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10 Attorneys for Receiver  
11 THOMAS HEBRANK

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

14  
15 SECURITIES AND EXCHANGE  
COMMISSION,

16 Plaintiff,

17 v.

18 PACIFIC WEST CAPITAL GROUP,  
19 INC.; ANDREW B CALHOUN IV;  
PWCG TRUST; BRENDA CHRISTINE  
20 BARRY; BAK WEST, INC.; ANDREW B  
CALHOUN JR.; ERIC CHRISTOPHER  
21 CANNON; CENTURY POINT, LLC;  
MICHAEL WAYNE DOTTA; and  
22 CALEB AUSTIN MOODY (dba SKY  
STONE),

23 Defendants.  
24  
25  
26  
27  
28

Case No. 2:15-cv-02563-FMO (FFMx)

**FIFTH INTERIM APPLICATION  
OF ALLEN MATKINS LECK  
GAMBLE MALLORY &  
NATSIS, LLP, GENERAL  
COUNSEL TO THE RECEIVER,  
FOR PAYMENT OF FEES AND  
REIMBURSEMENT OF  
EXPENSES**

Date: August 15, 2019  
Time: 10:00 a.m.  
Ctrm.: 6D  
Judge: Hon. Fernando M. Olguin

1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"),  
2 general counsel to Thomas Hebrank ("Receiver"), the Court-appointed receiver for  
3 PWCG Trust, hereby submits this fifth interim application for approval and payment  
4 of fees and reimbursement of expenses ("Application"). This Application covers the  
5 period from January 1, 2019, through March 31, 2019 ("Fifth Application Period"),  
6 and seeks interim approval of \$89,275.05 in fees and \$936.50 in expenses, and an  
7 order authorizing the Receiver to pay, on an interim basis, 80% of the fees incurred  
8 (\$71,420.04) and 100% of expenses incurred.

### 9 I. INTRODUCTION

10 This equity receivership was established pursuant to the Consent of  
11 Defendant PWCG Trust filed on February 12, 2018, and the Judgment as to  
12 Defendant PWCG Trust ("Appointment Order") entered on February 16, 2018. Dkt.  
13 Nos. 143, 145. Pursuant to the Appointment Order, the Receiver took control of  
14 PWCG Trust, its bank accounts, assets, and books and records.

15 The Appointment Order confers full powers of an equity receiver, including  
16 full power over all funds, assets, and other property of PWCG Trust, and including  
17 its bank accounts, life insurance policies ("Policies"), books and records, and all  
18 funds and assets controlled or managed by PWCG Trust. The Appointment Order  
19 also authorizes the Receiver to "engage and employ attorneys, accountants, and  
20 other persons" to assist him in the performance of his duties. Dkt. No. 145,  
21 Section III(F).

22 The Receiver promptly determined that his experienced staff at E3 Realty  
23 Advisors, Inc., dba E3 Advisors ("E3"), as well as experienced, qualified counsel  
24 was critical due to the number of people involved, the amount at stake for investors,  
25 the transactional volume, and the complex issues facing PWCG Trust. Accordingly,  
26 the Receiver has cost-effectively used his team at E3 to assist in carrying out  
27 receivership duties, as well as Allen Matkins as his counsel.

28

In an abundance of caution, the Receiver sought specific Court approval of Allen Matkins' employment, which was approved on April 10, 2018. Dkt. Nos. 150, 152. The Court also approved the Receiver's proposal to file reports and fee applications on a quarterly basis. *Id.*

## **II. FEE APPLICATION**

This fee application should be read in conjunction with the Receiver's Fifth Interim Report ("Fifth Report") filed on May 22, 2019 (Dkt. No. 254), which describes in detail the Receiver's activities during the Fifth Application Period. This Application seeks interim approval of \$89,275.05 in fees for a total of 140.70 hours worked, and payment on an interim basis of 80% of that amount, or \$71,420.04. The work performed is described task-by-task on Exhibit A and is broken down into the following categories:

<b>Category</b>	<b>Hours</b>	<b>Amount</b>
Asset Investigation & Recovery	46.30	\$28,698.30
Reporting	7.30	\$4,502.25
Operations & Asset Sales	62.60	\$39,431.25
Claims & Distributions	22.30	\$15,405.75
Pending Litigation	2.20	\$1,237.50
Total	140.70	\$89,275.05

Allen Matkins has worked diligently and efficiently to assist the Receiver to address legal issues facing the receivership estate. The firm's work has allowed the Receiver to preserve and protect the substantial value of receivership estate assets, including Policies with death benefits totaling over \$169 million and cash reserves of approximately \$5.7 million. Allen Matkins' work has assisted the Receiver in carrying out his Court-ordered duties and the firm should be compensated on an interim basis.

### 1 **III. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED**

#### 2 **A. Categories and Descriptions of Work**

##### 3 1. Asset Investigation & Recovery

4 Allen Matkins' time in this category focused on assisted in gathering and  
 5 reviewing critical documents and information, investigating PWCG Trust's potential  
 6 claims against third parties, and advising the Receiver on actions necessary to  
 7 preserve and protect such assets. In particular, the firm evaluated potential claims  
 8 and causes of action against Mills Potoczak & Company ("MPC") and potential  
 9 defenses thereto MPC could assert, including analyzing agreements between PWCG  
 10 Trust and MPC, investor agreements and related documents, claims asserted by  
 11 investors in pending actions in state court, prior testimony of MPC's principal  
 12 William Potoczak, and insurance coverage issues.

13 Attorney Ted Fates attended an in-person meeting with the Receiver and  
 14 counsel representing the investor plaintiffs in one of the pending state court actions.  
 15 Allen Matkins also assisted in preparing a Tolling Agreement as to any and all time-  
 16 based defenses to claims the Receiver may assert, which was then signed by the  
 17 Receiver and MPC. The Receiver continues to evaluate these claims and strategies  
 18 for maximizing the recovery therefrom. The reasonable and necessary fees for work  
 19 in this category total \$28,698.30.

##### 20 2. Reporting

21 Allen Matkins' time in this category focused on preparing the Receiver's  
 22 Fourth Interim Report, which was filed on February 28, 2019. Dkt. No. 240. The  
 23 Fourth Interim Report contains a detailed description of the Receiver's activities  
 24 during the first quarter of 2019, sales/surrender of Negative Value Policies, policy  
 25 maturities, investor communications, pending litigation, and post-receivership  
 26 receipts and disbursements. The report also includes the Receiver's  
 27 recommendations for the continued administration of the receivership estate. The  
 28 reasonable and necessary fees for work in this category total \$4,502.25.

1                   3.     Operations & Asset Sales

2           Allen Matkins' time in this category focused on advising and assisting the  
3 Receiver regarding sales of Negative Value Policies, including communications  
4 with the Receiver, 21st, and prospective purchasers, preparing confidentiality/non-  
5 disclosure agreements, negotiating sale terms, preparing purchase and sale  
6 agreements, and assisting with steps to close sales. As discussed in the Fifth Report,  
7 the Receiver has sold 14 Negative Value Policies for a total recovery of over  
8 \$1.1 million.

9           The firm also advised the Receiver regarding the process for requesting  
10 proposals and negotiating terms with prospective lenders regarding a potential credit  
11 facility to be used if and when the cash reserves held by the Receiver are exhausted,  
12 as is anticipated based on existing cash flow simulations. The Receiver has signed  
13 confidentiality/non-disclosure agreements with several prospective lenders and  
14 provided them with access to a virtual data room.

15           Finally, Allen Matkins advised the Receiver on various issues relating to the  
16 operations and management of PWCG Trust. The reasonable and necessary fees for  
17 work in this category total \$39,431.25.

18                   4.     Claims and Distributions

19           Allen Matkins' time in this category focused on analyzing and advising the  
20 Receiver regarding claims against the receivership estate, including large claims  
21 asserted by BroadRiver Asset Management ("BroadRiver"), of behalf of Cook Street  
22 Master Trust, as well as a group of investors represented by the Jeffer Mangels law  
23 firm. Allen Matkins handled communications with counsel for BroadRiver and  
24 counsel for the investor group, as well as assisting in responding to an audit letter  
25 request from counsel for BroadRiver.

26           The firm also advised the Receiver on the accounting process, documentation  
27 and data needed for the administration of investor claims. Allen Matkins also  
28 assisted the Receiver in preparing content for the receivership website, including

answers to frequently asked questions and monthly case updates, and assisted in addressing unique investor inquiries. The reasonable and necessary fees for work in this category total \$15,405.75.

#### 5. Pending Litigation

At the time of the Receiver's appointment, there were four civil actions brought by investors that were pending in Superior Court in Los Angeles in which PWCG Trust (or MPC as its Trustee) is a defendant. Allen Matkins promptly (a) provided counsel for the parties in these cases with notice of the Receiver's appointment and the stay of litigation against PWCG Trust, and (b) filed a notice of the receivership and the litigation stay in each case.

During the Fifth Application Period, Allen Matkins communicated with counsel for the investors in one of the pending actions (known as the *Names* case), attended a hearing in the *Names* case, and communicated with counsel for MPC, which is also a party to the case. The reasonable and necessary fees for work in this category total \$1,237.50.

#### B. Summary of Expenses Requested for Reimbursement

Allen Matkins requests the Court approve reimbursement of \$936.50 in out-of-pocket costs. The itemization of such expenses is summarized below by category.

Category	Total
Duplication/Postage/Faxes	\$25.50
E-Discovery	\$450.00
Document Searches (incl. PACER, Lexis, Sec. of State)	\$125.00
Messenger/FedEx Fees	\$118.00
Telephonic Court Appearance	\$218.00
TOTAL	\$ 936.50

**IV. FEES AND COSTS INCURRED AND PAID TO DATE**

From inception of the receivership through March 31, 2019, the Receiver incurred fees and costs of \$164,200.22, of which amount \$30,396.87 is subject to holdback pending approval of the Receiver's final fee application at the conclusion of the receivership, \$34,650.21 is awaiting the Court's review and approval, and \$105,707.84 has been approved by the Court and paid to date. During the same time period, Allen Matkins has incurred fees and costs of \$379,446.58, of which amount \$75,035.61 is subject to holdback pending approval of Allen Matkins' final fee application at the conclusion of the receivership, \$90,211.55 is awaiting the Court's review and approval, and \$232,054.43 has been approved by the Court and paid to date. Finally, during the same time period, MPC has incurred fees and costs totaling \$112,657.06, of which amount \$15,020.91 is awaiting the Court's review and approval, and \$97,636.15 has been approved by the Court and paid to date.

**V. THE FEES AND COSTS ARE REASONABLE AND SHOULD BE ALLOWED**

"As a general rule, the expenses and fees of a receivership are a charge upon the property administered." *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994). These expenses include the fees and expenses of this Receiver and his professionals, including Allen Matkins. Decisions regarding the timing and amount of an award of fees and costs to the Receiver and his Professionals are committed to the sound discretion of the Court. See *SEC v. Elliot*, 953 F.2d 1560, 1577 (11th Cir. 1992) (rev'd in part on other grounds, 998 F.2d 922 (11th Cir. 1993)).

In allowing fees, a court should consider "the time, labor and skill required, but not necessarily that actually expended, in the proper performance of the duties imposed by the court upon the receiver[], the fair value of such time, labor and skill measured by conservative business standards, the degree of activity, integrity and dispatch with which the work is conducted and the result obtained." *United States v. Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks



1 omitted). In practical terms, receiver and professional compensation thus ultimately  
2 rests upon the result of an equitable, multi-factor balancing test involving the  
3 "economy of administration, the burden that the estate may be able to bear, the  
4 amount of time required, although not necessarily expended, and the overall value of  
5 the services to the estate." *In re Imperial 400 Nat'l, Inc.*, 432 F.2d 232, 237 (3d Cir.  
6 1970). Regardless of how this balancing test is formulated, no single factor is  
7 determinative and "a reasonable fee is based [upon] all circumstances surrounding  
8 the receivership." *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*,  
9 374 F. Supp. 465, 480 (S.D. Tex. 1974).

10 As a preliminary matter, the Appointment Order confers on the Receiver  
11 substantial duties and powers, including to conduct such investigation and discovery  
12 as is necessary to locate and account for all receivership assets, take such action as is  
13 necessary and appropriate to assume control over and preserve receivership assets,  
14 and employ attorneys and others to investigate and, where appropriate, institute,  
15 pursue, and prosecute all claims and causes of action of whatever kind and nature.  
16 *See* Appointment Order, Section III.

17 The Receiver promptly determined that experienced, qualified counsel was  
18 necessary due to the size and complexity of the receivership estate and the Court  
19 agreed, specifically approving Allen Matkins' employment. Dkt. No. 152. The  
20 Court also approved the Receiver's proposal to file interim reports and fee  
21 applications on a quarterly basis. *Id.*

22 Allen Matkins has submitted a detailed fee application which describes the  
23 nature of the services rendered, and the identity and billing rate of each individual  
24 performing each task. *See* Exhibit A. Allen Matkins has endeavored to staff matters  
25 as efficiently as possible, while remaining cognizant of the complexity of issues.  
26 The request for fees is based on Allen Matkins' customary billing rates charged for  
27 comparable services provided in other matters, less a 10% discount. In addition, the  
28



1 firm has written off and not charged for 3.30 hours of time (\$1,856.25) during the  
2 Fifth Application Period.

3 The work performed by Allen Matkins was essential to carrying out the  
4 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked  
5 diligently since the Receiver's appointment to preserve and protect the assets of the  
6 receivership estate, to investigate potential claims against third parties, and to  
7 maximize the funds available for ultimate distribution to investors. Moreover, Allen  
8 Matkins seeks payment of only 80% of fees incurred on an interim basis in  
9 recognition of the fact that its work in assisting the Receiver is ongoing. Payment of  
10 the proposed 20% holdback will be sought at the conclusion of the receivership.  
11 Allen Matkins' fees are fair and reasonable and should be approved and paid on an  
12 interim basis.

### 13 **VI. CONCLUSION**

14 Allen Matkins therefore respectfully requests this Court enter an Order:

- 15 1. Approving Allen Matkins' fees, on an interim basis, of \$89,275.05;
- 16 2. Authorizing and directing the Receiver to pay 80% of approved fees, or  
17 \$71,420.04, from the assets of the Receivership Entities;
- 18 3. Approving Allen Matkins' costs in the amount of \$936.50 and  
19 authorizing and directing the Receiver to reimburse such costs in full; and
- 20 4. For such other and further relief as the Court deems appropriate.

21  
22 Dated: July 18, 2019

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP

By: /s/ Edward Fates

EDWARD G. FATES  
Attorneys for Receiver  
THOMAS HEBRANK

# EXHIBIT A

04/30/19 11:04:33 PROFORMA STATEMENT FOR MATTER 377432-00003 (Thomas C. Hebrank, as Receiver for PWCG Trust) (Asset Investigation & Recovery)

### ***Preliminary Billing Form***

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00003

Matter Name: Asset Investigation & Recovery

Date of Last Billing: 04-16-2019

Client Name: Thomas C. Hebrank, as Receiver for PWCG Trust

Proforma Number 1412530

Client/Matter Joint Group # 377432-1

### **Fees for Matter 377432-00003 (Asset Investigation & Recovery)**

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
01/08/19	7718756	Analysis of issues related to Mills Potoczak contracts, damage issues and remedies (.8). Follow-up call/emails with counsel, address the legal strategy concerning Potoczak claims (.7).	Zaro, David	1.5	1,113.75	1,113.75	WO HD TR_____
01/08/19	7716249	Discuss potential claims against MPC with Receiver (.2); gather and review agreements and related documents for further analysis of potential claims, standing and related legal issues (2.8); communications with counsel for prospective investor class regarding same (.3).	Fates, Edward	3.3	1,856.25	2,970.00	WO HD TR_____
01/09/19	7718842	Analysis of further records and testimony of Potoczak, investigate foundation for affirmative action (.7).	Zaro, David	0.7	519.75	3,489.75	WO HD TR_____
01/09/19	7716972	Analyze excerpts of testimony from W. Potoczak regarding potential Receiver claims against MPC (.4); advise Receiver regarding same (.6); analyze issue of standing to assert claims on behalf of trust (.3).	Fates, Edward	1.3	731.25	4,221.00	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
01/09/19	7717769	Conduct research regarding claims against trustee under Ohio law (1.6); draft summary regarding the same (.3).	Aspis, Norman	1.9	666.90	4,887.90	WO HD TR_____
01/11/19	7721089	Analysis of the issues/records concerning foundation for lawsuit, claims as to Mills Potaczak and other third parties, confer with counsel (.7). Following conferences as to class counsel's work and assess overall strategy (.4).	Zaro, David	1.1	816.75	5,704.65	WO HD TR_____
01/11/19	7719222	Analysis of MPC duties and obligations to PWCG Trust under trust and services agreements.	Fates, Edward	0.8	450.00	6,154.65	WO HD TR_____
01/15/19	7723114	Analysis of issues/records concerning Mills Potoczak and assess strategy, foundational evidence, damage issues and advice to counsel and Receiver (1.2).	Zaro, David	1.2	891.00	7,045.65	WO HD TR_____
01/15/19	7722446	Discuss strategy for investigation of potential claims against MPC with Receiver.	Fates, Edward	0.6	337.50	7,383.15	WO HD TR_____
01/16/19	7723918	Discuss issues relating to potential tolling agreement with MPC with Receiver (.2); communications with counsel for MPC regarding same (.1).	Fates, Edward	0.3	168.75	7,551.90	WO HD TR_____
01/18/19	7726250	Call with counsel for MPC regarding potential claims and tolling agreement (.4); work on form of tolling agreement (.8); analyze class claims against MPC in pending Superior Court actions (.9).	Fates, Edward	2.1	1,181.25	8,733.15	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
01/23/19	7729083	Communications with counsel for MPC regarding form of tolling agreement.	Fates, Edward	0.2	112.50	8,845.65	WO HD	TR_____
01/24/19	7729890	Communications with counsel for MPC (.2); work on tolling agreement with MPC (1.1); discuss same with Receiver (.3).	Fates, Edward	1.6	900.00	9,745.65	WO HD	TR_____
01/25/19	7731205	Communications with counsel for MPC re: approval and execution of tolling agreement.	Fates, Edward	0.2	112.50	9,858.15	WO HD	TR_____
01/28/19	7731885	Communications with MPC counsel regarding execution of tolling agreement.	Fates, Edward	0.2	112.50	9,970.65	WO HD	TR_____
01/29/19	7736089	Analysis of the issues concerning the loans, policy, maturity and Receiver's accounting, conference with counsel re foregoing matters (.7).	Zaro, David	0.7	519.75	10,490.40	WO HD	TR_____
02/05/19	7745026	Several calls/advice to Receiver counsel related to MP&C claims and tolling agreement (.5). Follow-up on records/documents and call with SEC concerning turnover request (.3).	Zaro, David	0.8	594.00	11,084.40	WO HD	TR_____
02/05/19	7743521	Communications with Receiver regarding gathering documents needed for analysis of potential claims against MPC.	Fates, Edward	0.3	168.75	11,253.15	WO HD	TR_____
02/13/19	7753220	Conference with Receiver counsel concerning the investigation/accounting for the trust (.4). Call with the SEC concerning discovery/records and turnover (.2). Emails with SEC re MPC	Zaro, David	1.4	1,039.50	12,292.65	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		deposition/exhibits (.8).					
02/13/19	7751967	Follow up regarding access to W. Potoczak testimony and exhibits from SEC discovery files (.3); review/analyze Potoczak testimony to SEC and exhibits (2.8); analyze/evaluate potential claims against MPC and strategies for pursuit (.7).	Fates, Edward	3.8	2,137.50	14,430.15	WO HD TR_____
02/13/19	7765451	Analysis and determination of client documents in preparation for attorney review.	Peng, Simona	0.2	54.90	14,485.05	WO HD TR_____
02/15/19	7755924	Email/call with counsel related to the premiums/Broad River (.2). Analysis/evaluation of the premium, loan issues, timing of loan and strategy (.4).	Zaro, David	0.6	445.50	14,930.55	WO HD TR_____
02/15/19	7754007	Further analysis of W. Potoczak testimony to SEC, deposition testimony, exhibits, and potential claims by Receiver for recovery.	Fates, Edward	2.4	1,350.00	16,280.55	WO HD TR_____
02/19/19	7756848	Call with SEC counsel concerning Potoczak accounting, lending (.4). Analysis of the potential third party claims/Potoczak with counsel (.7).	Zaro, David	1.1	816.75	17,097.30	WO HD TR_____
02/19/19	7755256	Advise on strategy and next steps regarding analysis of potential claims against MPC.	Fates, Edward	0.4	225.00	17,322.30	WO HD TR_____
02/25/19	7763140	Emails/conferences with Receiver and counsel related to the policy reporting (.4).	Zaro, David	0.4	297.00	17,619.30	WO HD TR_____
02/26/19	7763146	Analysis of the policy/premium	Zaro, David	0.4	297.00	17,916.30	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		information from Receiver and follow-up as to approach to reporting/disclosure and call related to the same (.4).						
02/27/19	7764388	Analysis of the records and strategy associated with recovery/claims against MP&C (.2); Conference with counsel as to accounting/investigation as to 3rd party claims/Mills Potoczak (.3).	Zaro, David	0.5	371.25	18,287.55	WO	HD TR_____
02/28/19	7764437	Discuss analysis of potential claims against MPC and next steps with Receiver (.4); Communications with counsel for investors regarding potential meeting (.2).	Fates, Edward	0.6	337.50	18,625.05	WO	HD TR_____
03/04/19	7768820	Follow up re analysis of potential claims against MPC, deposition testimony and exhibits, discuss same with Receiver and communications with counsel for putative investor class.	Fates, Edward	2.3	1,293.75	19,918.80	WO	HD TR_____
03/07/19	7773011	Communications with counsel for putative investor class and Receiver regarding analysis of potential claims against MPC, meeting to discuss same.	Fates, Edward	0.6	337.50	20,256.30	WO	HD TR_____
03/08/19	7775831	Analysis of the status/approach to state and prospective to Mills Potoczak litigation (.4).	Zaro, David	0.4	297.00	20,553.30	WO	HD TR_____
03/08/19	7775837	Conference with Receiver and counsel re timing/approach to premium payments (.4).	Zaro, David	0.4	297.00	20,850.30	WO	HD TR_____
03/08/19	7774781	Follow up communications with	Fates, Edward	0.3	168.75	21,019.05	WO	HD TR_____



Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		counsel for putative investor class regarding MPC issues						
03/11/19	7777217	Call with counsel, email concerning the loan, request for production and strategy for negotiations/security (.4). Review of email, draft of request for production, advice to counsel re request for production re loan (.4). Follow-up with Broad River re loan/assets (.2).	Zaro, David	1.0	742.50	21,761.55	WO	HD TR_____
03/11/19	7775019	Analyze potential MPC defenses to Receiver claims.	Fates, Edward	0.7	393.75	22,155.30	WO	HD TR_____
03/13/19	7778187	Analyze claims and defenses in putative investor class action against MPC and Receiver's potential claims and damage recoveries in preparation for 3/15 meeting with investor class counsel (1.7); correspondence with investor class counsel regarding same (.4).	Fates, Edward	2.1	1,181.25	23,336.55	WO	HD TR_____
03/14/19	7780426	Research/analysis of the issues related to the Mills Potoczak, including review of investor files, trust and related agreement (1.2). Meeting with counsel related to same (.6).	Zaro, David	1.8	1,336.50	24,673.05	WO	HD TR_____
03/15/19	7781722	Research/analysis of the potential causes of action, including aiding and abetting, contract, breach of fiduciary duty (.7). Meeting/call with counsel to prepare for conference with counsel/causes of action (.4).	Zaro, David	1.1	816.75	25,489.80	WO	HD TR_____
03/15/19	7780177	Meeting with Receiver and counsel for putative investor class to discuss claims against MPC, other third	Fates, Edward	2.3	1,293.75	26,783.55	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		parties, and related issues (2.1); follow up communications regarding insurance policy documentation (.2).						
03/18/19	7782779	Meeting with counsel to address the strategy and approach to the Mills Potoczak claims, meeting with class counsel (.6).	Zaro, David	0.6	445.50	27,229.05	WO HD	TR_____
03/18/19	7782786	Conference all with counsel related to PWCG, email re accounting and litigation (.4).	Zaro, David	0.4	297.00	27,526.05	WO HD	TR_____
03/20/19	7785494	Several emails related to accounting/investigations of MP&Co and further analysis of claims (.6); Call with counsel related to accounting and analysis (.2).	Zaro, David	0.8	594.00	28,120.05	WO HD	TR_____
03/25/19	7789288	Review/analysis, call to counsel on the Mills Potoczak turnover, records, email (.4).	Zaro, David	0.4	297.00	28,417.05	WO HD	TR_____
03/25/19	7787947	Analyze and advise on strategy for document subpoena regarding potential claims against MPC.	Fates, Edward	0.3	168.75	28,585.80	WO HD	TR_____
03/28/19	7791453	Communications with counsel for putative investor class regarding insurance coverage issues as to potential claims against MPC.	Fates, Edward	0.2	112.50	28,698.30	WO HD	TR_____

**Disbursements for Matter 377432-00003 (Asset Investigation & Recovery)**

Trans Date	Index	Type	Quantity	Amt	Circle	Action
01/01/19	2494473	File Conversion - E-Discovery - - CS Disco Inc., Monthly Hosting for January 2019^51826	1.00	150.00	WO HD	TR_____
01/07/19	2492932	Duplication	95.00	9.50	WO HD	TR_____

Trans Date	Index	Type	Quantity	Amt	Circle	Action
01/10/19	2492933	Duplication	113.00	11.30	WO	HD TR_____
01/14/19	2492934	Duplication	46.00	4.60	WO	HD TR_____
01/14/19	2492935	Reprographics - Color	1.00	0.10	WO	HD TR_____
01/22/19	2498793	Telephonic Court Appearance - - CourtCall, LLC, Los Angeles Superior Court - Stanley Mosk - Judge Gregory Alacron^9562838	1.00	124.00	WO	HD TR_____
01/25/19	2498795	Telephonic Court Appearance - - CourtCall, LLC, Los Angeles Superior Court - Stanley Mosk - Judge Gregory W. Alarcon 4/5/19^9570016	1.00	94.00	WO	HD TR_____
02/01/19	2500987	File Conversion - E-Discovery - - CS Disco Inc., Monthly Hosting for February 2019^53135	1.00	150.00	WO	HD TR_____
02/04/19	2506130	Messenger - - Nationwide Legal, LLC, USDC CENTRAL DISTRICT, DELIVER COURTESY^188241	1.00	58.00	WO	HD TR_____
02/07/19	2501066	Document Search - - Case Anywhere LLC, System Access and Document Service Fee^153008	1.00	125.00	WO	HD TR_____
02/28/19	2512820	Messenger - - Nationwide Legal, LLC, USDC CENTRAL DISTRICT, DELIVER COURTESY^188913	1.00	30.00	WO	HD TR_____
03/01/19	2508370	File Conversion - E-Discovery - - CS Disco Inc., Monthly Hosting for March 2019^54740	1.00	150.00	WO	HD TR_____
03/26/19	2519775	Messenger - - Nationwide Legal, LLC, USDC CENTRAL DISTRICT, ^190398	1.00	30.00	WO	HD TR_____

### Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	17.3	742.50	12,845.25
001665	Edward Fates	26.9	562.50	15,131.25
002307	Simona Peng	0.2	274.50	54.90
002369	Norman Aspis	1.9	351.00	666.90
		<u>46.3</u>		<u>28,698.30</u>

Total Fees 28,698.30  
 Total Disbursements 936.50

### Attorney Billing Instructions

( ) BILL ALL ( ) Hold  
 ( ) BILL FEES ONLY ( ) Write Off  
 ( ) BILL COST ONLY ( ) Transfer All

### Billing Instructions

expires 6/30/2020: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

### Account Summary- As Of 03/31/2019

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	143,689.76	142,760.25	929.51	29,657.81	28,698.30	959.51	143,719.76	142,760.25	959.51
Unbilled Adj	(0.09)	(0.09)	0.00	0.00	0.00	0.00	(0.09)	(0.09)	0.00
Billed	77,132.61	77,132.61	0.00	57,155.40	57,155.40	0.00	114,061.86	114,061.86	0.00
Collected	77,132.61	77,132.61	0.00	57,155.40	57,155.40	0.00	114,061.86	114,061.86	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>WIP Balance</b>	<b>34,688.30</b>	<b>33,751.80</b>	<b>936.50</b>						
<b>AR Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>						
<b>Unalloc Payment</b>	<b>0.00</b>								
<b>Client Trust Balance</b>	<b>0.00</b>								

### Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust  
 c/o E3 Advisors  
 501 West Broadway, Suite 800  
 San Diego, CA 92101  
 ATTN:

**Preliminary Billing Form**

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00004

Matter Name: Reporting

Date of Last Billing: 04-16-2019

Client Name: Thomas C. Hebrank, as Receiver for PWCG Trust

Proforma Number 1412531

Client/Matter Joint Group # 377432-1

**Fees for Matter 377432-00004 (Reporting)**

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
02/05/19	7743148	Work on Receiver's 4th interim report.	Fates, Edward	1.7	956.25	956.25	WO HD TR_____
02/19/19	7769386	Email/call with counsel concerning the Report and advice to counsel (.4).	Zaro, David	0.4	297.00	1,253.25	WO HD TR_____
02/19/19	7755583	Revisions to Receiver's 4th interim report (.4); meet and confer communications with SEC counsel (.2); discuss same with Receiver (.2).	Fates, Edward	0.8	450.00	1,703.25	WO HD TR_____
02/20/19	7756718	Discuss revisions to 4th interim report with Receiver, meet and confer communications with SEC counsel regarding same.	Fates, Edward	0.2	112.50	1,815.75	WO HD TR_____
02/22/19	7759009	Work on revisions to 4th interim report (.6); discuss exhibits to same with Receiver (.3).	Fates, Edward	0.9	506.25	2,322.00	WO HD TR_____
02/25/19	7760507	Review and advise Receiver on exhibits to 4th interim report, revisions to report.	Fates, Edward	0.6	337.50	2,659.50	WO HD TR_____
02/26/19	7763156	Analysis of draft report and issues related to the policy information, privacy issues, strategy, follow-up call with counsel (.8). Further analysis of reporting on policies and request for records by claimants and Receiver	Zaro, David	1.2	891.00	3,550.50	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		response (.4).					
02/26/19	7760968	Analyze issues regarding investor access to policy information, monthly case updates, and quarterly reporting, discuss same and revisions to 4th interim report with Receiver (.7); finalize report (.2).	Fates, Edward	0.9	506.25	4,056.75	WO HD TR_____
03/01/19	7769100	Analysis of the Receiver reporting as to policy data (.2). Call with counsel as to privacy/business records issues related to policies (.2).	Zaro, David	0.4	297.00	4,353.75	WO HD TR_____
03/25/19	7822715	Further follow-up call to address the accounting issues related to Receiver's report (.2).	Zaro, David	0.2	148.50	4,502.25	WO HD TR_____

#### Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	2.2	742.50	1,633.50
001665	Edward Fates	5.1	562.50	2,868.75
		<u>7.3</u>		<u>4,502.25</u>
Total Fees				4,502.25
Total Disbursements				0.00

#### Attorney Billing Instructions

( )	BILL ALL	( )	Hold
( )	BILL FEES ONLY	( )	Write Off
( )	BILL COST ONLY	( )	Transfer All

#### Billing Instructions

expires 6/30/2020; 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

#### Account Summary- As Of 03/31/2019

Fiscal YTD				Calendar YTD				LTD	
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	15,716.25	15,707.25	9.00	4,502.25	4,502.25	0.00	15,716.25	15,707.25	9.00
Unbilled Adj	(9.00)	0.00	(9.00)	0.00	0.00	0.00	(9.00)	0.00	(9.00)
Billed	9,056.25	9,056.25	0.00	5,346.00	5,346.00	0.00	11,205.00	11,205.00	0.00
Collected	9,056.25	9,056.25	0.00	5,346.00	5,346.00	0.00	11,205.00	11,205.00	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>Fees</b>	<b>Cost</b>						
<b>WIP Balance</b>	<b>5,458.50</b>	<b>5,458.50</b>	<b>0.00</b>						
<b>AR Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>						
<b>Unalloc Payment</b>	<b>0.00</b>								
<b>Client Trust Balance</b>	<b>0.00</b>								

### Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust  
c/o E3 Advisors  
501 West Broadway, Suite 800  
San Diego, CA 92101  
ATTN:



04/30/19 11:04:33 PROFORMA STATEMENT FOR MATTER 377432-00005 (Thomas C. Hebrank, as Receiver for PWCG Trust) (Operations & Asset Sales)

### ***Preliminary Billing Form***

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00005

Matter Name: Operations & Asset Sales

Date of Last Billing: 04-16-2019

Client Name: Thomas C. Hebrank, as Receiver for PWCG Trust

Proforma Number 1412532

Client/Matter Joint Group # 377432-1

### **Fees for Matter 377432-00005 (Operations & Asset Sales)**

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
01/02/19	7712229	Advise Receiver regarding information to be disseminated to potential purchasers regarding negative value policies.	Fates, Edward	0.2	112.50	112.50	WO HD TR_____
01/04/19	7713565	Revisions to draft request for information from potential lenders regarding credit facility, discuss same with Receiver (.4); advise receiver regarding NDA and due diligence process for potential purchasers (.2).	Fates, Edward	0.6	337.50	450.00	WO HD TR_____
01/07/19	7714307	Analyze communications regarding initial bid received for negative value policies (.2); communications with Receiver regarding escrow for potential sale (.4); communications with 21st regarding draft NDA with prospective purchasers (.2).	Fates, Edward	0.8	450.00	900.00	WO HD TR_____
01/09/19	7716787	Review requested changes to NDA and inquiry regarding sale authority from prospective purchaser and advise Receiver regarding same (.5); communications with 21st regarding same (.2).	Fates, Edward	0.7	393.75	1,293.75	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
01/10/19	7719577	Call re purchase and sale agreement, sale of 34 loans and sale terms, advice to counsel/Receiver (.4). Work on the purchase and sale agreement terms, advice to counsel related to LOI and background as it pertains to policy sale (.7).	Zaro, David	1.1	816.75	2,110.50	WO HD TR_____
01/10/19	7718050	Advise Receiver on issues relating to potential sale of negative value policies, including terms of escrow services and premium payments pending sale closing (.9); initial advice on preparation of potential purchase and sale agreement (.5); communications with counsel for MPC regarding fees for MPC transition services and application for approval of same (.2); communications with Receiver and 21st regarding disclosure and confidentiality issues regarding due diligence materials for potential sale of negative value policies (.5).	Fates, Edward	2.1	1,181.25	3,291.75	WO HD TR_____
01/11/19	7719781	Review proposed changes to NDA by prospective purchaser and advise Receiver regarding same (.3); communications with 21st regarding same (.1).	Fates, Edward	0.4	225.00	3,516.75	WO HD TR_____
01/17/19	7725364	Advise regarding negative value policy grace payments and surrender issues.	Fates, Edward	0.4	225.00	3,741.75	WO HD TR_____
01/18/19	7726248	Advise on issues relating to lapsing of negative value policies.	Fates, Edward	0.3	168.75	3,910.50	WO HD TR_____
01/22/19	7728042	Analyze info from 21st on purchase	Fates, Edward	0.2	112.50	4,023.00	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		offer for certain negative value policies.					
01/25/19	7730530	Calls/emails with Receiver and 21st re: offers for negative value policies, analysis of same, sale process, and form of potential purchase agreement.	Fates, Edward	0.9	506.25	4,529.25	WO HD TR_____
01/29/19	7734323	Call with Receiver and 21st regarding offers received, strategy, and sale process for negative value policies (.4); discuss investor assignment of interest back to trust with Receiver (.2); work on form of assignment agreement (.5).	Fates, Edward	1.1	618.75	5,148.00	WO HD TR_____
01/30/19	7738224	Call concerning sale terms and negotiations with counsel, advice concerning reach back provisions (.3).	Zaro, David	0.3	222.75	5,370.75	WO HD TR_____
01/30/19	7737670	Pacific West Capital Group: Call regarding terms of purchase and sale. (.4) Revise form of agreement provided by purchaser. (2.7)	Hall, Debra	3.1	2,092.50	7,463.25	WO HD TR_____
01/30/19	7735374	Initial work on purchase and sale agreement for negative value policies (1.9); communications with 21st regarding same (.3).	Fates, Edward	2.2	1,237.50	8,700.75	WO HD TR_____
01/31/19	7741058	Complete revisions to PWCG Purchase and Sale Agreement. (.6) Calls and emails with Thomas Hebrank and Nelson Song regarding open issues. (.4) Finalize revisions to PWCG Purchase and Sale Agreement and forward to send to	Hall, Debra	1.3	877.50	9,578.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		Purchaser. (.3)					
01/31/19	7737260	Work on draft purchase agreement for negative value policies, confer with counsel regarding same (1.2); call/emails with Receiver and 21st regarding comments/issues for purchase agreement (.9).	Fates, Edward	2.1	1,181.25	10,759.50	WO HD TR_____
02/01/19	7745882	Call with Rob Stark regarding purchaser's requirement that has option to unwind if insurance issuer does not transfer ownership within 90 days. (.3) Call with Receiver and Servicer regarding same. (.2) Email to purchaser's counsel. (.1)	Hall, Debra	0.6	405.00	11,164.50	WO HD TR_____
02/01/19	7741324	Communications with Receiver regarding buyer comments to purchase and sale agreement.	Fates, Edward	0.4	225.00	11,389.50	WO HD TR_____
02/03/19	7745895	Review Kirk Schenck's comments to Waterville Fund purchase agreement eliminating access after closing and adding paid through date. (.3) Email to Receiver and servicer regarding same. (.2)	Hall, Debra	0.5	337.50	11,727.00	WO HD TR_____
02/04/19	7745013	Analysis of proposed sale of additional policies, Broad River offer, call with counsel as to backup documentation and reporting (.4).	Zaro, David	0.4	297.00	12,024.00	WO HD TR_____
02/04/19	7745896	Review revisions provide by Rob Stark to purchase agreement relating to option to remove policy, lookback, and delivery of physical files. (.4) Call with Receiver and Servicer regarding same. (.3) Email to purchaser outlining response to	Hall, Debra	2.0	1,350.00	13,374.00	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		requested changes. (.2) Various emails and calls with Purchaser's counsel, Receiver and Servicer to resolve final issues. (.6) Revise purchase agreement to reflect resolution of issues. (.3) Emails to circulate and execute. (.2)					
02/04/19	7741588	Communications with Receiver and 21st regarding comments to purchase agreement from purchaser, strategy regarding deal terms, execution of purchase agreement, and payment.	Fates, Edward	1.4	787.50	14,161.50	WO HD TR_____
02/05/19	7743152	Advise Receiver on operational issues with MPC (.2); analyze terms of potential additional sale of negative value policies (.2); call with Receiver and 21st regarding analysis of offers for negative value policies and sale terms (.7).	Fates, Edward	1.1	618.75	14,780.25	WO HD TR_____
02/06/19	7744730	Review updated analysis of negative value policies and purchase offers from 21st.	Fates, Edward	0.3	168.75	14,949.00	WO HD TR_____
02/07/19	7749593	Analysis of the sale and marketing processes, respond to Receiver counsel as to Receive authority/reporting (.4). Emails/call related to sale of policies, respond potential buyers, counsel as to due diligence and sales (.4).	Zaro, David	0.8	594.00	15,543.00	WO HD TR_____
02/08/19	7747694	Communications with 21st with further sale of negative value policies and form of purchase and sale agreement	Fates, Edward	0.2	112.50	15,655.50	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
02/11/19	7748902	Discuss investor inquiries regarding valuation of IRA investments in PWCG Trust with Receiver and G. Rodriguez.	Fates, Edward	0.3	168.75	15,824.25	WO HD TR_____
02/11/19	7748903	Advise on surrender issues regarding negative value policies (.2); address communications from potential purchaser of negative value policies (.2).	Fates, Edward	0.4	225.00	16,049.25	WO HD TR_____
02/12/19	7751868	Follow-up on policy sales per email from buyer counsel, address broker/agent issues with Receiver counsel (.4).	Zaro, David	0.4	297.00	16,346.25	WO HD TR_____
02/12/19	7749783	Communications with 21st regarding further sale of negative value policies and timing.	Fates, Edward	0.2	112.50	16,458.75	WO HD TR_____
02/12/19	7750197	Discuss issue with premium payment and change of ownership for sold policy with 21st.	Fates, Edward	0.2	112.50	16,571.25	WO HD TR_____
02/13/19	7753256	Call with SEC related to sale of policies (.2). Emails with Receiver and counsel for buyers related to the sale of policies, address notice/reporting of sale and transparency issues (1.2).	Zaro, David	1.4	1,039.50	17,610.75	WO HD TR_____
02/13/19	7751616	Advise Receiver on issues regarding offers and sale process for negative value policies.	Fates, Edward	0.4	225.00	17,835.75	WO HD TR_____
02/14/19	7753769	Communications with 21st regarding status of potential sale of negative value policies to Vida and purchase and sale agreement for same.	Fates, Edward	0.2	112.50	17,948.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
02/15/19	7754294	Address BroadRiver inquiry re: potential credit facility for receivership to fund premium reserve shortfalls, discuss same and timing/strategy with Receiver.	Fates, Edward	0.7	393.75	18,342.00	WO HD TR_____
02/19/19	7769385	Evaluate email and issues as to third party IRA custodian/SEC email and email re same (.6).	Zaro, David	0.6	445.50	18,787.50	WO HD TR_____
02/19/19	7757979	Review Asset Purchase Agreement provided by Vida Longevity Fund, LP.	Hall, Debra	1.3	877.50	19,665.00	WO HD TR_____
02/19/19	7755260	Advise on strategy and timing regarding credit facility for policy premium shortfalls (.2); communications with 21st regarding purchase and sale agreement for sale of negative value policies to Vida (.2); initial work on same (.2).	Fates, Edward	0.6	337.50	20,002.50	WO HD TR_____
02/19/19	7769400	Analyze/advise on investor IRA maintenance fee issue (.4).	Fates, Edward	0.4	225.00	20,227.50	WO HD TR_____
02/20/19	7760298	Review/analysis of the emails, approach to IRA custodians, claimant issues (.3). Conference call with Receiver to address the IRA custodians/investors (.3).	Zaro, David	0.6	445.50	20,673.00	WO HD TR_____
02/20/19	7757969	Revise Vida Longevity Fund Asset Purchase Agreement.	Hall, Debra	2.6	1,755.00	22,428.00	WO HD TR_____
02/20/19	7756746	Conference call/emails with Receiver and G. Rodriguez to address investor inquiry regarding IRA fees and tax issues.	Fates, Edward	0.6	337.50	22,765.50	WO HD TR_____
02/20/19	7756839	Advise on revisions to purchase and sale agreement for Vida purchase of	Fates, Edward	0.4	225.00	22,990.50	WO HD TR_____



Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		negative value policies.						
02/21/19	7757792	Address issues regarding audit confirmation request from BroadRiver regarding policy interests, communications with Receiver regarding same (.4); analyze BroadRiver contract and advise Receiver regarding terms of same and response to BroadRiver request (.7).	Fates, Edward	1.1	618.75	23,609.25	WO	HD TR_____
02/22/19	7760473	Follow-up on email/call with counsel as to the investor IRA fees and custodians (.3).	Zaro, David	0.3	222.75	23,832.00	WO	HD TR_____
02/25/19	7760364	Discuss strategy regarding remaining negative value policies and pending sale to Vida with Receiver and 21st.	Fates, Edward	0.7	393.75	24,225.75	WO	HD TR_____
02/26/19	7769395	Call with SEC counsel related to investor complaints as to IRA contributions, follow-up with Receiver and counsel (.4).	Zaro, David	0.4	297.00	24,522.75	WO	HD TR_____
02/26/19	7763382	Call with broker regarding purchaser's response to agreement revisions. (.4). Draft revisions to agreement to provide for delayed delivery or purchase price. (.3)	Hall, Debra	0.7	472.50	24,995.25	WO	HD TR_____
02/26/19	7761068	Communications with Receiver and 21st regarding revisions to Vida purchase and sale agreement, work on same.	Fates, Edward	0.8	450.00	25,445.25	WO	HD TR_____
02/27/19	7769389	Further analysis of reporting issues related to policies, performance, marketing, sales and abandonment (.4);	Zaro, David	0.4	297.00	25,742.25	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
02/28/19	7767468	Review several letters related audit requests and draft Potoczak letter and response thereto (.4). Emails and Call with Receiver counsel, follow-up as to Broad River response (.4).	Zaro, David	0.8	594.00	26,336.25	WO HD TR_____
02/28/19	7767490	Call and follow-up emails related to potential purchaser of policy assets, notice and response, follow-up with counsel re notice issues (.5).	Zaro, David	0.5	371.25	26,707.50	WO HD TR_____
02/28/19	7767497	Follow-up emails related to the IRA custodian and issues, follow-up on inquiry from SEC counsel (.3)	Zaro, David	0.3	222.75	26,930.25	WO HD TR_____
02/28/19	7764396	Communications with Receiver and B. Potoczak regarding audit confirmation request from BroadRiver and response to same (.7); Work on response to BroadRiver (.9); Address issues regarding IRA fees and advise Receiver regarding communications with IRA administrator (.6) .	Fates, Edward	2.2	1,237.50	28,167.75	WO HD TR_____
03/01/19	7769099	Calls with Receiver and counsel related to IRA custodian issues (.3). Review of Receiver notice, follow-up call to address the investor communication and issues re IRA (.4).	Zaro, David	0.7	519.75	28,687.50	WO HD TR_____
03/01/19	7768132	Analyze issues regarding BroadRiver audit request and response to same (.3); discuss same with Receiver (.1); finalize and send response (.2); communications with Receiver regarding inquiry from potential lender regarding financing offer (.2).	Fates, Edward	0.8	450.00	29,137.50	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
03/04/19	7769081	Review draft NDA for negative value policies, communications with 21st regarding same and Vida sale.	Fates, Edward	0.4	225.00	29,362.50	WO HD TR_____
03/05/19	7773112	Review changes provided by Vida. (.1) Compare against prior drafts and determine what revisions were incorporated. (.5) Emails and calls regarding requested revisions and open issues. (.4) Revise draft to address agreed upon timing of payments and forward to Receiver and Broker. (.5)	Hall, Debra	1.5	1,012.50	30,375.00	WO HD TR_____
03/05/19	7769609	Analyze revisions to Vida purchase and sale agreement, discuss same with Receiver and 21st.	Fates, Edward	0.8	450.00	30,825.00	WO HD TR_____
03/07/19	7772858	Advise Receiver regarding issues with changes in ownership of investor interests and NDA for potential sale of additional negative value policies.	Fates, Edward	0.4	225.00	31,050.00	WO HD TR_____
03/08/19	7773841	Advise Receiver on issues and strategy regarding marketing and potential sale of negative value policies to Vida and/or other prospective purchasers and issues with RFP process for potential credit facility.	Fates, Edward	0.7	393.75	31,443.75	WO HD TR_____
03/11/19	7775479	Advise on Vida sale and grace payment issues for policies being sold.	Fates, Edward	0.2	112.50	31,556.25	WO HD TR_____
03/12/19	7778217	Analysis and preparation for call re Broad River fractional interests and loan related to future premium payments (.7). Call with counsel for	Zaro, David	2.1	1,559.25	33,115.50	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		Broad River related to loan (.2). Email to clients re loan, Broad River and associated issues (.4). Further emails/analysis of the approach to the Request for Proposal for loans and the rights/interests of Broad River and prospects for a settlement/transaction (.8).						
03/12/19	7781337	Review revised VIDA purchase agreement and confer regarding revision issues.	Hall, Debra	0.4	270.00	33,385.50	WO HD	TR_____
03/12/19	7776157	Advise Receiver and 21st on issues relating to NDA and RFP to be sent to potential lenders re: credit facility, revisions to same (1.4); advise on issues re: Vida sale and execution of PSA (.7); advise on issues relating to potential sale of negative value policy to BroadRiver (.3).	Fates, Edward	2.4	1,350.00	34,735.50	WO HD	TR_____
03/13/19	7779273	Analysis and advice as to request for proposal concerning the loan to support premiums (.4). Follow-up to address virtual data room (.2).	Zaro, David	0.6	445.50	35,181.00	WO HD	TR_____
03/14/19	7778939	Communications with Receiver regarding revisions to RFP and timeline regarding credit facility.	Fates, Edward	0.2	112.50	35,293.50	WO HD	TR_____
03/15/19	7781712	Review/analysis and revisions as to the drafts of the request for proposal, Non-Disclosure Agreement related to loans to Trust/receivership (.7). Follow-up conference call with counsel, advice/emails related to Non-Disclosure Agreement/Request for Production (.6).	Zaro, David	1.3	965.25	36,258.75	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
03/15/19	7781562	Revise VIDA Purchase Agreement to eliminate one policy and modify purchase price.	Hall, Debra	0.3	202.50	36,461.25	WO HD TR_____
03/15/19	7779802	Analyze and advise on prospective lender proposed changes to confidentiality agreement and issues with RFP (.4); discuss same with Receiver and 21st (.3).	Fates, Edward	0.7	393.75	36,855.00	WO HD TR_____
03/15/19	7780178	Advise Receiver on trust operating issues, servicing functions and scope of 21st duties.	Fates, Edward	0.4	225.00	37,080.00	WO HD TR_____
03/18/19	7781063	Discuss Vida sale issues and execution of purchase agreement with Receiver (.2); address BroadRiver communications regarding potential credit facility (.1).	Fates, Edward	0.3	168.75	37,248.75	WO HD TR_____
03/19/19	7784566	Review of the issues concerning the NDA/virtual data room as to loan RFP and related emails (.3). Calls with counsel concerning the loan and issues supporting accounting (.2).	Zaro, David	0.5	371.25	37,620.00	WO HD TR_____
03/19/19	7783018	Address inquiry from potential lender regarding credit facility for unfunded premiums, discuss same with Receiver (.2); communications with counsel for MPC (.2).	Fates, Edward	0.4	225.00	37,845.00	WO HD TR_____
03/20/19	7783673	Review potential lender changes to NDA, discuss same with Receiver (.2); communications with 21st regarding same (.1).	Fates, Edward	0.3	168.75	38,013.75	WO HD TR_____
03/25/19	7787893	Communications from lender regarding potential credit facility for trust, advise Receiver regarding	Fates, Edward	0.3	168.75	38,182.50	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		same.					
03/26/19	7788679	Communications with Receiver and 21st regarding pending sales and offers for negative value policies.	Fates, Edward	0.3	168.75	38,351.25	WO HD TR_____
03/27/19	7790408	Advise on inquiry from potential lender regarding credit facility, NDA, and process/timing.	Fates, Edward	0.3	168.75	38,520.00	WO HD TR_____
03/28/19	7793467	Emails concerning the proposed loans/advice to counsel (.4). Call related to the proposed loan/NDA and virtual data room (.2).	Zaro, David	0.6	445.50	38,965.50	WO HD TR_____
03/28/19	7791154	Address inquiry from counsel for BroadRiver regarding NDA for potential credit facility transaction.	Fates, Edward	0.3	168.75	39,134.25	WO HD TR_____
03/29/19	7796060	Conference call with counsel to address NDA issues, potential lenders and follow-up on loan issues (.3); Call as to potential lender follow-up email (.1).	Zaro, David	0.4	297.00	39,431.25	WO HD TR_____

### Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	14.5	742.50	10,766.25
001578	Debra Hall	14.3	675.00	9,652.50
001665	Edward Fates	33.8	562.50	19,012.50
		62.6		39,431.25
Total Fees				39,431.25
Total Disbursements				0.00

### Attorney Billing Instructions

( ) BILL ALL ( ) Hold

( ) BILL FEES ONLY ( ) Write Off  
( ) BILL COST ONLY ( ) Transfer All

### Billing Instructions

expires 6/30/2020: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

### Account Summary- As Of 03/31/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	97,562.78	97,560.00	2.78	39,434.03	39,431.25	2.78	97,562.78	97,560.00	2.78
Unbilled Adj	0.09	0.09	0.00	(2.78)	0.00	(2.78)	(2.69)	0.09	(2.78)
Billed	45,433.89	45,433.89	0.00	21,429.45	21,429.45	0.00	58,128.84	58,128.84	0.00
Collected	45,433.89	45,433.89	0.00	21,429.45	21,429.45	0.00	58,128.84	58,128.84	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>		<b>Fees</b>	<b>Cost</b>						
<b>WIP Balance</b>	<b>41,478.75</b>	<b>41,478.75</b>	<b>0.00</b>						
<b>AR Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>						
<b>Unalloc Payment</b>	<b>0.00</b>								
<b>Client Trust Balance</b>	<b>0.00</b>								

### Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust  
c/o E3 Advisors  
501 West Broadway, Suite 800  
San Diego, CA 92101  
ATTN:



**Preliminary Billing Form**

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00006

Matter Name: Claims &amp; Distributions

Date of Last Billing: 04-16-2019

Client Name: Thomas C. Hebrank, as Receiver for PWCG Trust

Proforma Number 1412533

Client/Matter Joint Group # 377432-1

**Fees for Matter 377432-00006 (Claims & Distributions)**

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
01/02/19	7712885	Email re investor's claim and response to demand letter (.2). Call with Receiver re investor claims/advice re response (.2).	Zaro, David	0.4	297.00	297.00	WO HD TR_____
01/03/19	7713438	Call with counsel for broker and investors related to potential claims as to individual policies (.4).	Zaro, David	0.4	297.00	594.00	WO HD TR_____
01/04/19	7715437	Email/call with counsel for claimants related to the pooling of assets as to claimants (.2). Analysis of issues and call with counsel as to the strategy for addressing disputes raised by claimants and brief research re allegations (.9).	Zaro, David	1.1	816.75	1,410.75	WO HD TR_____
01/04/19	7713795	Advise on response to inquiry from counsel for certain investors regarding specific policies and reserves.	Fates, Edward	0.3	168.75	1,579.50	WO HD TR_____
01/07/19	7716399	Review/analysis of broker Mohr clients/investor files, assess the claims concerning rights to fractional interests (1.5). Email to Receiver to provide analysis and recommendations as to investor	Zaro, David	2.1	1,559.25	3,138.75	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		claimants (.6).					
01/08/19	7718739	Analysis of the issues related to the Mohr investor claims as to fractional interests (.4). Call with counsel to address investor claims issues and legal issues re claims and pooling (.4).	Zaro, David	0.8	594.00	3,732.75	WO HD TR_____
01/17/19	7725213	Discuss case update and answers to FAQ with Receiver (.4); revisions to same (.7).	Fates, Edward	1.1	618.75	4,351.50	WO HD TR_____
01/22/19	7727889	Respond to direct inquiry from investor regarding receivership and claims process.	Fates, Edward	0.3	168.75	4,520.25	WO HD TR_____
01/25/19	7734177	Emails re claims of investors, Mr. Rogan (.4).	Zaro, David	0.4	297.00	4,817.25	WO HD TR_____
01/28/19	7734194	Email from Broad River related to loans/interests and assess current status of claims issues/Receiver accounting (.4).	Zaro, David	0.4	297.00	5,114.25	WO HD TR_____
01/29/19	7736092	Call with counsel re investor claims, Receiver's analysis of same (.2). Analysis of claims/prepare for call with counsel for claimants (.4). Attend call with counsel for claimants and address investor claims/process (.4). Prepare for/attend call with Broad River counsel re claims and loan (.6).	Zaro, David	1.6	1,188.00	6,302.25	WO HD TR_____
01/30/19	7738226	Call to address the Broad River claim, the claim by Mohr investor's counsel (.3). Analysis of the documents/issues related to Mohr claimants and Broad River claim amounts (.5).	Zaro, David	0.8	594.00	6,896.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
02/05/19	7745027	Call with counsel for claimant Broad River, address amount and approach to claims (.4). Follow-up call with counsel to address Broad River's claims (.2). Work on analysis of Broad River claims/amounts and draft memorandum to Receiver re: claim and issues (1.1).	Zaro, David	1.9	1,410.75	8,307.00	WO HD TR_____
02/05/19	7743520	Analyze and advise on issues regarding BroadRiver claim.	Fates, Edward	0.3	168.75	8,475.75	WO HD TR_____
02/19/19	7755738	Advise Receiver on response to investor inquiry regarding policies and distributions (.2); revisions to monthly case update to investors (.2).	Fates, Edward	0.4	225.00	8,700.75	WO HD TR_____
02/21/19	7760357	Analysis of issues related to Cook Street Advisors, review Cook agreement (.6). Follow-up as to Broad River and Potoczak claims, issues, audit rights, coordination of response re Mills Potoczak issues (.8). Follow-up call with Receiver/counsel as to strategy for addressing Cook Street claims/demand (.3).	Zaro, David	1.7	1,262.25	9,963.00	WO HD TR_____
02/27/19	7769391	Conference to advice counsel related to Receiver's reporting as to policy, performance/status and the update reports (.3).	Zaro, David	0.3	222.75	10,185.75	WO HD TR_____
02/27/19	7762643	Revise case update on portfolio to be provided to investors and discuss same with Receiver.	Fates, Edward	0.4	225.00	10,410.75	WO HD TR_____
03/01/19	7769098	Emails, review of draft letter relate to audit letter response, Broad River claimant issues, advice to Receiver (.4). Email response to counsel for	Zaro, David	0.8	594.00	11,004.75	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		Broad River as to claims inquiries (.4).					
03/01/19	7768262	Advise Receiver regarding responses to unique investor inquiries regarding policies, reserves, claims process and related issues.	Fates, Edward	0.2	112.50	11,117.25	WO HD TR_____
03/07/19	7773097	Advise Receiver on responses to specific investor inquiries.	Fates, Edward	0.4	225.00	11,342.25	WO HD TR_____
03/08/19	7775835	Review/analysis of the emails to/from Receiver related to the Broad River claims and interests (.6). Call with Receiver and counsel related to the Broad River claim/interests (.2).	Zaro, David	0.8	594.00	11,936.25	WO HD TR_____
03/08/19	7774334	Advise Receiver on issues concerning BroadRiver transfers to trust and claims against receivership estate.	Fates, Edward	0.4	225.00	12,161.25	WO HD TR_____
03/11/19	7777212	Analysis of issues and information concerning the estimated claims of Broad River, call with counsel as to Receiver accounting/strategy (.6).	Zaro, David	0.6	445.50	12,606.75	WO HD TR_____
03/12/19	7777053	Analyze and advise on BroadRiver claim issues and strategy.	Fates, Edward	0.5	281.25	12,888.00	WO HD TR_____
03/13/19	7779305	Analysis of the documents/legal issues related to claims, non-investor contracts, follow-up call with Receiver (.7).	Zaro, David	0.7	519.75	13,407.75	WO HD TR_____
03/18/19	7822707	Analysis of the issues related to Mohr client policy claims, Receiver's investigation and email with Receiver re same (.4).	Zaro, David	0.4	297.00	13,704.75	WO HD TR_____
03/18/19	7781579	Advise Receiver regarding analysis of investor claims and accounting for same (.4); communications with MPC	Fates, Edward	0.6	337.50	14,042.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		regarding same (.2).					
03/19/19	7782785	Respond to inquiry from counsel for investor regarding claims process and distributions.	Fates, Edward	0.2	112.50	14,154.75	WO HD TR_____
03/20/19	7784245	Call/emails with Receiver, MPC and MPC's counsel regarding accounting data needed for investor claims process and transmission of documents from MPC to Receiver (.7) advise Receive re: same (.2)	Fates, Edward	0.9	506.25	14,661.00	WO HD TR_____
03/22/19	7787029	Call from counsel for investor regarding claims process and timing.	Fates, Edward	0.2	112.50	14,773.50	WO HD TR_____
03/25/19	7789292	Analysis of claims issues in structuring the claims process, including addressing MPC's accounting data, follow-up emails with counsel as to recommendations (.7).	Zaro, David	0.7	519.75	15,293.25	WO HD TR_____
03/26/19	7788514	Communications with Receiver regarding notices and website updates.	Fates, Edward	0.2	112.50	15,405.75	WO HD TR_____

### Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	15.9	742.50	11,805.75
001665	Edward Fates	6.4	562.50	3,600.00
		<u>22.3</u>		<u>15,405.75</u>
Total Fees				15,405.75
Total Disbursements				0.00

### Attorney Billing Instructions

( )	BILL ALL	( )	Hold
( )	BILL FEES ONLY	( )	Write Off

( ) BILL COST ONLY ( ) Transfer All \_\_\_\_\_

### Billing Instructions

expires 6/30/2020: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

### Account Summary- As Of 03/31/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	32,612.40	32,612.40	0.00	15,405.75	15,405.75	0.00	32,612.40	32,612.40	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	8,766.90	8,766.90	0.00	9,828.00	9,828.00	0.00	17,206.65	17,206.65	0.00
Collected	8,766.90	8,766.90	0.00	9,828.00	9,828.00	0.00	17,206.65	17,206.65	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>WIP Balance</b>	<b>17,212.50</b>	<b>17,212.50</b>	<b>0.00</b>						
<b>AR Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>						
<b>Unalloc Payment</b>	<b>0.00</b>								
<b>Client Trust Balance</b>	<b>0.00</b>								

### Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust  
c/o E3 Advisors  
501 West Broadway, Suite 800  
San Diego, CA 92101  
ATTN:

04/30/19 11:04:33 PROFORMA STATEMENT FOR MATTER 377432-00008 (#19484) C. Hebrank, as Receiver for PWCG Trust) (Pending Litigation)

**Preliminary Billing Form**

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00008

Matter Name: Pending Litigation

Date of Last Billing: 04-16-2019

Client Name: Thomas C. Hebrank, as Receiver for PWCG Trust

Proforma Number 1412535

Client/Matter Joint Group # 377432-1

**Fees for Matter 377432-00008 (Pending Litigation)**

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
01/11/19	7719636	Conference call with counsel for investors in putative class action regarding investor claims, potential Receiver claims, litigation stay as to PWCG Trust and related issues.	Fates, Edward	0.7	393.75	393.75	WO HD TR_____
01/22/19	7728281	Analyze case status and motion for relief from dismissal filed by investors in Names v. PWCG action.	Fates, Edward	0.3	168.75	562.50	WO HD TR_____
01/23/19	7728552	Attend hearing in pending Names v. PWCG action regarding investors' motion for relief from dismissal of case.	Fates, Edward	0.8	450.00	1,012.50	WO HD TR_____
02/12/19	7750909	Correspondence with counsel for MPC regarding pending Names action.	Fates, Edward	0.2	112.50	1,125.00	WO HD TR_____
02/13/19	7751682	Communications with counsel for investor plaintiffs in pending Schechter case regarding case reassignment and notice of same.	Fates, Edward	0.2	112.50	1,237.50	WO HD TR_____

**Proforma Summary**

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	2.2	562.50	1,237.50
		2.2		1,237.50
Total Fees				1,237.50
Total Disbursements				0.00

### Attorney Billing Instructions

( )	BILL ALL	( )	Hold
( )	BILL FEES ONLY	( )	Write Off
( )	BILL COST ONLY	( )	Transfer All

### Billing Instructions

expires 6/30/2020: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

### Account Summary- As Of 03/31/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	13,583.70	13,583.70	0.00	1,237.50	1,237.50	0.00	13,583.70	13,583.70	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	7,828.20	7,828.20	0.00	6,880.50	6,880.50	0.00	12,346.20	12,346.20	0.00
Collected	7,828.20	7,828.20	0.00	6,880.50	6,880.50	0.00	12,346.20	12,346.20	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>WIP Balance</b>	<b>2,531.25</b>	<b>2,531.25</b>	<b>0.00</b>						
<b>AR Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>						
<b>Unalloc Payment</b>	<b>0.00</b>								
<b>Client Trust Balance</b>	<b>0.00</b>								

### Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust  
c/o E3 Advisors  
501 West Broadway, Suite 800  
San Diego, CA 92101  
ATTN: