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9 Tax Accountants for Receiver
10 Thomas C. Hebrank

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA
13 SOUTHERN DIVISION

14 SECURITIES AND EXCHANGE
15 COMMISSION,

16 Plaintiff,

17 vs.

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

23 Defendants.

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

**TENTH INTERIM APPLICATION
FOR APPROVAL AND PAYMENT
OF FEES AND COSTS TO DUFFY,
KRUSPODIN, LLP, AS TAX
ACCOUNTANTS FOR RECEIVER**

Date: April 5, 2019
Time: 1:30 p.m.
Ctrm: 2D
Judge: Hon. Gonzalo P. Curiel

24 Duffy, Kruspodin, LLP ("Duffy"), tax accountants for Thomas C. Hebrank
25 ("Receiver"), the Court-appointed permanent receiver for First Financial Planning
26 Corporation d/b/a Western Financial Planning Corporation ("Western"), and its
27 subsidiaries and related entities, including Real Asset Locators, Inc. ("Real Asset")
28 set up by Western and WFP Receivership (collectively, the "Receivership Entities"),
hereby submits this tenth interim application for approval and payment of
professional fees and reimbursement of costs for work in preparing the 2017 federal

1 and state tax returns for Western, and its subsidiaries, including Real Asset
2 Locators, Inc. and WFP Receivership QSF Trust ("WFP Receivership") research
3 and 2017 tax return preparation.

4 Duffy incurred \$37,490.22 in fees for this Application Period and seeks
5 interim approval and payment of these fees. Detailed descriptions of the services
6 rendered by entity are contained in Exhibit A attached hereto. Exhibit B is a
7 summary of Duffy staff total hours and corresponding rates. During the Application
8 Period, Duffy spent 190.7 hours on behalf of the Receiver at an overall blended
9 billing rate of \$196.59 per hour. Duffy has discounted all fees by ten percent (10%)
10 from regular hourly billing rates.

11 I. OVERVIEW

12 The Temporary Restraining Order ("TRO") and the Preliminary Injunction
13 Order vests the Receiver with authority to employ professionals to assist in his
14 efforts. TRO, Dkt. No. 10, Part VII.C. and G; Preliminary Injunction, Dkt. No. 174,
15 Part III.C. and G. Pursuant to that authority, the Receiver engaged Duffy as tax
16 accountants to prepare the 2017 income tax and informational filings for Western,
17 Real Asset and WFP Receivership.¹ The Receiver selected Duffy after a discussion
18 took place regarding the preparation of the tax returns.

19 II. FEE APPLICATION

20 Duffy spent time during the Application Period in the following categories:

- 21 A. Preparation of 2017 Income Tax Returns for Western, Real Asset
22 Locators, and related entities
- 23 B. Preparation of 2017 Income Tax Return for WFP Receivership
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28 ¹ WFP Receivership was formed to take title to the properties transferred from the
General Partnerships ("GPs") before the GPs were dissolved.

1 **A. Western, Real Asset Locators, and Related Entities:**

2 1. General Engagement Services

3 Time in this category pertains to general communication and meetings for the
4 2017 engagement. Duffy was in contact with the Receiver through phone calls and
5 emails with the purpose of establishing the engagement and to agree upon
6 procedures and reporting timelines. Furthermore, various other emails and phone
7 calls were exchanged between Duffy and the Receiver regarding engagement
8 timing, status, and special circumstances arising from the receivership. Additional
9 time was spent in 2018 due to updates to accounting documents necessary to prepare
10 the tax returns, completion of final year filings for some entities, and additional
11 miscellaneous requests for reports or statements. As part of the filings of the final
12 tax returns for each partnership as outlined in the 9th fee application, the WFP
13 Receivership reported the transfer of all assets to the Qualified Settlement Fund
14 ("QSF") as required by law. This particular change resulted in additional hours spent
15 reporting the required information for each general partnership.

16 2. Preparation of 2017 Form 1096 and 1099 Informational Returns

17 The work in this category involves the preparation of the annual Forms 1096
18 and 1099s for all as required by tax law. The time spent included the following:

- 19 (a) verifying accounting fees in comparison to the Western records
20 for 1099 reporting;
- 21 (b) input of the 2017 Form 1099 amounts and verifying all other
22 informational data included on the form, such as partnership
23 names, addresses, and ID numbers for the receivership entities;
- 24 (c) reviewing 1099 recipient's names, addresses, and ID numbers;
- 25 (d) and electronic filing of the 1099s for the receivership entities;
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3. Preparation 2017 Income Tax Returns for Western, Real Asset, and Related Entities

Time in this category was spent preparing the income tax returns as follows:

- (a) processing the initial receipt of the Western and Real Asset books and records;
- (b) formatting and organizing the files with the current year data;
- (c) verifying cash receipts and disbursements for the year and scanning detail for reporting accuracy and consistency;
- (d) checking balance sheet account balances variances compared to prior year. When differences were noted, detail of change in current year was reviewed to verify correct application of accounting rules;
- (e) verifying and reconciling "investment in" accounts to the related LLC books for Western, which included single member LLCs;
- (f) reviewing input sheets of information entered into Lacerte;
- (g) manager level review of the above areas, as well as, overall review of tax return forms and input;
- (h) manager level verification of reporting accuracy, formatting, and adherence to current federal and state corporate tax laws;
- (i) staff and manager communication as needed to answer return discrepancies or additional information needed to complete the tax return;
- (j) partner level review of the above areas, as well as, overall review of tax return forms and input;
- (k) partner level verification of reporting accuracy, formatting, and adherence to current federal and state partnership tax laws;
- (l) finalizing of tax return and accompanying letters and schedules

- 1 (m) printing tax return copies for each of the receivership entities and
- 2 for government filing;
- 3 (n) electronic filing of the 2017 corporate returns;
- 4 (o) printing acceptance letters for the tax files to verify successful
- 5 submittal and receipt by government agencies;

	Hours	Fees	Average Hourly Rate
TOTAL	78.5	\$ 13,832.10	\$ 176.21

8 **B. Preparation 2017 Income Tax Return for WFP Receivership**

9 Time in this category was spent preparing the income tax return as follows:

- 10 a) processing the initial receipt of the WFP Receivership books and
- 11 records;
- 12 b) formatting and organizing the files with the current year data;
- 13 c) verifying cash receipts and disbursements for the year and
- 14 scanning detail for reporting accuracy and consistency;
- 15 d) verifying balance sheet account balances for reporting purposes
- 16 and tracking for file;
- 17 e) research and meetings regarding reporting of specialized entity
- 18 for Federal and State agencies, as well as discussion of proper
- 19 reporting at each stage of decision making based on court
- 20 proceedings;
- 21 f) reviewing input sheets of information entered into Lacerte;
- 22 g) partner level review of the above areas, as well as, overall review
- 23 of tax return forms and input;
- 24 h) partner level verification of reporting accuracy, formatting, and
- 25 adherence to current federal and state tax laws;
- 26 i) finalizing of tax return and accompanying letters and schedules;

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- 1 j) printing tax return copies for the receivership entity and for
- 2 government filing;
- 3 (k) sending paper filing of the 2017 return to receiver for signature
- 4 and mailing;

	Hours	Fees	Average Hourly Rate
TOTAL	112.2	\$ 23,658.12	\$ 210.86

7 **III. THE REQUESTED FEES ARE REASONABLE AND SHOULD BE**
 8 **ALLOWED**

9 In its Order Granting in Part First Interim Fee Applications, the Court
 10 analyzed the case law regarding approval of interim fee applications in regulatory
 11 receiverships and determined that the following factors should be considered: (1) the
 12 complexity of the task; (2) the fair value of the time, labor, and skill measured by
 13 conservative business standards; (3) the quality of work performed, including the
 14 results obtained and the benefit to the receivership estate; (4) the burden the
 15 receivership estate may safely be able to bear; and (5) the Commission's opposition
 16 or acquiescence.

17 **A. Complexity of Tasks**

18 Duffy's preparation of Western, Real Asset and WFP Receivership's tax
 19 returns are considered complex in nature. The complexity lies in the numerous
 20 transactions in which Western engages in and the transition to the QSF tax return
 21 reporting for the Western entities. The volume of data that needs to be verified to
 22 ensure accuracy is very vast and the corporation has interrelated account balances
 23 with the other Western entities. As a result, it was labor intensive to verify all
 24 information on the return.

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

26 There are various levels of staff that worked on the engagement. For this fee
 27 application, the firm's 2017 hourly rates were used for all staff levels, as previously
 28

1 approved by the Court. Thane F. Kelton, CPA, the partner on the engagement, was
2 billed at an hourly rate of \$400, Livia Benjamin, CPA, the manager on the
3 engagement, was billed at an hourly rate of \$255, Andy Nguyen, CPA, Christine
4 Mosack, Douglas Shaw, Erika Patterson, CPA, Mackenzie Balash, and Wendy
5 Shelton, the staff preparers on the engagement, were billed at an hourly rate ranging
6 from \$85 to \$150. The remaining administrative staff that worked on the
7 engagement were billed at a rate of \$70. These rates represent typical rates in
8 California for CPAs of similar experience and expertise for the 2017 year. All
9 compensation based on billing rates was discounted by ten percent (10%). The
10 blended hourly rate for all services provided by Duffy during the Application Period
11 is \$196.59. A summary of Duffy staff that worked on the engagement is included as
12 Exhibit B.

13 **C. Quality of Work Performed**

14 Duffy has provided the client with quality tax preparation and ancillary
15 services, with a high level of professionalism and excellent customer service. Duffy
16 worked diligently to ensure timely filing and was prompt in its completion of all of
17 the returns for 2017, as applicable, as they were received during one of the busiest
18 times of year. Duffy was able to complete the corporate tax returns for 2017,
19 guaranteeing compliance with government agencies.

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

21 At the conclusion of the third quarter, the receivership estate held \$4,032,942
22 in funds, with \$13,000,000 having previously been distributed to investors pursuant
23 to the Court's orders. Additional sale proceeds have been received during the fourth
24 quarter and further sales are pending. Therefore, the receivership estate has more
25 than sufficient funds available to pay the requested fees.

26 **E. Commission's Opposition of Acquiescence**

27 Prior to filing, Duffy, through the Receiver's counsel, provided this fee
28 application to counsel for the Commission in substantially final form. Counsel for

EXHIBIT INDEX

Exhibit A	Detailed Descriptions of the Services Rendered by Entity	10
Exhibit B	Summary of Duffy's Staff's Total Hours and Corresponding Rates	20

EXHIBIT A

EXHIBIT A

SEC - Western Financial
First Financial Planning

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
11/2/2017	Benjamin, CPA	Spoke with Traci regarding the FTB claim, discussed with Thane and Geno	0.5	\$ 127.50	\$ 114.75
11/3/2017	Benjamin, CPA	Phone call with FTB auditor regarding claim, discussed with Thane and email to Tom	0.8	204.00	183.60
11/7/2017	Benjamin, CPA	Discussed FTB claim with Thane and emails with Geno	0.3	76.50	68.85
11/8/2017	Benjamin, CPA	Email to auditor on time frame	0.2	51.00	45.90
11/9/2017	Benjamin, CPA	Correspondence with auditor	0.2	51.00	45.90
11/30/2017	Benjamin, CPA	FTB response to abate penalties	0.3	76.50	68.85
12/1/2017	Benjamin, CPA	Email to David Dorne and Geno after meeting with Thane	0.4	102.00	91.80
12/4/2017	Benjamin, CPA	Check in email with FTB auditor	0.1	25.50	22.95
1/19/2018	Nguyen, CPA	Review 1099s	0.2	29.00	26.10
1/29/2018	Benjamin, CPA	Talked to Andy regarding 1099 prep 2017	0.1	25.50	22.95
1/30/2018	Nguyen, CPA	Update 1099s	0.1	14.50	13.05
1/30/2018	Shaw	Correction to 2017 1096 and 1099	0.4	34.00	30.60
2/9/2018	Kelton, CPA	Status meeting of job	1.0	400.00	360.00
3/9/2018	Benjamin, CPA	Met with Andy regarding loans and 2017 tax prep	0.6	153.00	137.70
3/10/2018	Nguyen, CPA	Consolidate profit and loss items. Discuss with Livia	2.5	362.50	326.25
3/10/2018	Shaw	Prep meeting with Andy	0.1	8.50	7.65
3/14/2018	Blash	K-1 Reconciliation	3.2	272.00	244.80
3/14/2018	Nguyen, CPA	Go over items with McKenzie	0.3	43.50	39.15
3/15/2018	Blash	K-1 Reconciliation	0.8	68.00	61.20
3/15/2018	Nguyen, CPA	Send additional K-1s to McKenzie	0.2	29.00	26.10
3/16/2018	Nguyen, CPA	Look over new K-1s	0.2	29.00	26.10
3/16/2018	Wood	Extension Preparation	0.1	8.50	7.65
3/17/2018	Benjamin, CPA	2017 extension of time	0.2	51.00	45.90
3/17/2018	Nguyen, CPA	Look over additional K-1s	0.1	14.50	13.05
3/20/2018	Blash	K-1 Reconciliation	1.4	119.00	107.10
3/21/2018	Blash	Making a list of missing K-1's, emailing Andy open notes	0.2	17.00	15.30
3/21/2018	Nguyen, CPA	Discuss project status with McKenzie, get K-1s for McKenzie	0.5	72.50	65.25
3/22/2018	Blash	K-1 Reconciliation data entry and sorting K-1's	1.0	85.00	76.50
3/22/2018	Nguyen, CPA	Touch base with McKeznie	0.2	29.00	26.10
3/24/2018	Blash	Sorting K-1's	1.1	93.50	84.15
3/27/2018	Nguyen, CPA	Send over missing items to Livia	0.2	29.00	26.10
3/31/2018	Nguyen, CPA	Touch base with Livia	0.2	29.00	26.10
4/3/2018	Blash	Checking 2017 K-1 Reconciliation Entry	0.3	25.50	22.95
4/24/2018	Mosack	Helped Andy organize K-1s	0.6	51.00	45.90
4/24/2018	Nguyen, CPA	Begin work on tax return	7.0	1,015.00	913.50
4/25/2018	Benjamin, CPA	Status for 2017	0.2	51.00	45.90
4/25/2018	Nguyen, CPA	Make adjustments, look over prior year work papers. Touch base with Livia	4.0	580.00	522.00
4/26/2018	Benjamin, CPA	Met with preparer regarding 2017 return	0.3	76.50	68.85
4/26/2018	Nguyen, CPA	Touch base with Livia	0.5	72.50	65.25
4/26/2018	Nguyen, CPA	Update questions for Livia, begin work on adjustments	0.5	72.50	65.25
4/27/2018	Nguyen, CPA	Look up fee applications to book expenses. Touch base with Livia	2.5	362.50	326.25
5/4/2018	Benjamin, CPA	Status with Andy, email to Geno	0.2	51.00	45.90
5/4/2018	Nguyen, CPA	Continue work on items. Email Livia with update on missing items	0.7	101.50	91.35
5/9/2018	Benjamin, CPA	Status with Andy	0.1	25.50	22.95
5/9/2018	Nguyen, CPA	Touch base with Livia on questions from Geno	0.1	14.50	13.05
5/22/2018	Benjamin, CPA	Follow up with andy, email to Geno	0.2	51.00	45.90
5/29/2018	Benjamin, CPA	More info to preparer for 2017 return	0.1	25.50	22.95
5/29/2018	Nguyen, CPA	Intake on items sent by client	0.1	14.50	13.05
6/21/2018	Nguyen, CPA	Look over emails from client regarding the 2017 return	1.0	145.00	130.50
6/25/2018	Nguyen, CPA	Organize workpapers	0.7	101.50	91.35
6/29/2018	Benjamin, CPA	2017 return status and wrapping up	0.3	76.50	68.85
6/29/2018	Nguyen, CPA	Meet with Livia	0.2	29.00	26.10
7/2/2018	Nguyen, CPA	Key in return, organize workpapers	3.5	507.50	456.75
7/3/2018	Nguyen, CPA	Wrap up return	2.0	290.00	261.00
7/19/2018	Benjamin, CPA	Reviewed the 2017 return	1.4	357.00	321.30
7/30/2018	Benjamin, CPA	Continued review of 2017 return	5.2	1,326.00	1,193.40
7/31/2018	Benjamin, CPA	Reviewed the 2017 return	3.8	969.00	872.10
7/31/2018	Nguyen, CPA	Answer questions from Livia	0.2	29.00	26.10
9/7/2018	Benjamin, CPA	Review of the 2017 return	2.3	586.50	527.85
9/8/2018	Kelton, CPA	Status of Return, questions and final	1.5	600.00	540.00
9/11/2018	Benjamin, CPA	Review of 2017 return	1.4	357.00	321.30
9/14/2018	Benjamin, CPA	Review of 2017 return	5.7	1,453.50	1,308.15
9/14/2018	Nguyen, CPA	Call FTB to check on payments	0.2	29.00	26.10
9/17/2018	Santana	Upload return to Sharefile/ Rights Signature and notify client	0.1	7.00	6.30
9/17/2018	Santana	Assembly of tax return	0.2	14.00	12.60
9/17/2018	Benjamin, CPA	2017 return, changes, assembly, call with Tom/Geno	2.2	561.00	504.90
9/19/2018	Nguyen, CPA	Email Livia estimated tax payment info	0.1	14.50	13.05
9/28/2018	Kelton, CPA	Completion of tax return, sign and final review	1.5	600.00	540.00
Total before discount			68.6	\$ 13,373.50	
Total discounted invoice amount				\$ 12,036.15	

Summary by Employee:

Benjamin, CPA	27.1	\$	6,910.50	\$	6,219.45
Balash	8.0		680.00		612.00
Kelton, CPA	4.0		1,600.00		1,440.00
Mosack	0.6		51.00		45.90
Nguyen, CPA	28.0		4,060.00		3,654.00
Santana	0.3		21.00		18.90
Shaw	0.5		42.50		38.25
Wood	0.1		8.50		7.65
	<u>68.6</u>	\$	<u>13,373.50</u>	\$	<u>12,036.15</u>

SEC - Western Financial
 Real Asset Locators, Inc.

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
1/19/2018	Nguyen, CPA	Review 1099s	0.2	\$ 29.00	\$ 26.10
2/26/2018	Nguyen, CPA	Intake	0.1	14.50	13.05
3/1/2018	Nguyen, CPA	Look over prior year return	0.2	29.00	26.10
3/6/2018	Nguyen, CPA	Update tax return, make final entry.	0.4	58.00	52.20
9/13/2018	Benjamin, CPA	completed 2017 return	0.2	51.00	45.90
9/14/2018	Santana	Upload Return to Sharefile/Rights Signature and notify client	0.1	7.00	6.30
9/14/2018	Santana	Assembly	0.2	14.00	12.60
10/23/2018	Benjamin, CPA	Emails with Geno regarding 2017 efile forms	0.2	51.00	45.90
Total before discount			1.6	<u>\$ 253.50</u>	
Total discounted invoice amount					<u>\$ 228.15</u>

Summary by Employee:

Benjamin, CPA	0.4	\$ 102.00	\$ 91.80
Nguyen, CPA	0.9	130.50	117.45
Santana	0.3	21.00	18.90
	<u>1.6</u>	<u>\$ 253.50</u>	<u>\$ 228.15</u>

SEC - Western Financial
 Fernley I, LLC

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
2/26/2018	Nguyen, CPA	Prepare e-file waiver	0.2	\$ 29.00	\$ 26.10
3/2/2018	Nguyen, CPA	Key in P&L data and supporting documents	0.3	43.50	39.15
3/9/2018	Nguyen, CPA	Wrap up return	0.6	87.00	78.30
9/13/2018	Benjamin, CPA	Completed 2017 return	0.2	51.00	45.90
9/14/2018	Santana	Assembly	0.2	14.00	12.60
9/14/2018	Kelton, CPA	Completion of tax return, sign and final review	0.5	200.00	180.00
Total before discount			2.0	<u>\$ 424.50</u>	
Total discounted invoice amount					<u>\$ 382.05</u>

Summary by Employee:

Benjamin, CPA	0.2	\$ 51.00	\$ 45.90
Kelton, CPA	0.5	200.00	180.00
Nguyen, CPA	1.1	159.50	143.55
Santana	0.2	14.00	12.60
	<u>2.0</u>	<u>\$ 424.50</u>	<u>\$ 382.05</u>

SEC - Western Financial
P51, LLC

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
2/24/2018	Nguyen, CPA	Intake, file efile waiver.	0.3	\$ 43.50	\$ 39.15
3/2/2018	Nguyen, CPA	Key in P&L data and supporting documents.	0.3	43.50	39.15
3/9/2018	Nguyen, CPA	Wrap up return.	0.6	87.00	78.30
9/13/2018	Benjamin, CPA	completed 2017 return	0.2	51.00	45.90
9/14/2018	Santana	Assembly	0.2	14.00	12.60
9/14/2018	Kelton, CPA	Completion of tax return, sign and final review	0.5	200.00	180.00
Total before discount			2.1	<u>\$ 439.00</u>	
Total discounted invoice amount					<u>\$ 395.10</u>

Summary by Employee:

Benjamin, CPA	0.2	\$ 51.00	\$ 45.90
Kelton, CPA	0.5	200.00	180.00
Nguyen, CPA	1.2	174.00	156.60
Santana	0.2	14.00	12.60
	<u>2.1</u>	<u>\$ 439.00</u>	<u>\$ 395.10</u>

SEC - Western Financial
 Santa Fe Venture, LLC

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
2/24/2018	Nguyen, CPA	Intake, file efile waiver	0.3	\$ 43.50	\$ 39.15
3/2/2018	Nguyen, CPA	Key in P&L data and supporting documents	0.3	43.50	39.15
3/9/2018	Nguyen, CPA	Wrap up return	0.6	87.00	78.30
3/15/2018	Shelton	Status update	0.1	15.00	13.50
9/13/2018	Benjamin, CPA	Completed 2017 return	0.2	51.00	45.90
9/14/2018	Santana	Assembly	0.2	14.00	12.60
9/14/2018	Kelton, CPA	Completion of tax return, sign and final review	0.5	200.00	180.00
Total before discount			2.2	<u>\$ 454.00</u>	
Total discounted invoice amount					<u>\$ 408.60</u>

Summary by Employee:

Benjamin, CPA	0.2	\$ 51.00	\$ 45.90
Kelton, CPA	0.5	200.00	180.00
Nguyen, CPA	1.2	174.00	156.60
Santana	0.2	14.00	12.60
Shelton	0.1	15.00	13.50
	<u>2.2</u>	<u>\$ 454.00</u>	<u>\$ 408.60</u>

SEC - Western Financial
 SFV II, LLC

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
2/26/2018	Nguyen, CPA	Intake, Prepare efile waiver	0.2	\$ 29.00	\$ 26.10
3/2/2018	Nguyen, CPA	Key in P&L data and supporting documents	0.3	43.50	39.15
3/9/2018	Nguyen, CPA	Wrap up return	0.6	87.00	78.30
9/13/2018	Benjamin, CPA	Completed 2017 return	0.2	51.00	45.90
9/14/2018	Santana	Assembly	0.2	14.00	12.60
9/14/2018	Kelton, CPA	Completion of tax return, sign and final review	0.5	200.00	180.00
Total before discount			2.0	<u>\$ 424.50</u>	

Total discounted invoice amount \$ 382.05

Summary by Employee:

Benjamin, CPA	0.2	\$ 51.00	\$ 45.90
Kelton, CPA	0.5	200.00	180.00
Nguyen, CPA	1.1	159.50	143.55
Santana	0.2	14.00	12.60
	<u>2.0</u>	<u>\$ 424.50</u>	<u>\$ 382.05</u>

SEC - Western Financial
WFP Receivership

Date	Last Name	Memo	Hours	Original Amount	Discounted Amount
3/1/2017	Gianakos	Scanning of documentation	2.0	\$ 140.00	\$ 126.00
6/30/2017	Patterson	Discuss scheduling of job for 2017	0.5	72.50	65.25
11/1/2017	Benjamin, CPA	Spoke with Thane regarding outlook for 2017 work	0.2	51.00	45.90
11/2/2017	Benjamin, CPA	Email to Tom regarding closing out GPs before year end	0.2	51.00	45.90
11/10/2017	Benjamin, CPA	Left Geno voicemail	0.1	25.50	22.95
11/16/2017	Benjamin, CPA	Emails with Geno	0.2	51.00	45.90
12/6/2017	Benjamin, CPA	Email to Geno regarding closing of GPs process as of 12.31.17, discussed with Thane	1.4	357.00	321.30
12/14/2017	Benjamin, CPA	Emails with Geno regarding QSF transfers and final tax returns for partnerships	1.2	306.00	275.40
12/15/2017	Benjamin, CPA	Emails regarding QSF transfers and entity election for CA	0.5	127.50	114.75
12/16/2017	Benjamin, CPA	QSF research and email to Ted	0.8	204.00	183.60
12/18/2017	Kelton, CPA	Speak with Livia regarding entity structure	0.4	160.00	144.00
12/18/2017	Benjamin, CPA	Research regarding QSF transfers and FTB question	3.3	841.50	757.35
12/19/2017	Kelton, CPA	Discussed QSF filing with Livia	0.5	200.00	180.00
12/20/2017	Kelton, CPA	Conference call regarding QSF	0.5	200.00	180.00
12/20/2017	Benjamin, CPA	Call with Western regarding QSF transfers, research and emails to Ted	6.7	1,708.50	1,537.65
12/20/2017	Benjamin, CPA	Call with Ted regarding QSF transfers	0.5	127.50	114.75
12/21/2017	Benjamin, CPA	QSF Transfer, call with Geno Ted and Tom	2.1	535.50	481.95
1/4/2018	Benjamin, CPA	Reviewed the trust agreement and discussed with HCW, researched verbiage	6.8	1,734.00	1,560.60
1/5/2018	Kelton, CPA	Discussed QSF transfers and research	1.0	400.00	360.00
1/5/2018	Benjamin, CPA	2017 tax returns, final year end, info needed, evaluate time etc.	5.7	1,453.50	1,308.15
3/24/2018	Kelton, CPA	Status of job, discussed return with Livia and Andy	3.0	1,200.00	1,080.00
4/16/2018	Benjamin, CPA	Extension of time to file	0.5	127.50	114.75
4/16/2018	Nguyen, CPA	Prepare extension	0.4	58.00	52.20
4/19/2018	Benjamin, CPA	Spoke to Andy re status of 2017 return	0.4	102.00	91.80
4/25/2018	Benjamin, CPA	Status of 2017 return	0.2	51.00	45.90
4/25/2018	Nguyen, CPA	Begin work on return	2.0	290.00	261.00
4/26/2018	Benjamin, CPA	Met with the preparer re 2017 return	1.3	331.50	298.35
4/26/2018	Nguyen, CPA	Touch base with Livia	0.5	72.50	65.25
4/26/2018	Nguyen, CPA	Go over project with Estephene	0.2	29.00	26.10
4/27/2018	Santana	Print page 8949 forms for each partnership to PDF for Andy	1.8	126.00	113.40
4/27/2018	Nguyen, CPA	Continue work on receivership	1.0	145.00	130.50
4/30/2018	Benjamin, CPA	2017 return review	2.3	586.50	527.85
4/30/2018	Nguyen, CPA	Look over statement requirements. Begin work on statement.	5.0	725.00	652.50
5/1/2018	Benjamin, CPA	spoke to Andy regarding statements to attach re property transfers	0.2	51.00	45.90
5/1/2018	Nguyen, CPA	Discuss QSF with Livia. Hand over research for review	0.5	72.50	65.25
5/2/2018	Benjamin, CPA	looked at statement requirements for the 2017 return and prep of statements	0.4	102.00	91.80
5/2/2018	Nguyen, CPA	Wrap up QSF statements, continue work on QSF.	6.0	870.00	783.00
5/3/2018	Nguyen, CPA	Continue work on QSF	2.0	290.00	261.00
5/4/2018	Benjamin, CPA	Status with Andy, email to Geno	0.2	51.00	45.90
5/4/2018	Nguyen, CPA	Continue work on items. Email Livia	0.7	101.50	91.35
5/9/2018	Benjamin, CPA	Status with Andy	0.1	25.50	22.95
5/9/2018	Nguyen, CPA	Touch base with Livia on questions from Geno	0.1	14.50	13.05
6/13/2018	Nguyen, CPA	Status update with Livia	0.1	14.50	13.05
6/21/2018	Nguyen, CPA	Look over emails from client and work on return	1.0	145.00	130.50
6/29/2018	Nguyen, CPA	Meet with Livia	0.3	43.50	39.15
6/30/2018	Nguyen, CPA	Look over form instructions and enter in P&L	2.0	290.00	261.00
7/2/2018	Nguyen, CPA	Wrap up QSF return for review	3.0	435.00	391.50
7/3/2018	Nguyen, CPA	Wrap up 2017 return	2.0	290.00	261.00
7/17/2018	Benjamin, CPA	Reviewed the 2017 return	5.7	1,453.50	1,308.15
7/18/2018	Benjamin, CPA	2017 return	1.4	357.00	321.30
7/25/2018	Benjamin, CPA	Call with CPA for investor in P40 Warhawk asking questions about IRA reporting of distribution vs reported capital transfer on the K-1 at carrying value vs FMV (Sheryl Johnson for Janet Berdan)	0.3	76.50	68.85
8/28/2018	Benjamin, CPA	Status of fee application with Geno	0.2	51.00	45.90
8/29/2018	Kelton, CPA	2017 return review	1.0	400.00	360.00
8/29/2018	Benjamin, CPA	Call with Ted Fates regarding 9th fee application, signature on final	0.4	102.00	91.80
9/19/2018	Kelton, CPA	2017 final return review	2.5	1,000.00	900.00
9/19/2018	Benjamin, CPA	Calls with Thane and Tom regarding fee application changes	2.2	561.00	504.90
9/20/2018	Benjamin, CPA	2017 return review	6.8	1,734.00	1,560.60
9/24/2018	Benjamin, CPA	2017 return review	5.2	1,326.00	1,193.40
9/27/2018	Benjamin, CPA	2017 return review	8.4	2,142.00	1,927.80
9/28/2018	Nguyen, CPA	Answer questions from Livia	0.2	29.00	26.10
9/28/2018	Benjamin, CPA	2017 return, into assembly	3.8	969.00	872.10
9/26/2018	Kelton, CPA	Review, sign and final return	1.0	400.00	360.00
9/28/2018	Santana	Assembly and send Courier	0.3	21.00	18.90
10/1/2018	Benjamin, CPA	Talked to Wendy re check allocation, updated spreadsheet	0.5	127.50	114.75
10/12/2018	Nguyen, CPA	Hunt down K-1	0.5	72.50	65.25
10/12/2018	Esparza	All State Courier	-	78.80	70.92
Total before discount			112.2	26,286.80	
				Total discounted invoice amount	
				\$ 23,658.12	

Summary by Employee:

Benjamin, CPA	70.2	\$ 17,901.00	\$ 16,110.90
Esparza	-	78.80	\$ 70.92
Gianakos	2.0	140.00	\$ 126.00
Kelton, CPA	9.9	3,960.00	\$ 3,564.00
Nguyen, CPA	27.5	3,987.50	\$ 3,588.75
Patterson, CPA	0.5	72.50	\$ 65.25
Santana	2.1	147.00	\$ 132.30
	<u>112.2</u>	<u>\$ 26,286.80</u>	<u>\$ 23,658.12</u>

EXHIBIT B

EXHIBIT B

Rate Summary	Hours	Rate/hr	Original Amount	Discounted rate (10%)	Discounted Amount
Alex Gianakos	2.0	70.00	140.00	63.00	126.00
Andy Nguyen, CPA	61.0	145.00	8,845.00	130.50	7,960.50
Christine Mosack	0.6	85.00	51.00	76.50	45.90
Crystal Esparza		-	78.80	-	70.92
Douglas Shaw	0.5	85.00	42.50	76.50	38.25
Erika Patterson, CPA	0.5	145.00	72.50	130.50	65.25
Estephene Santana	3.5	70.00	245.00	63.00	220.50
Livia Benjamin, CPA	98.5	255.00	25,117.50	229.50	22,605.75
Mackenzie Balash	8.0	85.00	680.00	76.50	612.00
Rachel Wood	0.1	85.00	8.50	76.50	7.65
Thane F. Kelton, CPA	15.9	400.00	6,360.00	360.00	5,724.00
Wendy Shelton	0.1	150.00	15.00	135.00	13.50
	<u>190.7</u>		<u>\$ 41,655.80</u>		<u>\$ 37,490.22</u>
Average blended hourly rate			\$ 218.44		
Average blended hourly rate with 10% discount					\$ 196.59