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

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12 **SECURITIES AND EXCHANGE**  
**COMMISSION,**

13 Plaintiff,

14 vs.

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

16 Defendants.  
17

Case No. 2:15-CV-02563-FMO-FFMx

**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S STATEMENT OF NON-OPPOSITION TO:**

**(A) FOURTH INTERIM APPLICATION FOR APPROVAL AND PAYMENT OF FEES AND COSTS TO THOMAS C. HEBRANK, AS RECEIVER (Dkt. No. 241);**

**(B) FOURTH INTERIM APPLICATION OF ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS, LLP, GENERAL COUNSEL TO THE RECEIVER, FOR PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES (Dkt. No. 242); AND**

**(C) FOURTH INTERIM APPLICATION FOR APPROVAL AND PAYMENT OF FEES AND COSTS TO MILLS, POTOCZAK & COMPANY, AS TRUSTEE OF PWCG TRUST (Dkt. No. 244)**

Date: April 25, 2019  
Time: 10:00 a.m.  
Ctrm: 6D  
Judge: The Hon. Fernando M. Olguin

1 Plaintiff Securities and Exchange Commission (“SEC”) respectfully submits  
2 this consolidated statement of non-opposition to the fourth interim fee applications of  
3 the Receiver, Thomas C. Hebrank (Dkt. No. 241); the Receiver’s counsel, Allen  
4 Matkins (Dkt. No. 242); and Mills, Potoczak, as Trustee of PWCG Trust (Dkt. No.  
5 244).

6 It is well established that the determination if and when to award fees and  
7 expenses to a court-appointed receiver and the professionals employed by the  
8 receiver are within the Court’s sound discretion. *See Drilling & Exploration Corp. v.*  
9 *Webster*, 69 F.2d 416, 418 (9th Cir. 1934). The “compensation is usually determined  
10 according to the circumstances of the particular case, and corresponds with the degree  
11 of responsibility and business ability required in the management of the affairs” and  
12 the difficulty involved in that management. *Stuart v. Boulware*, 133 U.S. 78, 81-82,  
13 10 S. Ct. 242, 33 L. Ed. 568 (1890). An award of interim fees may be appropriate  
14 where a receiver or the professionals employed by the receiver “regularly devote[] a  
15 portion of his time, either daily or weekly, to the administration of the estate[.]” *See*  
16 *In Re McGann Mfg. Co.*, 188 F.2d 110, 112 (3d Cir. 1951) (interim fees to  
17 bankruptcy trustee or his counsel). *See also In re Alpha Telcom, Inc.*, No. CV 01-  
18 1283-PA, 2006 WL 3085616, at \*3 (D. Or. Oct. 27, 2006).

19 The SEC reviewed the fee amounts and supporting documentation, and  
20 whether the fees were reasonable and necessary to the efficient conduct of the  
21 receivership estate. The interim fees are reasonable, demonstrating that the Receiver  
22 is working efficiently to manage the portfolio and expenses, for the benefit of the  
23 defrauded investors. It is not unusual for courts in the Central District of California  
24 to approve interim fee payments to receivers and their professionals in SEC  
25 enforcement actions, when the SEC does not oppose the applications. After careful

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1 review of the applications and the requested fees, the SEC does not oppose the  
2 applications and the payment of interim payment of fees.

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Respectfully submitted,

Dated: April 4, 2019

/s/ John B. Bulgozdy  
John B. Bulgozdy  
Gary Y. Leung  
Attorneys for Plaintiff  
Securities and Exchange Commission

**PROOF OF SERVICE**

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION,  
444 S. Flower Street, Suite 900, Los Angeles, California 90071  
Telephone No. (323) 965-3998; Facsimile No. (213) 443-1904.

On April 4, 2019, I caused to be served the document entitled **PLAINTIFF SECURITIES AND EXCHANGE COMMISSION’S STATEMENT OF NON-OPPOSITION TO: (A) FOURTH INTERIM APPLICATION FOR APPROVAL AND PAYMENT OF FEES AND COSTS TO THOMAS C. HEBRANK, AS RECEIVER (Dkt. No. 241); (B) THIRD INTERIM APPLICATION OF ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS, LLP, GENERAL COUNSEL TO THE RECEIVER, FOR PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES (Dkt. No. 242); AND (C) FOURTH INTERIM APPLICATION FOR APPROVAL AND PAYMENT OF FEES AND COSTS TO MILLS, POTOCZAK & COMPANY, AS TRUSTEE OF PWCG TRUST (Dkt. No. 244)** on all the parties to this action addressed as stated on the attached service list:

**OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency’s practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

**HAND DELIVERY:** I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

**UNITED PARCEL SERVICE:** By placing in sealed envelope(s) designated by United Parcel Service (“UPS”) with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

**ELECTRONIC MAIL:** By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

**E-FILING:** By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

**FAX:** By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: April 4, 2019

/s/ John B. Bulgozdy

John B. Bulgozdy

1                    **SEC v. Pacific West Capital Group, Inc.; Andrew B. Calhoun IV, et al.**  
2                    **United States District Court – Central District of California**  
3                    **Case No. 2:15-CV-02563-FMO-FFM**  
4                    **(LA-04248)**

5                    SERVICE LIST

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