

1 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
2 DAVID R. ZARO (BAR NO. 124334)
865 South Figueroa Street, Suite 2800
3 Los Angeles, California 90017-2543
Phone: (213) 622-5555
4 Fax: (213) 620-8816
E-Mail: dzaro@allenmatkins.com

5 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
6 EDWARD G. FATES (BAR NO. 227809)
One America Plaza
7 600 West Broadway, 27th Floor
8 San Diego, California 92101-0903
Phone: (619) 233-1155
9 Fax: (619) 233-1158
E-Mail: tfates@allenmatkins.com

10 Attorneys for Receiver
11 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

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

Date: August 10, 2018
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"),
 2 counsel for Thomas C. Hebrank ("Receiver"), Court-appointed receiver for First
 3 Financial Planning Corporation d/b/a Western Financial Planning Corporation
 4 ("Western"), and its subsidiaries and the General Partnerships listed in Schedule 1
 5 to the Preliminary Injunction Order entered on March 13, 2013 (collectively,
 6 "Receivership Entities"), hereby submits this twenty-third interim application for
 7 payment of professional fees and reimbursement of costs for the time period
 8 January 1, 2018, through March 31, 2018 ("Twenty-Third Application Period").
 9 Allen Matkins incurred \$64,172.45 in fees and \$1,078.93 in costs during the three-
 10 month period and seeks interim approval and payment of 80% of fees incurred, or
 11 \$51,337.96, and 100% of costs incurred. As it has throughout the case, Allen
 12 Matkins has discounted its customary hourly rates by 10%.

13 I. FEE APPLICATION SUMMARY

14 During the Twenty-Third Application Period, Allen Matkins provided a total
 15 of 130.1 hours of service for a total of \$64,172.45 in fees. Allen Matkins requests
 16 payment on an interim basis of 80% of this amount, or \$51,337.96. The firm has
 17 provided its services in the following categories, as discussed in further detail
 18 below and as set forth task-by-task in Exhibit A:

| 19 Category | Hours | Total |
|-------------------------------|--------|-------------|
| 20 General Receivership | 57.40 | \$29,193.50 |
| 21 Reporting | 3.40 | 1,759.50 |
| 22 Operations and Asset Sales | 46.50 | 21,420.45 |
| 23 Claims and Distributions | 19.20 | 9,936.00 |
| 24 Third Party Recoveries | 2.80 | 1,449.00 |
| 25 Employment/Fees | .80 | 414.00 |
| Total Fees | 130.10 | \$64,172.45 |

26 As the table reflects, much of the work done during the Twenty-Third
 27 Application Period was in the Operations and Asset Sales categories as the
 28 Receiver's focus has been on maximizing the value of receivership properties

1 through sales pursuant to the Court-approved Modified Orderly Sale Process. At
2 this point, the Court has approved sales of receivership properties with purchase
3 prices totaling more than \$19.1 million. Additionally, substantial work was
4 performed during the Twenty-Third Application Period in the General Receivership
5 category. As discussed below, this was non-recurring work to assist with the
6 transfer of GP properties for tax purposes, as authorized by the Court. Dkt.
7 No. 1565. As a result of this work, the receivership estate will save approximately
8 \$100,000 annually in fees and costs for preparing and filing GP tax returns.

9 **II. TASKS PERFORMED**

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

14 **A. General Receivership**

15 Work in this category relates to assisting the Receiver with the transfer of GP
16 properties for tax purposes. During the prior application period, on December 11,
17 2017, the Court authorized the transfer of GP properties to Western. Dkt.
18 No. 1565. As he proceeded with the transfers, the Receiver was then advised by his
19 tax accountants at Duffy Kruspodin & Company that the properties needed to be
20 transferred to a Qualified Settlement Fund ("QSF") to avoid potential adverse tax
21 consequences. Accordingly, due to the shortness of time to complete the transfers
22 before calendar year end, the Receiver set up the QSF Trust and completed the
23 transfers.

24 During the Twenty-Third Application Period, Allen Matkins assisted the
25 Receiver in preparing a motion for an amended order authorizing and ratifying the
26 transfers of GP properties to the QSF Trust. Dkt. No. 1571. The motion was
27 granted on February 6, 2018. Dkt. No. 1589.

28

1 Allen Matkins also assisted the Receiver in addressing a claim against
2 Western for unpaid pre-receivership taxes, penalties, and late charges asserted by
3 the Franchise Tax Board ("FTB"), including providing information to the FTB, and
4 negotiating a waiver of over \$330,000 in claimed penalties and late charges.

5 Allen Matkins also researched and advised the Receiver on issues relating to
6 the final GP tax returns and K-1s issued to investors due to the approved closure of
7 the GPs, transfer of the properties to the QSF Trust, distributions to be made to
8 investors from the receivership estate, and recognition of gain or loss by investors
9 on account of these events, including assisting the Receiver in preparing answers to
10 frequently asked questions from investors. The firm also assisted in
11 communicating with counsel for the SEC regarding issues related to enforcement of
12 the Final Judgment against Louis Schooler. The reasonable and necessary fees for
13 work in this category total \$29,193.50.

14 **B. Reporting**

15 This category includes time spent preparing the Receiver's Twenty-Second
16 Interim Report filed on January 24, 2018. Dkt. No. 1582. The report includes
17 detailed updates regarding enforcement of judgments against the LinMar entities,
18 property tax appeals, properties owned by Western, issues with the tenant located
19 on the Stead property, taxes and mortgages, pending and potential sales of GP
20 properties, the investor claims process, and receipts and disbursements for each
21 Receivership Entity. The reasonable and necessary fees for work in this category
22 total \$1,759.50.

23 **C. Operations and Asset Sales**

24 Allen Matkins' time in this category focused on assisting the Receiver with
25 legal issues relating to the ongoing operations of Western and the GPs, including
26 sales of receivership properties via the Modified Orderly Sale Process, easement
27 and condemnation issues, and issues relating to property taxes and assessments.

28

1 1. LV Kade

2 Prior to the Twenty-Second Application Period, the Court approved the sale
3 of this property to Prologis, LP ("Buyer") for \$9.5 million. Dkt. No. 1511. During
4 the Twenty-Second Application Period, Allen Matkins assisted with issues relating
5 to the closing, including communications with title and escrow. The sale of the
6 property to Buyer closed on January 16, 2018.

7 2. Dayton II

8 Allen Matkins assisted the Receiver in preparing a purchase and sale
9 agreement for the Dayton II property, including negotiating terms with the buyer
10 and revising the agreement. The firm then prepared a motion for approval of the
11 sale of the property for \$305,000. The motion was filed on March 7, 2018 (Dkt.
12 No. 1592), a notice that no overbids were received was filed on April 11, 2018
13 (Dkt. No. 1605), and the motion granted on April 30, 2018 (Dkt. No. 1608).

14 3. International

15 Allen Matkins assisted the Receiver in preparing a motion for approval of the
16 sale of the International property for \$39,000. The motion was filed on April 2,
17 2018 (Dkt. No. 1601), a notice that no overbids were received was filed on May 11,
18 2018 (Dkt. No. 1612), and the motion was granted on May 18, 2018 (Dkt.
19 No. 1614).

20 4. Other Issues Pertaining to GP Properties

21 Allen Matkins advised the Receiver regarding various other legal issues
22 pertaining to GP properties, including assisting with addressing and removing liens
23 on GP properties, working on letters of intent and purchase and sale agreements to
24 be sent to prospective purchasers, and preparing notices to investors regarding
25 offers received for certain GP properties.

26 The reasonable and necessary fees for Allen Matkins' work in this category
27 total \$21,420.45.

28

1 **D. Claims and Distributions**

2 This category includes time spent addressing disputed investor claims and
3 preparing the Receiver's reply to the letters and other statements filed by investors
4 with disputed claims. Dkt. No. 1588. Attorney Ted Fates attended the final
5 hearing on disputed investor claims, which was held on February 9, 2018. Dkt.
6 No. 1590. The Court then granted the Receiver's motion for approval of proposed
7 allowed claims amounts. Dkt. No. 1591.

8 Allen Matkins also assisted in preparing the Receiver's motion for authority
9 to make interim distributions, which was filed on March 9, 2018. Dkt. No. 1594.
10 The motion was granted on April 30, 2018. Dkt. No. 1610. Pursuant to the order,
11 the Receiver will be distributing a total of \$13 million to investors on or before
12 June 15, 2018.

13 Allen Matkins also assisted in preparing monthly case updates to investors.
14 Finally, the firm analyzed and advised the Receiver regarding a request by an
15 investor to assign his allowed claim against the receivership estate to one of his
16 creditors, pursuant to a settlement agreement between them. The reasonable and
17 necessary fees for this work total \$9,936.

18 **E. Third Party Recoveries**

19 Allen Matkins' work in this category focused on collection of the outstanding
20 judgment against LinMar III. Allen Matkins reviewed the post-judgment receiver's
21 reports and advised on legal issues relating to the post-judgment receivership. In
22 addition, the firm reviewed and advised the Receiver regarding a Notice of Default
23 recorded by the senior lender/deed of trust holder on the LinMar III property.
24 Ultimately, the senior lender rescinded the Notice of Default such that the post-
25 judgment receiver's efforts to market and sell the property may proceed. The
26 reasonable and necessary fees for work in this category total \$1,449.

27
28

1 **F. Employment/Fees**

2 Although fee applications are a necessary component of federal equity
3 receiverships, neither the Receiver nor his professionals bill time for preparing their
4 own detailed applications. Allen Matkins assisted the Receiver in preparing his
5 Twenty-Second Interim Fee Application, which was filed on March 21, 2018. Dkt.
6 No. 1596. The reasonable and necessary fees for this work total \$414.

7 **G. Summary of Costs Requested**

8 Allen Matkins requests the Court approve reimbursement of \$1,078.93 for
9 out-of-pocket costs incurred in executing the foregoing tasks, as itemized in
10 Exhibit A. Pursuant to the Court's Order Granting in Part First Fee Applications,
11 Allen Matkins has reduced its request for reimbursement of copy costs to five cents
12 per page and written off any excess copy charges incurred.

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

14 From inception of the receivership on September 6, 2012, through March 31,
15 2018, the Receiver incurred fees and costs of \$2,112,147.66, of which amount
16 \$413,821.71 is subject to holdback pending approval of the Receiver's final fee
17 application at the conclusion of the receivership, \$62,062.74 in fees and costs is
18 awaiting the Court's review and approval in his Twenty-Third Interim Fee
19 Application, and \$1,636,263.21 has been approved by the Court and paid. During
20 the same time period, Allen Matkins incurred fees and costs of \$1,645,593.76, of
21 which amount \$337,394.03 is subject to holdback pending approval of Allen
22 Matkins' final fee application at the conclusion of the receivership; \$52,105.26 in
23 fees and costs is awaiting the Court's review and approval in this Twenty-Third
24 Interim Fee Application, and \$1,256,094.47 in fees and costs has been approved by
25 the Court and paid. Finally, during the same time period, tax accountant Duffy
26 Kruspodin & Company, LLP ("Duffy") incurred fees and costs of \$731,437.72 for
27 preparing tax returns for Western, the GPs, and other non-GP Receivership Entities,
28 all of which has been paid to date, with no holdbacks.

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

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

10 **A. Complexity of Tasks**

11 Here, the tasks performed by Allen Matkins are significantly complex and
12 the number of hours billed to complete them are reasonable. These tasks include
13 (a) analyzing corporate documents, loan agreements, and other contracts,
14 (b) advising the Receiver regarding federal equity receivership, debtor/creditor
15 rights, real property, contract, employment, insurance, eminent domain, tax, civil
16 procedure, appellate procedure, and other applicable areas of law, and (c) assisting
17 the Receiver in selling assets, collecting loans, and protecting the Receivership
18 Entities' interests in pending litigation, (d) assisting the Receiver in analyzing
19 investor claims and distributing receivership assets in a manner that treats investors
20 fairly and equitably, and (e) providing detailed reports to the Court and interested
21 parties.

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

23 The Court has previously determined on multiple occasions, including on
24 April 10, 2017, that the discounted hourly rates of Allen Matkins represent the fair
25 value of their time, labor, and skill. Dkt. No. 1460. Accordingly, Allen Matkins'
26 discounted hourly rates continue to represent the fair value of its time, labor, and
27 skill.

28

1 **C. Quality of Work Performed**

2 Allen Matkins has diligently and competently assisted the Receiver in all
3 aspects of the receivership, including preserving and protecting the assets of the
4 Receivership Entities, analyzing the Receivership Entities' assets and liabilities,
5 addressing Western's cash shortage, reducing Western's operating expenses as well
6 as administrative expenses of the receivership, selling assets and collecting loans,
7 protecting the Receivership Entities' interests in pending litigation and other legal
8 matters, preserving and pursuing causes of action against third parties, formulating
9 plans and procedures for the determination of investor claims and the fair and
10 equitable distribution of receivership estate assets, and preparing detailed reports to
11 the Court and interested parties. These services have allowed the Receiver to
12 preserve and protect the value of the Receivership Entities' assets for the benefit of
13 investors.

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

15 Pursuant to the Court's May 25, 2016 Order (Dkt. No. 1304), the assets of the
16 Receivership Entities (Western and the GPs) have been pooled, creating a common
17 pool of receivership estate cash from which mortgages, property taxes, and other
18 operating expenses have been and will continue to be paid. The cash balance has
19 grown and will continue to grow as properties are sold through the Court-approved
20 Modified Orderly Sale Process (Dkt. Nos. 1309, 1359). As a result of sales closed
21 to date, the receivership estate now holds approximately \$16.4 million in cash (with
22 \$13 million to be distributed to investors with allowed claims shortly). Therefore,
23 the receivership estate has the ability to pay the fees and costs requested herein.

24 **E. Commission's Opposition or Acquiescence**

25 Prior to filing, the Receiver and Allen Matkins provided these fee
26 applications to counsel for the Commission in substantially final form. Counsel for
27 the Commission has advised that the Commission has no opposition to the fees and
28 costs requested.

EXHIBIT INDEX

| | | |
|-----------|-----------------------|----|
| Exhibit A | Detailed Time Reports | 12 |
|-----------|-----------------------|----|

EXHIBIT A

EXHIBIT A

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00002

Matter Name: General Receivership

Date of Last Billing: 05-02-2018

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 |
|------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|----------|----------|
| 01/02/18 | 7379620 | Assist with recordings of deeds and related documents for property transfers and discuss same with Receiver and G. Rodriguez. | Fates, Edward | 0.9 | 465.75 | 465.75 |
| 01/02/18 | 7379626 | Confirm status of recorded documents for various Western properties; review APNs for Quitclaim Deeds; request updated title information. | Lorenzen, Jonathan | 1.9 | 778.05 | 1,243.80 |
| 01/03/18 | 7380022 | Call with Receiver and G. Rodriguez to discuss motion to authorize and ratify transfers of GP properties to WFP Receivership QSF Trust for tax purposes (.5); work on motion (2.4). | Fates, Edward | 2.9 | 1,500.75 | 2,744.55 |
| 01/03/18 | 7380416 | Discuss Quitclaim Deeds with local recorders' offices in Nevada. | Lorenzen, Jonathan | 0.6 | 245.70 | 2,990.25 |
| 01/04/18 | 7381265 | Discuss motion to authorize and ratify transfers of GP properties to WFP Receivership QSF Trust for tax purposes with Receiver and G. Rodriguez (.4); revisions to same (.4); meet and confer with SEC's counsel regarding motion (.2); discuss Duffy's | Fates, Edward | 1.6 | 828.00 | 3,818.25 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|----------|----------|
| | | comments to QSF trust declaration with Receiver (.4); communications with SEC's counsel regarding judgment enforcement as to LinMar III property (.2). | | | | |
| 01/05/18 | 7384396 | Address issues as to real estate partnership, property transfers and accounting, QSF issues (.4). | Zaro, David | 0.4 | 280.80 | 4,099.05 |
| 01/05/18 | 7382146 | Work on agreement resolving FTB tax issue and discuss same with Receiver (1.7); communications with SEC's counsel regarding same (.2); work on Receiver's declaration and proposed order for motion authorizing and ratifying property transfers to QSF trust (.5); discuss documents needed for 2017 tax return preparation with G. Rodriguez (.4). | Fates, Edward | 2.8 | 1,449.00 | 5,548.05 |
| 01/05/18 | 7383200 | Coordinate recordation of Quitclaim Deeds in Washoe County, Nevada. | Lorenzen, Jonathan | 0.8 | 327.60 | 5,875.65 |
| 01/08/18 | 7383577 | Advise regarding transmission of property transfer documents to G. Rodriguez per request (.4); call with G. Rodriguez regarding same and deed for Las Vegas 2 property (.3). | Fates, Edward | 0.7 | 362.25 | 6,237.90 |
| 01/08/18 | 7384427 | Review Quitclaim Deed for Las Vegas II property. | Lorenzen, Jonathan | 0.2 | 81.90 | 6,319.80 |
| 01/09/18 | 7385023 | Communications with FTB's counsel and Receiver regarding Western income tax issue. | Fates, Edward | 0.4 | 207.00 | 6,526.80 |
| 01/10/18 | 7385681 | Prepare letter to counsel for FTB regarding resolution of Western income tax issue (2.4) discuss same | Fates, Edward | 2.9 | 1,500.75 | 8,027.55 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|----------|
| | | with Receiver (.4) emails with FTB counsel (.1) | | | | |
| 01/17/18 | 7391970 | Review and forward notices of assessments from Yuma County Assessor. | Kaup, John | 0.3 | 76.95 | 8,104.50 |
| 01/18/18 | 7391905 | Communications with SEC's counsel regarding judgment enforcement steps regarding LinMar III property (.1); communications with counsel for FTB regarding tax issues (.2). | Fates, Edward | 0.3 | 155.25 | 8,259.75 |
| 01/19/18 | 7393787 | Communications with counsel for FTB regarding state income tax issues. | Fates, Edward | 0.1 | 51.75 | 8,311.50 |
| 01/22/18 | 7394547 | Prepare response to correspondence from counsel for FTB regarding Western income tax issue (.4); discuss same with Receiver (.2). | Fates, Edward | 0.6 | 310.50 | 8,622.00 |
| 01/25/18 | 7398022 | Discuss strategy and timing regarding upcoming tax issues and GP dissolutions with Receiver and G. Rodriguez. | Fates, Edward | 0.2 | 103.50 | 8,725.50 |
| 02/02/18 | 7407798 | Follow up communications with FTB counsel regarding Western income tax issue. | Fates, Edward | 0.2 | 103.50 | 8,829.00 |
| 02/06/18 | 7409971 | Advise on issues relating to final GP tax returns and investor K-1s. | Fates, Edward | 0.2 | 103.50 | 8,932.50 |
| 02/07/18 | 7413597 | Review court's order addressing the transfer of entities to facilitate the QSF and asset sales (.4). | Zaro, David | 0.4 | 280.80 | 9,213.30 |
| 02/07/18 | 7411209 | Review order approving and ratifying transfers to QSF Trust and advise Receiver regarding same. | Fates, Edward | 0.2 | 103.50 | 9,316.80 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|-----------|
| 02/12/18 | 7416386 | Communications with counsel for FTB regarding taxes owed and discuss same with Receiver. | Fates, Edward | 0.5 | 258.75 | 9,575.55 |
| 02/14/18 | 7418376 | Advise regarding recording of deed transferring Las Vegas 2 property to QSF Trust in Clark County, Nevada with order authorizing same. | Fates, Edward | 0.3 | 155.25 | 9,730.80 |
| 02/15/18 | 7418972 | Communications with FTB's counsel and Receiver regarding resolution of Western tax issue. | Fates, Edward | 0.6 | 310.50 | 10,041.30 |
| 02/20/18 | 7421877 | Communications with FTB's counsel and Receiver regarding resolution of Western tax issue. | Fates, Edward | 0.2 | 103.50 | 10,144.80 |
| 02/22/18 | 7423408 | Advise on preparation and recording of documents for transfer of Washoe V property to QSF Trust (.4); call with SEC's counsel regarding information requested for appellate brief and discuss same with Receiver and G. Rodriguez (.7). | Fates, Edward | 1.1 | 569.25 | 10,714.05 |
| 02/23/18 | 7424484 | Advise G. Rodriguez regarding recording of transfer deed for Las Vegas 2 property (.1); communications with Receiver and SEC's counsel regarding information requested by SEC and response to same (.3). | Fates, Edward | 0.4 | 207.00 | 10,921.05 |
| 03/01/18 | 7433361 | Advise G. Rodriguez regarding status of Washoe V recording of quitclaim deed. | Fates, Edward | 0.1 | 51.75 | 10,972.80 |
| 03/08/18 | 7442635 | Review issues re notice, advice as to notice issues related to investors and | Zaro, David | 0.3 | 210.60 | 11,183.40 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------|----------|-----------|
| | | materiality of transactions (.3). | | | | |
| 03/20/18 | 7449972 | Advise as tax issues for investor K-1 statements and IRA accounts. | Fates, Edward | 0.5 | 258.75 | 11,442.15 |
| 03/22/18 | 7452639 | Review memos re tax treatment of partnerships and QSF; telephone conference with Tom Hebrank and Geno Rodriguez re tax issues; review tax return; conference re research and analysis. | Henning, Thomas | 2.2 | 1,574.10 | 13,016.25 |
| 03/22/18 | 7452293 | Advise Receiver regarding tax issues relating to closing out of GPs, final tax returns and K-1s, and investor loss claims. | Fates, Edward | 0.9 | 465.75 | 13,482.00 |
| 03/22/18 | 7453133 | Research regarding treatment of losses for investors receiving final K1s from partnerships where property has gone to receivership. | Witlen, Alan | 3.8 | 1,444.00 | 14,926.00 |
| 03/23/18 | 7453963 | Conference re theft loss analysis; telephone conference with Tom Hebrank re amending returns; telephone conference with Tom Hebrank, Geno Rodriguez and accountants; follow up discussion with accountants; emails re same. | Henning, Thomas | 3.1 | 2,218.05 | 17,144.05 |
| 03/23/18 | 7453042 | Advise on tax issues relating to closure of GPs, final tax returns, and investor K-1 statements. | Fates, Edward | 1.8 | 931.50 | 18,075.55 |
| 03/23/18 | 7453140 | Research regarding "theft" losses and possible applicability to non-criminal activity. Research regarding K1 reporting of losses for partnership where property has gone into receivership. Teleconference with | Witlen, Alan | 8.7 | 3,306.00 | 21,381.55 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------|----------|-----------|
| | | client and CPAs regarding same. Research regarding reporting of transfer of properties by partnerships to receivership QSF. | | | | |
| 03/26/18 | 7455343 | Conference call with T. Fates, T. Henning and A. Witlen regarding income tax reporting issues (.9); Research and analysis of tax issues (1.9). | Walburn, Allen | 2.8 | 2,030.00 | 23,411.55 |
| 03/26/18 | 7455872 | Conference re tax reporting issues for receivership partnerships; telephone conference with Tom Hebrank and Geno Rodriguez. | Henning, Thomas | 2.3 | 1,645.65 | 25,057.20 |
| 03/26/18 | 7454030 | Analyze and advise Receiver on GP tax issues and investor K-1 statements. | Fates, Edward | 1.2 | 621.00 | 25,678.20 |
| 03/26/18 | 7454781 | Research regarding reporting of transfer of properties by partnerships to receivership QSF and reporting for K1s for same. Discussion with client regarding same. | Witlen, Alan | 5.3 | 2,014.00 | 27,692.20 |
| 03/27/18 | 7458205 | Analysis of the tax issues, qualified settlement funds tax transfers, investor issues and conference with counsel re approach to investor tax issues (.4). | Zaro, David | 0.4 | 280.80 | 27,973.00 |
| 03/27/18 | 7458158 | Review preform K-1 from accountants and alternative reporting method. | Henning, Thomas | 0.2 | 143.10 | 28,116.10 |
| 03/27/18 | 7455731 | Address issues with investor K-1 statements and advise Receiver regarding same. | Fates, Edward | 0.3 | 155.25 | 28,271.35 |
| 03/29/18 | 7459467 | Review accountants FAQ for | Henning, Thomas | 0.3 | 214.65 | 28,486.00 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|--------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|-----------|
| | | investors; emails re same. | | | | |
| 03/29/18 | 7458246 | Revisions to FAQ to be sent to investors along with revised K-1s, and discuss same with Receiver and G. Rodriguez. | Fates, Edward | 0.4 | 207.00 | 28,693.00 |
| 03/29/18 | 7459209 | Review "Frequently Asked Questions" prepared by accountants related to amended K1s. | Witlen, Alan | 0.5 | 190.00 | 28,883.00 |
| 03/30/18 | 7459094 | Revise updates to investors regarding issues with revised K-1 statements, forms and samples. | Fates, Edward | 0.6 | 310.50 | 29,193.50 |

Disbursements for Matter 372640-00002 (General Receivership)

| Trans Date | Index | Type | Quantity | Amt |
|------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------|
| 01/02/18 | 2400539 | Recordation Fees - - Nationwide Legal, LLC, STOREY COUNTY RECORDER, RECORDING CLIENT WILL^OVERNIGHT DOCSDIRECTLY TO THEAFFILIATE FOR, RECORD/CONFORM /RETRN-ADVANCE FEES^432440 | 1.00 | 150.00 |
| 01/04/18 | 2397991 | Messenger - - Federal Express Invoice No: 6053715531665 Ship To: Reno Carson Messenger - - Federal Express Service | 1.00 | 17.19 |
| 01/08/18 | 2403325 | - - PACER Service Center, Service 10/01/2017-12/31/2017^4406104Q42017 | 1.00 | 7.50 |
| 01/09/18 | 2395836 | Duplication | 26.00 | 1.30 |
| 01/12/18 | 2396498 | Messenger -- Federal Express Invoice No: 606197850 1665 Ship To: Ms Julie Skinner | 1.00 | 18.78 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Type | Quantity | Amt |
|------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------|
| 01/12/18 | 2400540 | Document Research - - Nationwide Legal, LLC, USDC/SAN DIEGO BUSINESS OFFICE, OBTAIN A CERTIFIED OF DOC^COPY OF DOC #1511 FILED 9/6/17 & RETURN TO AMLMGN-SD, 3:12CV-02164-GPC-JMA-SEC V. SCHOOLER^432440 | 1.00 | 66.00 |
| 01/19/18 | 2435112 | Filing Fees - - Nationwide US DISTRICT COURT SOUTHERN ^ 424076 | 1.00 | 35.00 |
| 01/19/18 | 2435895 | Filing Fees - - Nationwide US DISTRICT COURT SOUTHERN ^ 424076 | 1.00 | 35.00 |
| 01/19/18 | 2435896 | Filing Fees - - Nationwide US DISTRICT COURT SOUTHERN ^ 424076 | 1.00 | 35.00 |
| 01/19/18 | 2435897 | Messenger - - Nationwide U.S. MARSHAL'S SERVICE ^ 424076 | 1.00 | 106.13 |
| 01/19/18 | 2435898 | Service of Process - - Nationwide U.S. MARSHAL'S SERVICE ^ 424076 | 1.00 | 73.50 |
| 01/19/18 | 2435899 | Service of Process - - Nationwide U.S. MARSHAL'S SERVICE ^ 424076 | 1.00 | 17.00 |
| 01/19/18 | 2435900 | Service of Process - - Nationwide USDC, SOUTHERN DISTRICT ^ 424076 | 1.00 | 10.00 |
| 02/08/18 | 2403517 | Messenger Invoice No: 609098218 Paid to: Fedex per 001665 Ship To: Ms Amy Gutierrez Ship Dt: 02/08/18 Airbill: 789663377839 | 1.00 | 17.37 |
| 02/08/18 | 2407604 | Document Research - - Nationwide Legal, LLC, USDC/SAN DIEGO SOUTHERN DISTRICT, OBTAIN CERTIFIED COPY OF DOCS^COPY OF DOC #1589 & RETURN TO JANINETODAY BEFORE 3:00, 3:12CV-02164-GPC-JMA-SEC V. SCHOOLER^433049 | 1.00 | 63.00 |
| 02/21/18 | 2409419 | Messenger -- Federal Express Invoice No: 610505066 1665 Ship To: Nationwide Legal | 1.00 | 14.01 |

06/15/18 08:54:28 PROFORMA STATEMENT FOR MATTER 372640-00002 (Thomas C. Hebrank, as Receiver for Western Financial) (General Receivership)

| Trans Date | Index | Type | Quantity | Amt |
|------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------|
| 02/21/18 | 2414743 | Recordation Fees - - Nationwide Legal, LLC, CLARK COUNTY RECORDER, QUIT CLAIM DEED^DOCUMENTS DIRECTLY TO NWL-LAS VEGAS TO BE RECORDED TOMORROW, RECORD/CONFORM/RETRN-ADVANCE FEES^433211 | 1.00 | 215.00 |
| 02/27/18 | 2409420 | Messenger -- Federal Express Invoice No: 610505066 1665 Ship To: Reno Carson Messenger -- Federal Express Service | 1.00 | 17.15 |
| 02/27/18 | 2421426 | Recordation Fees - - Nationwide Legal, LLC, WASHOE COUNTY RECORDER, ADVANCE FEES^, RE:WESTERN GP- RECORD/CONFORM/RETRN^434703 | 1.00 | 150.00 |
| 03/07/18 | 2414775 | Messenger - - Nationwide Legal, LLC, USDC - SOUTHERN DISTRICT, ^PLEASE DELIVER BY 11:00 A.M. TOMORROW,, 12-CV-02164-SEC V. SCHOOLER^433496 | 1.00 | 15.00 |
| 03/21/18 | 2421427 | Messenger - - Nationwide Legal, LLC, USDC - SOUTHERN DISTRICT, ^, 12-CV-02164-SEC V. SCHOOLER^434703 | 1.00 | 15.00 |

Proforma Summary

| Timekeeper Number | Timekeeper | Hours | Rate | Amounts |
|-------------------|---------------------|-------------|--------|------------------|
| 000313 | David Zaro | 1.5 | 702.00 | 1,053.00 |
| 000820 | John Kaup | 0.3 | 256.50 | 76.95 |
| 000899 | Allen Walburn | 2.8 | 725.00 | 2,030.00 |
| 001581 | Thomas Henning | 8.1 | 715.50 | 5,795.55 |
| 001665 | Edward Fates | 22.9 | 517.50 | 11,850.75 |
| 002115 | Jonathan Lorenzen | 3.5 | 409.50 | 1,433.25 |
| 002324 | Alan Wittlen | 18.3 | 380.00 | 6,954.00 |
| | | <u>57.4</u> | | <u>29,193.50</u> |
| | Total Fees | | | 29,193.50 |
| | Total Disbursements | | | 1,078.93 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00004 (Thomas C. Hebrank, as Receiver for Western Financial) (Reporting)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00004

Matter Name: Reporting

Date of Last Billing: 05-02-2018

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 |
|------------|---------|-------------------------------------------------------------------------------------------------------------|---------------|-------|--------|----------|
| 01/11/18 | 7387007 | Work on Receiver's Twenty-Second Interim Report. | Fates, Edward | 1.4 | 724.50 | 724.50 |
| 01/17/18 | 7390610 | Revisions and updates to Receiver's Twenty-Second Interim Report (.4); discuss same with G. Rodriguez (.2). | Fates, Edward | 0.6 | 310.50 | 1,035.00 |
| 01/18/18 | 7392504 | Revisions to Twenty-Second Interim Report (.4); discuss same with G. Rodriguez (.2). | Fates, Edward | 0.6 | 310.50 | 1,345.50 |
| 01/19/18 | 7393322 | Discuss revisions/updates to Twenty-Second Interim Report with Receiver (.2); revisions to same (.4). | Fates, Edward | 0.6 | 310.50 | 1,656.00 |
| 01/24/18 | 7397123 | Finalize Twenty-Second Interim Report and financial exhibits for filing. | Fates, Edward | 0.2 | 103.50 | 1,759.50 |

Proforma Summary

| Timekeeper Number | Timekeeper | Hours | Rate | Amounts |
|---------------------|--------------|-------|--------|----------|
| 001665 | Edward Fates | 3.4 | 517.50 | 1,759.50 |
| | | 3.4 | | 1,759.50 |
| Total Fees | | | | 1,759.50 |
| Total Disbursements | | | | 0.00 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00005

Matter Name: Operations & Asset Sales

Date of Last Billing: 05-02-2018

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 |
|------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|--------|----------|
| 01/02/18 | 7379628 | Communications with Receiver and counsel for Prologis regarding closing date for LV Kade sale and related issues. | Fates, Edward | 0.4 | 207.00 | 207.00 |
| 01/03/18 | 7380026 | Call with Receiver and G. Rodriguez to discuss title issues with Dayton IV sale and next steps to address same. | Fates, Edward | 0.2 | 103.50 | 310.50 |
| 01/09/18 | 7385238 | Review closing documents from Prologis for 1031 Exchange. | Lorenzen, Jonathan | 0.2 | 81.90 | 392.40 |
| 01/10/18 | 7385873 | Communications with LV Kade buyer re: sale closing documents and 1031 exchange issue (.4) communications with title/escrow re: closing documents for LV Kade sale (.7) | Fates, Edward | 1.1 | 569.25 | 961.65 |
| 01/10/18 | 7386825 | Review redraft of Lease from KB Homes for Horizon/Rainbow Property; discuss comments with Geno Rodriguez; prepare redraft of Lease. | Lorenzen, Jonathan | 1.9 | 778.05 | 1,739.70 |
| 01/11/18 | 7386881 | Discuss LV Kade sale closing issues with G. Rodriguez (.2); analyze issues regarding purchase and sale agreement for Las Vegas 2 property | Fates, Edward | 1.0 | 517.50 | 2,257.20 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|--------|----------|
| | | (.2); call and follow up emails with title and escrow regarding questions concerning LV Kade closing (.6). | | | | |
| 01/11/18 | 7387393 | Review closing issues for Las Vegas Blvd Property. | Lorenzen, Jonathan | 0.9 | 368.55 | 2,625.75 |
| 01/12/18 | 7388461 | Communications with title/escrow regarding certified order and other closing issues for LV Kade sale (.4); revisions to purchase and sale agreement for Las Vegas 2 (.5); discuss same and Stead commission agreement with G. Rodriguez (.3). | Fates, Edward | 1.2 | 621.00 | 3,246.75 |
| 01/12/18 | 7388638 | Review correspondence from Title Company related to closing for Prologis purchase of Las Vegas Blvd property. | Lorenzen, Jonathan | 0.3 | 122.85 | 3,369.60 |
| 01/16/18 | 7389573 | Advise on final closing documents/issues for LV Kade sale. | Fates, Edward | 0.3 | 155.25 | 3,524.85 |
| 01/17/18 | 7391422 | Advise regarding commission agreement for potential sale of Stead property. | Fates, Edward | 0.4 | 207.00 | 3,731.85 |
| 01/17/18 | 7391947 | Review and revise broker commission agreement for Stead 1 property. | Lorenzen, Jonathan | 1.6 | 655.20 | 4,387.05 |
| 01/22/18 | 7394947 | Discuss issues with LV Kade easement for City of North Las Vegas with G. Rodriguez (.3); communications with counsel for Prologis regarding same (.2). | Fates, Edward | 0.5 | 258.75 | 4,645.80 |
| 01/22/18 | 7395239 | Review Buyer's comments to PSA for Las Vegas 2 property. | Lorenzen, Jonathan | 0.7 | 286.65 | 4,932.45 |
| 01/23/18 | 7395597 | Review order approving engagement of brokers and advise Receiver | Fates, Edward | 0.5 | 258.75 | 5,191.20 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|--------|----------|
| | | regarding same (.2); discuss issues regarding easement on LV Kade property with G. Rodriguez (.3). | | | | |
| 01/24/18 | 7397040 | Call and emails with G. Rodriguez and counsel for Prologis regarding easement issue for LV Kade property. | Fates, Edward | 0.5 | 258.75 | 5,449.95 |
| 01/24/18 | 7397902 | Revise Horizon Partners PSA pursuant to comments from KB Homes. | Lorenzen, Jonathan | 0.8 | 327.60 | 5,777.55 |
| 01/25/18 | 7400979 | Review remaining real property sale issues, impact of property, land use related conditions, work with counsel and Receiver to assess strategy for timely liquidation (.6). | Zaro, David | 0.6 | 421.20 | 6,198.75 |
| 01/25/18 | 7398020 | Discuss strategy and timing regarding upcoming sale matters with Receiver and G. Rodriguez. | Fates, Edward | 0.2 | 103.50 | 6,302.25 |
| 01/25/18 | 7398731 | Complete revisions to Horizon Partners PSA and send for review by KB Homes. | Lorenzen, Jonathan | 0.7 | 286.65 | 6,588.90 |
| 01/31/18 | 7402966 | Advise as to response to offers received for Dayton II property. | Fates, Edward | 0.2 | 103.50 | 6,692.40 |
| 02/01/18 | 7407361 | Revisions to letter of intent for Dayton II property. | Fates, Edward | 0.8 | 414.00 | 7,106.40 |
| 02/02/18 | 7407696 | Review recorded City easement documents regarding LV Kade and discuss same with G. Rodriguez and counsel for Prologis. | Fates, Edward | 0.4 | 207.00 | 7,313.40 |
| 02/06/18 | 7409781 | Advise on amendment to listing agreement and marketing strategy for Santa Fe property. | Fates, Edward | 0.2 | 103.50 | 7,416.90 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|--------|-----------|
| 02/06/18 | 7410663 | Prepare Overbid PSA for Dayton I.; review Letter of Intent for Dayton II and begin preparing PSA. | Lorenzen, Jonathan | 1.4 | 573.30 | 7,990.20 |
| 02/07/18 | 7411211 | Review order approving sale of Dayton IV property from QSF Trust and advise G. Rodriguez regarding same and sale closing issues. | Fates, Edward | 0.2 | 103.50 | 8,093.70 |
| 02/07/18 | 7412634 | Prepare Purchase and Sale Agreement for Dayton II property. | Lorenzen, Jonathan | 1.2 | 491.40 | 8,585.10 |
| 02/08/18 | 7413241 | Advise on issues for Dayton II proposed purchase and sale agreement (.2); discuss closing issues for Dayton IV sale with G. Rodriguez (.2). | Fates, Edward | 0.4 | 207.00 | 8,792.10 |
| 02/08/18 | 7412730 | Review Quitclaim Deeds recorded for Western Properties; complete Dayton II PSA. | Lorenzen, Jonathan | 0.6 | 245.70 | 9,037.80 |
| 02/13/18 | 7417142 | Review revisions to Dayton II PSA from Buyer, and prepare redraft of PSA; review comments from San Diego County regarding legal description for Twin Plant. | Lorenzen, Jonathan | 1.9 | 778.05 | 9,815.85 |
| 02/14/18 | 7418282 | Advise Receiver and G. Rodriguez regarding potential Washoe V sale cancellation, surrender of deposit by buyer, and listing of property with broker, and related issues. | Fates, Edward | 0.4 | 207.00 | 10,022.85 |
| 02/16/18 | 7419956 | Advise on terms and execution of Dayton II purchase and sale agreement (.2); discuss Las Vegas 2 sale issues relating to transfer of title to QSF Trust with G. Rodriguez (.2); revisions to communication to | Fates, Edward | 0.6 | 310.50 | 10,333.35 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|--------|-----------|
| | | investors regarding multiple credible offers received for receivership properties (.2). | | | | |
| 02/16/18 | 7421010 | Review issues related to Horizon Partners/KB Homes property. | Lorenzen, Jonathan | 0.7 | 286.65 | 10,620.00 |
| 02/20/18 | 7421292 | Advise Receiver on Dayton II escrow/title issues. | Fates, Edward | 0.1 | 51.75 | 10,671.75 |
| 02/21/18 | 7422977 | Finalize transfer documents regarding Las Vegas 2 property for recording in Clark County. | Fates, Edward | 0.3 | 155.25 | 10,827.00 |
| 02/21/18 | 7423291 | Review comments to PSA from KB Homes. | Lorenzen, Jonathan | 0.4 | 163.80 | 10,990.80 |
| 02/22/18 | 7424140 | Discuss comments from KB Homes with Geno Rodriguez; complete redraft of PSA and send for review by KB Homes. | Lorenzen, Jonathan | 0.9 | 368.55 | 11,359.35 |
| 02/27/18 | 7428242 | Advise on issues relating to Washoe IV purchase and sale agreement (.2); advise on terms of purchase and sale agreement for Las Vegas 2 property (.3). | Fates, Edward | 0.5 | 258.75 | 11,618.10 |
| 02/27/18 | 7427513 | Review Letter of Intent for Washoe IV and prepare Purchase and Sale Agreement; review comments from KB Homes and prepare redraft. | Lorenzen, Jonathan | 2.3 | 941.85 | 12,559.95 |
| 02/28/18 | 7430903 | Prepare Purchase and Sale Agreement for Washoe IV. | Lorenzen, Jonathan | 0.9 | 368.55 | 12,928.50 |
| 03/05/18 | 7434417 | Discuss motion for approval of sale of Dayton II property with G. Rodriguez (.3); work on motion (1.2). | Fates, Edward | 1.5 | 776.25 | 13,704.75 |
| 03/06/18 | 7436279 | Revisions to Dayton II sale motion | Fates, Edward | 0.7 | 362.25 | 14,067.00 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|----------|-----------|
| | | and discuss same with Receiver (.3); work on Receiver's declaration in support of sale motion (.4). | | | | |
| 03/07/18 | 7436690 | Advise as to terms of Washoe V purchase and sale agreement (.4); finalize Dayton II sale motion (.2). | Fates, Edward | 0.6 | 310.50 | 14,377.50 |
| 03/07/18 | 7436883 | Revise Form PSA to include additional language regarding approval of multiple High Bidders; complete preparation of new PSAs for Washoe IV and Washoe V. | Lorenzen, Jonathan | 2.8 | 1,146.60 | 15,524.10 |
| 03/12/18 | 7443078 | Review and respond to correspondence regarding Washoe and Las Vegas properties; call KB Homes' attorney to discuss title issues. | Lorenzen, Jonathan | 0.7 | 286.65 | 15,810.75 |
| 03/14/18 | 7444480 | Discuss sale terms and strategy regarding potential sale of Las Vegas 2 property with Receiver and communications with counsel for prospective buyer regarding same (.7); call and emails with counsel for prospective purchaser for Washoe IV property regarding sale approval process, sale order, and terms of purchase and sale agreement (.8). | Fates, Edward | 1.5 | 776.25 | 16,587.00 |
| 03/14/18 | 7444416 | Review title issues for KB Homes Purchase and Sale Agreement, and revise agreement accordingly. | Lorenzen, Jonathan | 0.9 | 368.55 | 16,955.55 |
| 03/15/18 | 7445507 | Revise LOI for potential sale and overbid of Washoe IV property. | Fates, Edward | 0.4 | 207.00 | 17,162.55 |
| 03/19/18 | 7448794 | Revise terms of purchase and sale agreement to address title issues for | Fates, Edward | 0.4 | 207.00 | 17,369.55 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|----------|-----------|
| | | potential sale of Las Vegas 2 property. | | | | |
| 03/19/18 | 7448286 | Revise KB Homes PSA to include additional title objection rights. | Lorenzen, Jonathan | 0.9 | 368.55 | 17,738.10 |
| 03/20/18 | 7450282 | Advise on purchase and sale terms for potential sale of Las Vegas 2 property. | Fates, Edward | 0.4 | 207.00 | 17,945.10 |
| 03/20/18 | 7449418 | Prepare final version of Purchase and Sale Agreement for Washoe V sale to Pyramid Land Holdings LLC; send for Buyer's review and execution.; send updated KB Homes PSA to Buyer for review. | Lorenzen, Jonathan | 1.2 | 491.40 | 18,436.50 |
| 03/21/18 | 7451209 | Review comments from Buyer to Washoe IV Purchase and Sale Agreement; revise Purchase and Sale Agreement accordingly. | Lorenzen, Jonathan | 0.6 | 245.70 | 18,682.20 |
| 03/27/18 | 7456115 | Review executed Purchase and Sale Agreement for Washoe V. | Lorenzen, Jonathan | 0.4 | 163.80 | 18,846.00 |
| 03/28/18 | 7456714 | Revisions to notice to investors regarding credible offers for International and Washoe V properties (.4); discuss motion for approval of sale of International property with G. Rodriguez (.4); work on motion (1.7). | Fates, Edward | 2.5 | 1,293.75 | 20,139.75 |
| 03/28/18 | 7457369 | Review comments to Purchase and Sale Agreement from KB Homes. | Lorenzen, Jonathan | 0.6 | 245.70 | 20,385.45 |
| 03/29/18 | 7458485 | Discuss International sale motion with G. Rodriguez (.2); revisions to motion (.9). | Fates, Edward | 1.1 | 569.25 | 20,954.70 |
| 03/30/18 | 7460477 | Work on Receiver's declaration in | Fates, Edward | 0.9 | 465.75 | 21,420.45 |

05/18/18 15:25:37 PROFORMA STATEMENT FOR MATTER 372640-00005 (Thomas C. Hebrank, as Receiver for Western Financial) (Operations & Asset Sales)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|-------|-----------------------------------------------------------------------------|------------|-------|------|-----|
| | | support of International sale motion, notice of motion, and proposed order. | | | | |

Proforma Summary

| Timekeeper Number | Timekeeper | Hours | Rate | Amounts |
|---------------------|-------------------|-------------|--------|------------------|
| 000313 | David Zaro | 0.6 | 702.00 | 421.20 |
| 001665 | Edward Fates | 20.4 | 517.50 | 10,557.00 |
| 002115 | Jonathan Lorenzen | 25.5 | 409.50 | 10,442.25 |
| | | <u>46.5</u> | | <u>21,420.45</u> |
| Total Fees | | | | 21,420.45 |
| Total Disbursements | | | | 0.00 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00006 (Thomas C. Hebrank, as Receiver for Western Financial) (Claims & Distributions)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00006

Matter Name: Claims & Distributions

Date of Last Billing: 05-02-2018

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 |
|------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|----------|
| 01/05/18 | 7382213 | Revisions to January case update for investors. | Fates, Edward | 0.3 | 155.25 | 155.25 |
| 01/12/18 | 7388840 | Respond to inquiry from investor regarding timing of distributions. | Fates, Edward | 0.2 | 103.50 | 258.75 |
| 01/17/18 | 7390608 | Initial work on motion for authority to make interim distributions. | Fates, Edward | 1.9 | 983.25 | 1,242.00 |
| 01/18/18 | 7391938 | Review letter to Court from investor with disputed claim (S. Gracelyn) and advise Receiver regarding next steps/response to same (.5); review letter to court from investor with disputed claim (De Assis) and advise Receiver regarding response to same (.4). | Fates, Edward | 0.9 | 465.75 | 1,707.75 |
| 01/19/18 | 7393186 | Work on response to letter from De Assis regarding disputed claim. | Fates, Edward | 0.6 | 310.50 | 2,018.25 |
| 01/24/18 | 7397044 | Discuss withdrawal of claim dispute by S. Gracelyn and response to letter from De Assis with G. Rodriguez. | Fates, Edward | 0.2 | 103.50 | 2,121.75 |
| 01/26/18 | 7399002 | Review order changing time for hearing on claims approval motion and advise Receiver regarding same. | Fates, Edward | 0.1 | 51.75 | 2,173.50 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00006 (Thomas C. Hebrank, as Receiver for Western Financial) (Claims & Distributions)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|----------|----------|
| 01/26/18 | 7399520 | Continue work on motion for authority to make interim distributions. | Fates, Edward | 1.1 | 569.25 | 2,742.75 |
| 01/31/18 | 7402867 | Work on response addressing investor letters and disputed claims (2.1); discuss same with Receiver and G. Rodriguez (.2). | Fates, Edward | 2.3 | 1,190.25 | 3,933.00 |
| 02/08/18 | 7412808 | Discuss continued hearing on February 9 on claims approval motion with Receiver. | Fates, Edward | 0.2 | 103.50 | 4,036.50 |
| 02/09/18 | 7413909 | Discuss illness and attendance at February 9 hearing with Receiver (.1); attend hearing on claims approval motion (.8). | Fates, Edward | 0.9 | 465.75 | 4,502.25 |
| 02/15/18 | 7418965 | Advise Receiver on communications to investors regarding final K-1s from GPs and tax treatment of distributions. | Fates, Edward | 0.5 | 258.75 | 4,761.00 |
| 02/16/18 | 7420108 | Work on motion for authority to make interim distributions to investors with allowed claims (1.4); communications with Receiver regarding same (.1). | Fates, Edward | 1.5 | 776.25 | 5,537.25 |
| 02/20/18 | 7421454 | Review order approving proposed investor claim amounts and advise Receiver regarding same and next steps. | Fates, Edward | 0.6 | 310.50 | 5,847.75 |
| 02/21/18 | 7422504 | Revisions to monthly case update to investors. | Fates, Edward | 0.4 | 207.00 | 6,054.75 |
| 03/06/18 | 7436283 | Communications with counsel for transferee of claims against receivership estate pursuant to outside settlement agreement. | Fates, Edward | 0.4 | 207.00 | 6,261.75 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00006 (Thomas C. Hebrank, as Receiver for Western Financial) (Claims & Distributions)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|----------|
| 03/07/18 | 7437231 | Analyze administrative expense projection from Receiver for interim distribution motion (.3); discuss same and revisions and updates to motion with Receiver and G. Rodriguez (.5); meet and confer communications with SEC's counsel regarding motion (.2); review settlement agreement transferring English claim and advise Receiver regarding same and next steps to confirm transfer (.5). | Fates, Edward | 1.5 | 776.25 | 7,038.00 |
| 03/08/18 | 7438227 | Revisions and updates to motion for authority to make interim distributions (.5); discuss same with Receiver and G. Rodriguez (.4). | Fates, Edward | 0.9 | 465.75 | 7,503.75 |
| 03/09/18 | 7441025 | Work on Receiver's declaration in support of motion regarding interim distributions (.5); finalize motion, declaration, and exhibit for filing (.4). | Fates, Edward | 0.9 | 465.75 | 7,969.50 |
| 03/12/18 | 7442166 | Advise Receiver regarding updates to receivership website. | Fates, Edward | 0.2 | 103.50 | 8,073.00 |
| 03/14/18 | 7444874 | Discuss issues relating to assignment of T. English claim with Receiver and G. Rodriguez and communications with counsel for assignees. | Fates, Edward | 0.8 | 414.00 | 8,487.00 |
| 03/15/18 | 7445659 | Call with counsel for assignee of T. English claim regarding documentation needed to complete assignment of claim (.3); advise Receiver and G. Rodriguez regarding same (.1). | Fates, Edward | 0.4 | 207.00 | 8,694.00 |
| 03/20/18 | 7449939 | Revisions to monthly case update for investors. | Fates, Edward | 0.4 | 207.00 | 8,901.00 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00006 (Thomas C. Hebrank, as Receiver for Western Financial) (Claims & Distributions)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|----------|
| 03/26/18 | 7453797 | Advise G. Rodriguez on treatment of T. English claim and assignment issue (.2); communications with T. English and counsel for assignees regarding same (.4); prepare form of consent to assignment (.5); and respond to J. Schooler creditor regarding disallowance of claim (.2). | Fates, Edward | 1.3 | 672.75 | 9,573.75 |
| 03/27/18 | 7456093 | Advise G. Rodriguez on responses to inquiries from IRA Resources regarding investor claims/distributions. | Fates, Edward | 0.3 | 155.25 | 9,729.00 |
| 03/28/18 | 7457043 | Advise Receiver concerning response to inquiry from IRA Resources regarding investor claims/distributions. | Fates, Edward | 0.2 | 103.50 | 9,832.50 |
| 03/29/18 | 7457579 | Review lengthy correspondence from investor and advise G. Rodriguez on response to same. | Fates, Edward | 0.2 | 103.50 | 9,936.00 |

Proforma Summary

| Timekeeper Number | Timekeeper | Hours | Rate | Amounts |
|---------------------|--------------|-------------|--------|-----------------|
| 001665 | Edward Fates | 19.2 | 517.50 | 9,936.00 |
| | | <u>19.2</u> | | <u>9,936.00</u> |
| Total Fees | | | | 9,936.00 |
| Total Disbursements | | | | 0.00 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00007 (Thomas C. Hebrank, as Receiver for Western Financial) (Third Party Recoveries)

| Trans Date | Index | Description of Service Rendered | Timekeeper | Hours | Fees | Sum |
|------------|---------|---------------------------------------------------------------------------------------------------------------------------------------|---------------|-------|--------|----------|
| | | property and post-judgment receivership (.3), and discuss same with G. Rodriguez (.2). | | | | |
| 03/27/18 | 7455086 | Review post-judgment Receiver's 18th report and correspondence from senior lender on LinMar III property regarding notice of default. | Fates, Edward | 0.4 | 207.00 | 1,449.00 |

Proforma Summary

| Timekeeper Number | Timekeeper | Hours | Rate | Amounts |
|---------------------|--------------|------------|--------|-----------------|
| 001665 | Edward Fates | 2.8 | | 1,449.00 |
| | | <u>2.8</u> | 517.50 | <u>1,449.00</u> |
| Total Fees | | | | 1,449.00 |
| Total Disbursements | | | | 0.00 |

05/11/18 16:27:54 PROFORMA STATEMENT FOR MATTER 372640-00009 (Thomas C. Hebrank, as Receiver for Western Financial)
 (Employment/Fees)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 372640-00009

Matter Name: Employment/Fees

Date of Last Billing: 05-02-2018

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 |
|------------|---------|---------------------------------------------------------------------------------------|---------------|-------|--------|--------|
| 03/07/18 | 7437050 | Revisions to Receiver's twenty-second interim fee application. | Fates, Edward | 0.6 | 310.50 | 310.50 |
| 03/12/18 | 7441821 | Meet and confer communications with SEC's counsel regarding interim fee applications. | Fates, Edward | 0.1 | 51.75 | 362.25 |
| 03/20/18 | 7450002 | Meet and confer communications with SEC counsel regarding interim fee applications. | Fates, Edward | 0.1 | 51.75 | 414.00 |

Proforma Summary

| Timekeeper Number | Timekeeper | Hours | Rate | Amounts |
|---------------------|--------------|-------|--------|---------|
| 001665 | Edward Fates | 0.8 | 517.50 | 414.00 |
| | | 0.8 | | 414.00 |
| Total Fees | | | | 414.00 |
| Total Disbursements | | | | 0.00 |