTS**

8 Attached hereto as Exhibit A is a summary of the receipts and disbursements
9 for the consolidated receivership accounts during the fourth quarter of 2017. As
10 noted above, pursuant to the Court's May 25, 2016 Order (Dkt. No. 1304), the cash
11 balances in GP accounts and Western accounts were pooled together in one
12 account. Receipts during the period comprised of proceeds from the sales of
13 receivership properties and bank interest earned on the account balance. During
14 this past quarter, because of the higher balances expected to accrue for a short
15 period of time, the Receiver was able to negotiate a higher rate of interest for the
16 bank account that holds the majority of cash in the receivership estate.

17 Notable expenses during the period include:

- 18 • Mortgage payments of \$120,912, which finalizes all mortgage payments
19 due.
- 20 • Court-approved fees and expenses of the Receiver's counsel of \$66,484.
- 21 • Annual tax preparation fees for Western and related entities and
22 preparations for the closures of the GPs and setup of the QSF Trust of
23 \$194,126.
- 24 • Property taxes and special assessment district bond payments of \$54,377.

25 Attached as Exhibit B is the Standardized Fund Accounting Report for the fourth
26 quarter of 2017.

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IV. INVESTOR COMMUNICATIONS

The Receiver has continued to update his website, www.ethreadvisors.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.

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

V. INVESTOR CLAIMS PROCESS

The Receiver worked with tax accountant Duffy Kruspodin, LLP ("Duffy") to prepare and send investor notices regarding the approved claims process and the Receiver's calculation of their claims. Letters to most claimants were sent out by August 1, 2017, while letters to certain former employees/sales agents and other related persons were sent out by August 15, 2017. Pursuant to the approved procedures, investors (including former employees/sales agents) had 30 days from receipt of the notice to respond in writing with any dispute concerning the calculation of their claim, stating the nature of the dispute and provide

1 documentation supporting their position as to the calculation of their claim amount.
2 The Receiver reviewed and considered all such disputes, of which there were
3 only 21, and attempted to resolve disputes with the applicable investors. At the
4 conclusion of that process, only six disputed claims remained. Since that time, one
5 additional investor decided to waive their claim, leaving only five disputed claims.

6 The Receiver filed his motion asking the Court to resolve the claim disputes
7 and approve his proposed allowed amounts of all claims on November 2, 2017.
8 Dkt. No. 1545. An initial hearing was held on December 15, 2017, after which the
9 Court established a briefing schedule for disputed claims and set a final hearing on
10 the motion for February 9, 2018. Dkt. No. 1569. The Receiver intends to file a
11 motion for authority to make interim distributions to holders of allowed claims
12 once all claim amounts have been approved.

13 VI. CLOSURE OF GENERAL PARTNERSHIPS

14 Incurring the costs to prepare and file tax returns for the 86 GPs and related
15 entities, as well as to prepare and send K-1s to the approximately 3,400 investors
16 was an unnecessary drain on the receivership estate, considering that the Court
17 approved the pooling of all receivership estate assets for distribution to investors on
18 a *pro rata* basis. Accordingly, in connection with his motion seeking approval of
19 the proposed allowed amounts of claims, the Receiver requested authority to
20 transfer GP properties to Western, prepare final tax returns and K-1s, and close the
21 GPs. Dkt. No. 1545. This portion of the motion was granted on December 11,
22 2017 ("Transfer Authorization Order"). Dkt. No. 1565.

23 The Receiver and his counsel then proceeded to prepare and execute the
24 documents necessary to effectuate the authorized property transfers prior to the end
25 of the year. The Receiver was then advised by his tax accountants at Duffy
26 Kruspodin & Company that with the transfer of the GP properties to Western and
27 the closure of the GPs (with final tax returns being filed for the GPs), the properties
28 would fall under the Qualified Settlement Fund ("QSF") tax return for the

1 receivership and, in order to ensure the properties are recognized as being within
2 the QSF for federal and state tax reporting purposes, the best course of action was
3 to set up a QSF trust to hold the properties and their sale proceeds consistent with
4 the Court orders.

5 Due to the importance of completing the transfers in 2017 (to avoid GP tax
6 returns having to be prepared for 2018) and considering the shortness of time in
7 which to do so, the Receiver promptly set up a QSF trust entitled the WFP
8 Receivership QSF Trust ("QSF Trust"). The QSF Trust has its own employer
9 identification number (or EIN) with the Internal Revenue Service and the required
10 QSF tax return for the receivership estate will be filed under that number. The
11 Receiver then filed a motion seeking an order amending and supplementing the
12 Transfer Authorization Order by specifically authorizing and ratifying the transfers
13 of properties to the QSF Trust. Dkt. No. 1571. The motion is set to be heard on
14 February 9, 2018. It should be noted that there is no meaningful distinction
15 between Western and the QSF Trust for the receivership estate and the distribution
16 of receivership assets to the holders of allowed claims; the QSF Trust is simply
17 being formed for tax reporting purposes.

18 **VII. RECOMMENDATIONS**

19 The Receiver recommends the receivership over Western and the other
20 Receivership Entities continue pursuant to the Court's orders and the Receivership
21 Entities' assets continue to be preserved and protected until properties have been
22 sold and distributions have been made pursuant to the Court-approved distribution
23 plan and the Receiver provides his final report and accounting.

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VIII. CONCLUSION

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

Dated: January 24, 2018

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: /s/ Edward Fates
EDWARD G. FATES
Attorneys for Receiver
THOMAS C. HEBRANK

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	PAGE NO.
Exhibit A	Summary of Receipts and Disbursements for Consolidated Receivership Accounts During Fourth Quarter of 2017	13
Exhibit B	Standardized Fund Accounting Report	16

EXHIBIT A

EXHIBIT A

	Oct-17	Nov-17	Dec-17	Q4 2017 TOTAL
Beginning Balance - WFP Receivership	100,251	55,538	301,130	301,130
Beginning Balance - Money Market	1,250,861	1,251,074	7,638,312	7,638,312
Total	1,351,113	1,306,611	7,939,442	7,939,442
Ordinary Income/Expense				
Income				
Transfer From QSF to Money Market Account	-	1,350,000	-	1,350,000
36000 - Interest - Money Market	212	870	2,595	3,678
Transfer From Money Market to QSF	-	100,000	-	100,000
37000 - Linmar Settlement	-	-	-	-
47900 - Sales - WFPC Property	-	-	-	-
48000 - Sales - Partnership Property	3,500	6,909,667	-	6,913,167
60400 - Bank Service Charges - Refund	-	48	-	48
63300 - Insurance Expense - Refund	-	-	-	-
63400 - Interest on Mortgages - Refund	-	-	169	169
67000 - Property Tax - Refund	-	81	-	81
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	3,712	8,360,666	2,764	8,367,143
Total Income - WFP Receivership	3,500	1,873,428	169	1,877,097
Total Income - Money Market	212	6,487,238	2,595	6,490,046
Expense				
60000 - Marketing of Property Sales	1,049	895	-	1,944
60400 - Bank Service Charges	48	-	-	48
61700 - Computer and Internet Expenses	45	45	45	135
63300 - Insurance Expense	-	-	-	-
63400 - Interest on Mortgages	745	226	402	1,372
63450 - Mortgage Payoff Fees	-	-	395	395
63451 - Mortgage Late Penalties	523	-	-	523
63460 - Loan Write Off - Paid in Full	-	-	-	-
63500 - Maintenance	-	-	-	-
65000 - Postage & Shipping Fees	25	242	-	267
65500 - Printing Services	909	-	-	909
66500 - LLC Filing Fees	-	-	-	-
66650 - Legal Fees	-	66,484	-	66,484
66700 - Professional Fees	-	-	-	-
66750 - Receiver Fees	-	-	-	-
66800 - Tax Preparation Services	-	194,126	-	194,126
66830 - Permit Fees	-	-	-	-
67000 - Property Tax	37,278	12,613	4,486	54,377
67050 - Property Tax Special Assessment	-	-	-	-
67500 - Storage	673	673	673	2,020
68000 - Taxes - Federal and State	-	-	-	-
68600 - Utilities	175	260	-	434
69000 - WFP-Partnership Capital Contribution Refunds	-	-	-	-
69500 - WFP - Note Payment Partnership	-	-	-	-
Transfer From QSF to Money Market Account	-	1,350,000	-	1,350,000
Total Expense - QSF	41,469	1,625,564	6,001	1,673,033
Transfer from Money Market to QSF	-	100,000	-	100,000
Total Expense - Money Market	-	100,000	-	100,000
Western Loans				
2422 Yuma 3 (Yuma APN 202-49-005)	-	-	-	-
2423 Yuma 3	-	-	1,000	1,000
2427 Yuma 3	-	-	500	500
2428 Yuma 3	-	-	-	-
2429 Yuma 3	-	-	1,000	1,000
2430 Yuma 3 (Yuma APN 202-09-007)	-	-	-	-
2431 Yuma 3	-	-	1,000	1,000
2435 Dayton 4 (APN 04-291-18)	-	-	-	-
2436 Dayton 4 (Storey APN 04-291-18)	-	-	-	-
2437 Dayton 4 (Storey APN 04-291-18)	-	-	3,000	3,000
2438 Dayton 4 (Lyon APN 16-021-20)	-	-	-	-
2440 Dayton 4 (Lyon APN 16-021-20)	-	-	10,000	10,000
2444 Dayton 4 (WFPC Owned) (Lyon APN 16-021-28)	-	-	-	-
2446 Dayton 4 (WFPC Owned) (Lyon APN 16-021-28)	-	-	1,000	1,000
Total Western Loans	-	-	17,500	17,500
SFV II Loans				
Washoe 5	6,745	2,271	79,895	88,912
Total SFV II Loans	6,745	2,271	79,895	88,912
Santa Fe Venture LLC Loans				
1 - Santa Fe	-	-	14,500	-

2 - Santa Fe - Tract 2, 3, 4 (Tower 98 Loan - Tract 2, 3, 4)	-	-	-	-
Total Santa Fe Venture LLC Loans	-	-	14,500	14,500
Total Long Term Liabilities	6,745	2,271	111,895	120,912
Total Liabilities	48,214	1,627,835	117,896	1,793,945
Net Ordinary Income	(44,714)	245,593	(117,727)	83,152
Net Income	(44,714)	245,593	(117,727)	83,152
Ending Balance - WFP Receivership	55,538	301,130	183,403	183,403
Ending Balance - Money Market	1,251,074	7,638,312	7,640,907	7,640,907
Total Ending Balance	1,306,611	7,939,442	7,824,311	7,824,311

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 10/01/2017 TO 12/31/2017

STANDARDIZED FUND ACCOUNTING REPORT for Western Financial Planning - Cash Basis
 Receivership; Case No. 3:12-cv-02164-GPC-JMA
 Reporting Period 10/01/2017 to 12/31/2017

FUND ACCOUNTING (See instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 10/01/17):	1,351,113		1,351,113
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	-		-
Line 3	Cash and Securities	-		-
Line 4	Interest/Dividend Income	3,678		3,678
Line 5	Business Asset Liquidation	6,913,167		6,913,167
Line 6	Personal Asset Liquidation	-		-
Line 7	Third-Party Litigation Income	-		-
Line 8	Misc - Insurance & Prop Tax Refunds	298		298
	Total Funds Available (Lines 1 - 8):	8,268,256		8,268,256
	<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	(260,610)		(260,610)
Line 10b	Business Asset Expenses	(183,335)		(183,335)
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			(443,945)
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):			(443,945)
Line 13	Ending Balance (As of 12/31/2017):			7,824,311

STANDARDIZED FUND ACCOUNTING REPORT for Western Financial Planning - Cash Basis
 Receivership; Case No. 3:12-cv-02164-GPC-JMA
 Reporting Period 10/01/2017 to 12/31/2017

Line 14 Ending Balance of Fund - Net Assets:			
<i>Line 14a Cash & Cash Equivalents</i>			7,824,311
<i>Line 14b Investments</i>			-
<i>Line 14c Other Assets or Uncleared Funds</i>			-
Total Ending Balance of Fund - Net Assets			7,824,311
OTHER SUPPLEMENTAL INFORMATION:			
	Detail	Subtotal	Grand Total
<i>Report of Items NOT to be Paid by the Fund:</i>			
Line 15 Disbursement for Plan Administration Expenses Not Paid by the Fund:			
<i>Line 15a Plan Development Expenses Not Paid by the Fund:</i>			
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			-
<i>Line 15b Plan Implementation Expenses Not Paid by the Fund</i>			
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			-
<i>Line 15c Tax Administrator Fees & Bonds Not Paid by the Fund</i>			-
Total Disbursements for Plan Administration Expenses Not Paid by the Fund			-
Line 16 Disbursements to Court/Other Not Paid by the Fund:			
<i>Line 16a Investment Expenses/CRIS Fees</i>	-		-
<i>Line 16b Federal Tax Payments</i>	-		-
Total Disbursement to Court/Other Not Paid by the Fund:			-
Line 17 DC & State Tax Payments	-		-
Line 18 No. of Claims:			
<i>Line 18a # of Claims Received This Reporting Period.....</i>			0
<i>Line 18b # of Claims Received Since Inception of Fund.....</i>			0
Line 19 No. of Claimants/Investors:			
<i>Line 19a # of Claimants/Investors Paid this Reporting Period.....</i>			0
<i>Line 19b # of Claimants/Investors Paid Since Inception of Fund.....</i>			0

Receiver: 
 By: Thomas C. Hebrank
 Court-Appointed Receiver

Date: 1/23/18

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PROOF OF SERVICE

I am employed in the County of San Diego, State of California. I am over the age of eighteen (18) and am not a party to this action. My business address is 600 West Broadway, 27th Floor, San Diego, California 92101-0903.

On January 24, 2018, I served the within document(s) described as:

- **RECEIVER'S TWENTY-SECOND 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 January 24, 2018, 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; ksouser@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 - bryan@vesslaw.com; 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 January 24, 2018, at San Diego, California.

Edward G. Fates
(Type or print name)

/s/ Edward Fates
(Signature of Declarant)