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Former Trustee of Defendant PWCG Trust

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10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

12
13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 vs.

17 PACIFIC WEST CAPITAL
GROUP, INC., *et al.*,

18 Defendants.

Case No. 2:15-cv-02563 DDP-FFM

**ELEVENTH INTERIM APPLICATION FOR
APPROVAL AND PAYMENT OF FEES AND
COSTS TO MILLS, POTOCZAK &
COMPANY, AS FORMER TRUSTEE OF
PWCG TRUST**

Date: February 22, 2021

Time: 10:00 a.m.

Courtroom: 9C

Judge: Hon. Dean D. Pregerson

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22 Mills, Potoczak & Company, the Former Trustee of Defendant PWCG Trust (hereafter, the
23 “Trustee”), hereby submits this Eleventh interim application for payment of administrative fees and
24 reimbursement of costs for the time from June 24, 2020, through September 23, 2020 (“Eleventh
25 Application Period”).

26 The Former Trustee has incurred \$7735.00 in fees and \$32.59 in costs for this Eleventh
27 Application Period and asks the Court to approve, on an interim basis, and authorize payment of the fees
28

1 incurred of \$7735.00 and costs incurred of \$32.59. Such fees and expenses are summarized on **Exhibit A**
2 hereto.

3 Detailed descriptions of the services rendered are contained in **Exhibit B** attached hereto, which
4 summarizes hours and fees billed to each category of services on a monthly basis during the Eleventh
5 Application Period. During the Eleventh Application Period, the Trustee and its staff have spent 69
6 hours at an overall blended billing rate of \$112.10 per hour.

7 **Exhibit C** consists of a summary of all costs incurred by the Trustee during the Tenth
8 Application Period in connection with services provided.

9 **I. FEE APPLICATION**

10 The Trustee's work during the Eleventh Application Period falls into the following categories:

- 11 ▪ Transition activities in support of Receiver.
- 12 ▪ Policy Premium Analysis and notification of upcoming premium payments.

13 **A. General Duties**

14 During the Eleventh Application Period, the Trustee (i) participated in meetings and conferences
15 with the Receiver and legal counsel focused on advising and updating the Receiver regarding the PWCG
16 Trust and its assets; (ii) handled general administrative matters including reviewing mail, emails and
17 other correspondence directed to the Trustee and PWCG Trust, and; (iii) advised the Receiver regarding
18 the status of policies held in the Trust (including premium payment deadlines) and related
19 correspondence.

20 In addition, the Trustee has responded to numerous inquiries from investors and the Receiver
21 regarding the status of the PWCG Trust.

22 The Trustee's fees for this category of work are as follows:

23 Name	Title	Rate	Hours	Fees
24 William M Potoczak	President	\$300	.50	150.00
Linda J. Lee	Office manager and life settlement staff	\$120	2.00	240.00
25 Christina M. Shoo	Senior life settlement staff	\$130	1.50	195.00
Lorie L. Kaufman	Life settlement and death claim staff	\$110	65.00	7150.00
Total			69.00	7735.00
26 Average rate per hour				\$112.10

27 **B. Costs**

28 The Trustee requests that the Court approve \$32.59 in costs. A detailed description of each

1 expense is included in **Exhibit C**.

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3 **II. THE REQUESTED FEES ARE REASONABLE**
4 **AND SHOULD BE ALLOWED**

5 In considering the present Eleventh Interim Fee Application, the Court should consider: (1) the
6 complexity of the Trustee's tasks; (2) the fair value of the time, labor, and skill measured by
7 conservative business standards; (3) the quality of work performed, including the results obtained and
8 the benefit to the receivership estate; (4) the burden the receivership estate may safely be able to bear;
9 and (5) the Commission's opposition or acquiescence.

10 The Trustee respectfully submits that the structure and operation of the PWCG Trust involves a
11 level of complexity that greatly exceeds the structure and operation of more common life settlement
12 entities. The Trustee bases this assessment on its extensive experience in administering life settlement
13 assets on behalf of a numerous entities both in the U.S. and abroad.

14 The Trustee's work has helped to maintain the operations of the PWCG Trust during the
15 important transition of servicing work for the policies and it should be fairly compensated for its work.

16 On February 12, 2020, this Court entered its Order (Dkt. 314) stating (in pertinent part) that "1.
17 The Receiver is authorized to amend the Trust Agreement for PWCG Trust to remove MPC as Trustee
18 and substitute in the Receiver as Trustee. 3. MPC may seek Court approval of its reasonable fees and
19 costs via noticed fee applications, as it has throughout the receivership, for its services until such time as
20 the transition of all Trustee duties to the Receiver has been completed." MPC respectfully submits that
21 the within Application is submitted under the authority of the Court's February 12, 2020 Order.

22 **III. CONCLUSION**

23 The Trustee has worked diligently and efficiently in fulfilling his duties and has provided
24 valuable service to the receivership estate in that regard.

25 WHEREFORE, the Trustee requests an order:

26 1. Approving \$7735.00 in fees and \$32.59 in costs incurred by the Trustee during the
27 Eleventh Application Period and authorizing payment, on an interim basis, of \$7767.59 from available
28 receivership estate assets; and

2. Granting such other and further relief as is appropriate.

Date: January 22, 2021

James K. Roosa
Roosa Co., LP

Dennis J. Kelly, Esq.
Dillingham & Murphy LLP

/s/ Dennis J. Kelly
Attorneys for Trustee Mills Potoczak & Company

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EXHIBIT A

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User Nickname 1	Hours	Rate Value	Slip Value
ADMIN - UPS Total			32.59
Expense Total			32.59
CMS - Premium Total	-	130.00	-
CMS - Transition Total	<u>1.50</u>	130.00	<u>195.00</u>
CMS Total	1.50	130.00	195.00
LJL Premium Total	-	120.00	-
LJL Transition Total	<u>2.00</u>	120.00	<u>240.00</u>
LJL Total	2.00	120.00	240.00
LLK Premium Total	-	110.00	-
LLK Transition Total	<u>65.00</u>	110.00	<u>7,150.00</u>
LLK Total	65.00	110.00	7,150.00
WMP Transition Total	<u>0.50</u>	300.00	<u>150.00</u>
WMP Total	0.50	300.00	150.00
Combined Time	<u><u>69.00</u></u>		7,735.00
Grand Total (Time and Expenses)			<u><u>7,767.59</u></u>

EXHIBIT B

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PWCG Time Slips: 06/24/20 - 09/23/20

7,735.00

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7,735.00

Transaction Date	Trans Type	User Nickname	Time Spent	Rate Value	Slip Value	Description	PREMIUM	TRANSITION
06/26/2020	TIME	CMS	0.25	\$130.00	32.50	SCAN EMAIL AND SAVE TO SETTLEMENT FILES ON THE SERVER FOR MAIL RCVD 6/19 - 6/22		
07/07/2020	TIME	CMS	0.25	\$130.00	32.50	SCAN / SAVE TO SERVER IN SETTLEMENT FILES AND EMAIL TO ITM MAIL RCVD FROM 6/27 - 6/30		
07/09/2020	TIME	CMS	0.25	\$130.00	32.50	SCAN AND EMAIL TO ITM 21ST COPIES OT TWO CLASS ACTION SETTLEMENTS FROM JOHN HANCOCK AND SEND ORIGINALS UPS TO HEBRANK		
08/04/2020	TIME	CMS	0.25	\$130.00	32.50	SCAN MAIL RCVD ON SILVERSTEIN 59nl AND EMAIL TO ITM AND 3E / SAVE IN SETTLEMENT FOLDER		
08/10/2020	TIME	CMS	0.25	\$130.00	32.50	SCAN MAIL RCVD TO ITM 21ST AND SAVE TO SETTLEMENT FILES ON SERVER		
09/16/2020	TIME	CMS	0.25	\$130.00	32.50	Scan and email to ITM 21st Service mail received and save to the settlement files on the server		
		CMS - Transition Total	1.50		195.00			195.00
06/25/2020	TIME	LJL	0.75	\$120.00	90.00	RESEARCH AND RESPOND TO ALICA QUESTIONS RE INVESTORS		
06/26/2020	TIME	LJL	0.50	\$120.00	60.00	RESEARCH AND RESPOND TO ALICIA QUESTIONS ON SAIGH PRIVATE SALES		
08/27/2020	TIME	LJL	0.75	\$120.00	90.00	RESEARCH REQUESTED ITEM FOR		
		LJL - Transition Total	2.00		240.00			240.00
06/24/2020	TIME	LLK	7.00	\$110.00	770.00	SCAN CLOSED POLICIES FOR E3		
06/25/2020	TIME	LLK	1.00	\$110.00	110.00	SCAN AND POLICY FILES		
07/02/2020	TIME	LLK	1.50	\$110.00	165.00	SCAN POLICY(S) DOCUMENTS		
07/06/2020	TIME	LLK	5.00	\$110.00	550.00	PREP TO SCAN POLICY DOCUMENTS		
07/07/2020	TIME	LLK	7.50	\$110.00	825.00	SCAN POLICY(S) DOCS		
07/08/2020	TIME	LLK	3.00	\$110.00	330.00	PREP BINDERS FOR SCANNING		
07/09/2020	TIME	LLK	3.25	\$110.00	357.50	PREP BINDERS FOR SCANNING		
07/10/2020	TIME	LLK	5.00	\$110.00	550.00	PREP BINDERS FOR SCANNING		

Transaction Date	Trans Type	User Nickname	Time Spent	Rate Value	Slip Value	Description	PREMIUM	TRANSITION
07/15/2020	TIME	LLK	6.75	\$110.00	742.50	PREP BINDERS FOR SCANNING		
07/16/2020	TIME	LLK	1.75	\$110.00	192.50	WORK ON BINDERS FOR SCANNING		
07/17/2020	TIME	LLK	1.50	\$110.00	165.00	PREP BINDERS FOR SCANNING		
07/21/2020	TIME	LLK	2.00	\$110.00	220.00	PREP BINDERS FOR SCANNING		
07/23/2020	TIME	LLK	6.50	\$110.00	715.00	WORK ON BINDERS FOR SCANNING		
07/27/2020	TIME	LLK	5.25	\$110.00	577.50	PREP BINDERS FOR SCANNING		
07/29/2020	TIME	LLK	8.00	\$110.00	880.00	WORK ON BINDER PREP FOR SCANNING		
		LLK - Transition Total	65.00		7,150.00			7,150.00
07/09/2020	TIME	WMP	0.25	\$300.00	75.00	CLASS ACTION CHECKS AND RELATED DEPOSIT		
09/21/2020	TIME	WMP	0.25	\$300.00	75.00	INVESTOR EMAIL RESPONSE		
		WMP - Transition Total	0.50		150.00			150.00

EXHIBIT C

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PWCG EXPENSE SLIPS: 06/24/20 - 09/23/20

\$32.59

\$32.59

\$0.00

\$0.00

\$0.00

Transaction Date	Trans Type	User Nickname	Quantity	Price	Slip Value	Activity Nickname	Description	EXP - UPS	EXP - POSTAGE	EXP - COPIES	EXP - MISC
08/08/2020	EXP	ADMIN	1	\$32.59	\$32.59	\$UPS	UPS INV DATE 7/18/20 - CLASS ACTION CHECK TO E3	32.59			