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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
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27
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Case No. 2:15-cv-02563-FMO (FFMx)

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

Date: January 9, 2020
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 sixth interim application for approval and
4 payment of fees and reimbursement of expenses ("Application"). This Application
5 covers the period from April 1, 2019, through June 30, 2019 ("Sixth Application
6 Period"), and seeks interim approval of \$60,961.50 in fees and \$602.00 in expenses,
7 and an order authorizing the Receiver to pay, on an interim basis, 80% of the fees
8 incurred (\$48,769.20) 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 Sixth Interim Report ("Sixth Report") filed on August 28, 2019 (Dkt. No. 264), which describes in detail the Receiver's activities during the Sixth Application Period. This Application seeks interim approval of \$60,961.50 in fees for a total of 94.30 hours worked, and payment on an interim basis of 80% of that amount, or \$48,769.20. The work performed is described task-by-task on Exhibit A and is broken down into the following categories:

Category	Hours	Amount
General Receivership	35.30	\$22,909.50
Asset Investigation & Recovery	7.50	\$5,262.75
Reporting	6.40	\$3,852.00
Operations & Asset Sales	16.30	\$10,397.25
Claims & Distributions	23.30	\$15,374.25
Pending Litigation	5.50	\$3,165.75
Total	94.30	\$60,961.50

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 \$162.5 million and cash reserves of approximately \$9.7 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. General Receivership**

4 Work in this category focused on assisting the Receiver in analyzing tax
 5 issues that are critical to the preservation of receivership estate assets and to
 6 maximizing the ultimate recovery for investors. Tax treatment of life insurance
 7 policies is unique and significantly different than real estate or other personal
 8 property assets. In addition, the appointment of the Receiver and the Court's
 9 approval of the Receiver's proposal to pool the reserves and death benefits for
 10 purposes of making premium payments potentially affect the tax treatment and
 11 appropriate return filings. It is often the case, although not always, that receivership
 12 estates such as this one are treated as a "Qualified Settlement Fund" or "QSF" for
 13 tax purposes. The Receiver obtained an extension of the April 15, 2019 deadline to
 14 file returns for PWCG Trust such that this important analysis could be completed.

15 Allen Matkins assisted in analyzing the relevant Internal Revenue Code
 16 sections and related regulations, and advising the Receiver on the applicable issues,
 17 including providing a legal framework for the Receiver's analysis of potential taxes
 18 owed under different scenarios and communicating directly with the Receiver's tax
 19 accountants. The taxes owed could have a major impact on the overall projected
 20 recovery from the portfolio and could influence the Receiver's decision whether to
 21 retain some or all of the policies or sell the policies. Accordingly, this analysis is
 22 critical. The reasonable and necessary fees for work in this category total
 23 \$22,909.50.

24 **2. Asset Investigation & Recovery**

25 Allen Matkins' time in this category focused on assisted in gathering and
 26 reviewing critical documents and information for the Receiver's accounting and
 27 investigation. The firm also assisted in the Receiver's investigation and evaluation
 28

1 of claims against third parties, including Mills Potoczak & Company ("MPC"). The
2 reasonable and necessary fees for work in this category total \$5,262.75.

3 3. Reporting

4 Allen Matkins' time in this category focused on preparing the Receiver's Fifth
5 Interim Report, which was filed on May 22, 2019. Dkt. No. 254. The Fifth Interim
6 Report contains a detailed description of the Receiver's activities during the first
7 quarter of 2019, sales/surrender of Negative Value Policies, policy maturities,
8 investor communications, pending litigation, and post-receivership receipts and
9 disbursements. The report also includes the Receiver's recommendations for the
10 continued administration of the receivership estate. The reasonable and necessary
11 fees for work in this category total \$3,852.00.

12 4. Operations & Asset Sales

13 Allen Matkins' time in this category focused on advising and assisting the
14 Receiver regarding sales of Negative Value Policies, including communications
15 with the Receiver, 21st, and prospective purchasers, preparing confidentiality/non-
16 disclosure agreements, negotiating sale terms, preparing purchase and sale
17 agreements, and assisting with steps to close sales. As discussed in the Fifth Report,
18 the Receiver has sold 14 Negative Value Policies for a total recovery of over
19 \$1.1 million.

20 The firm also advised the Receiver regarding the process for requesting
21 proposals and negotiating terms with prospective lenders regarding a potential credit
22 facility to be used if and when the cash reserves held by the Receiver are exhausted.
23 The Receiver has signed confidentiality/non-disclosure agreements with several
24 prospective lenders and provided them with access to a virtual data room. Finally,
25 Allen Matkins advised the Receiver on various issues relating to the operations and
26 management of PWCG Trust. The reasonable and necessary fees for work in this
27 category total \$10,397.25.

28

1 5. Claims and Distributions

2 Allen Matkins' time in this category focused on analyzing and advising the
3 Receiver regarding claims against the receivership estate, including large claims
4 asserted by BroadRiver Asset Management ("BroadRiver"), of behalf of Cook Street
5 Master Trust ("CSMT"). CSMT entered into a contract with Pacific West Capital
6 Group, Inc. in July 2017 to purchase "forfeited" interests of investors who failed to
7 provide funds in response to cash calls issued by PWCG Trust. CSMT also
8 provided funding to PWCG Trust to cover shortfalls in reserves such that certain
9 policies would not lapse. Allen Matkins handled direct communications with
10 counsel for BroadRiver and assisted the Receiver in analyzing CSMT's claims,
11 including reviewing arguments asserted by CSMT and formulating a settlement
12 proposal.

13 The firm also advised the Receiver on the accounting process, documentation
14 and data needed for the administration of investor claims. Allen Matkins also
15 assisted the Receiver in preparing content for the receivership website, including
16 answers to frequently asked questions and monthly case updates, and assisted in
17 addressing unique investor inquiries. The reasonable and necessary fees for work in
18 this category total \$15,374.25.

19 6. Pending Litigation

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

26 During the Fifth Application Period, Allen Matkins attended a status
27 conference in one of the pending actions (known as the *Names* case), and
28 participated in preparing a Joint Status Report in another pending action (the

1 *Shechter* case). The reasonable and necessary fees for work in this category total
2 \$3,165.75.

3 **B. Summary of Expenses Requested for Reimbursement**

4 Allen Matkins requests the Court approve reimbursement of \$602.00 in out-
5 of-pocket costs. The itemization of such expenses is summarized below by
6 category.

Category	Total
E-Discovery	\$450.00
Document Searches (incl. PACER, Lexis, Sec. of State)	\$120.00
Messenger/FedEx Fees	\$32.00
TOTAL	\$ 602.00

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

13 From inception of the receivership through June 30, 2019, the Receiver
14 incurred fees and costs of \$186,663.77, of which amount \$34,495.02 is subject to
15 holdback pending approval of the Receiver's final fee application at the conclusion
16 of the receivership, \$22,463.55 is awaiting the Court's review and approval, and
17 \$133,803.35 has been approved by the Court and paid to date. During the same time
18 period, Allen Matkins has incurred fees and costs of \$441,010.08, of which amount
19 \$87,227.91 is subject to holdback pending approval of Allen Matkins' final fee
20 application at the conclusion of the receivership, \$61,563.50 is awaiting the Court's
21 review and approval, and \$304,410.97 has been approved by the Court and paid to
22 date. Finally, during the same time period, MPC has incurred fees and costs totaling
23 \$136,320.94, of which amount \$23,663.88 is awaiting the Court's review and
24 approval, and \$112,657.06 has been approved by the Court and paid to date.

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

27 "As a general rule, the expenses and fees of a receivership are a charge upon
28 the property administered." *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994).

1 These expenses include the fees and expenses of this Receiver and his professionals,
2 including Allen Matkins. Decisions regarding the timing and amount of an award of
3 fees and costs to the Receiver and his Professionals are committed to the sound
4 discretion of the Court. See *SEC v. Elliot*, 953 F.2d 1560, 1577 (11th Cir. 1992)
5 (rev'd in part on other grounds, 998 F.2d 922 (11th Cir. 1993)).

6 In allowing fees, a court should consider "the time, labor and skill required,
7 but not necessarily that actually expended, in the proper performance of the duties
8 imposed by the court upon the receiver[], the fair value of such time, labor and skill
9 measured by conservative business standards, the degree of activity, integrity and
10 dispatch with which the work is conducted and the result obtained." *United States v.*
11 *Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks
12 omitted). In practical terms, receiver and professional compensation thus ultimately
13 rests upon the result of an equitable, multi-factor balancing test involving the
14 "economy of administration, the burden that the estate may be able to bear, the
15 amount of time required, although not necessarily expended, and the overall value of
16 the services to the estate." *In re Imperial 400 Nat'l, Inc.*, 432 F.2d 232, 237 (3d Cir.
17 1970). Regardless of how this balancing test is formulated, no single factor is
18 determinative and "a reasonable fee is based [upon] all circumstances surrounding
19 the receivership." *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*,
20 374 F. Supp. 465, 480 (S.D. Tex. 1974).

21 As a preliminary matter, the Appointment Order confers on the Receiver
22 substantial duties and powers, including to conduct such investigation and discovery
23 as is necessary to locate and account for all receivership assets, take such action as is
24 necessary and appropriate to assume control over and preserve receivership assets,
25 and employ attorneys and others to investigate and, where appropriate, institute,
26 pursue, and prosecute all claims and causes of action of whatever kind and nature.
27 See Appointment Order, Section III.

28

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

6 Allen Matkins has submitted a detailed fee application which describes the
 7 nature of the services rendered, and the identity and billing rate of each individual
 8 performing each task. *See* Exhibit A. Allen Matkins has endeavored to staff matters
 9 as efficiently as possible, while remaining cognizant of the complexity of issues.
 10 The request for fees is based on Allen Matkins' customary billing rates charged for
 11 comparable services provided in other matters, less a 10% discount. In addition, the
 12 firm has written off and not charged for 3.3 hours of time (\$1,856.25) during the
 13 Fifth Application Period.

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

24 **VI. CONCLUSION**

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

- 26 1. Approving Allen Matkins' fees, on an interim basis, of \$60,961.50;
- 27 2. Authorizing and directing the Receiver to pay 80% of approved fees, or
- 28 \$48,769.20, from the assets of the Receivership Entities;

1 3. Approving Allen Matkins' costs in the amount of \$602.00 and
2 authorizing and directing the Receiver to reimburse such costs in full; and

3 4. For such other and further relief as the Court deems appropriate.
4

5 Dated: November 22, 2019

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

6
7 By: /s/ Edward Fates

8 EDWARD G. FATES
9 Attorneys for Receiver
10 THOMAS HEBRANK
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EXHIBIT A

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00002

Matter Name: General Receivership

Date of Last Billing: 04-16-2019

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

Proforma Number

Client/Matter Joint Group # 377432-1

Fees for Matter 377432-00002 (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
04/11/19	7809777	Emails/calls with counsel related to the tax issues and qualified settlement fund (.5). Analysis of the issues related to qualified settlement fund/brief conference with tax counsel, email related to QSF (.7).	Zaro, David	1.2	891.00	891.00	WO HD TR	_____
04/11/19	7807695	Analyze and address receivership tax issues raised by Receiver.	Fates, Edward	0.5	281.25	1,172.25	WO HD TR	_____
04/12/19	7809879	Review tax issues/QSF attributes and records, call with counsel (.4). Analysis of accounting scope, tax accounting issues, accounting for claims processing (.7). Prepare for/attend meeting with tax counsel and Receiver to address the tax issues and filing issues (1.6). Several calls with counsel related to the tax issues (.4).	Zaro, David	3.7	2,747.25	3,919.50	WO HD TR	_____
04/12/19	7808747	Call with Receiver and counsel re analysis of tax treatment of PWCG Trust, filing of extension for 2018, and related issues, follow up re same.	Fates, Edward	0.7	393.75	4,313.25	WO HD TR	_____
04/12/19	7810007	Evaluate tax treatment and filing requirements for trust.	Kraus, Katherine	2.4	1,404.00	5,717.25	WO HD TR	_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
04/13/19	7809941	Email to tax counsel related to trust and corporation relationship of parties, analysis concerning the trust relationship (.6).	Zaro, David	0.6	445.50	6,162.75	WO HD	TR_____
04/14/19	7809961	Emails/analysis of issues and regulation related to the QSF versus Disputed ownership Fund and assess legal issues (.6).	Zaro, David	0.6	445.50	6,608.25	WO HD	TR_____
04/14/19	7810010	Evaluate tax status of the trust and tax reporting issues.	Kraus, Katherine	2.5	1,462.50	8,070.75	WO HD	TR_____
04/15/19	7813300	Research issues related to tax treatment of policies and disputed ownership fund, follow-up with counsel re same (.6).	Zaro, David	0.6	445.50	8,516.25	WO HD	TR_____
04/15/19	7810634	Evaluate tax status of the trust and its reporting obligations	Kraus, Katherine	1.0	585.00	9,101.25	WO HD	TR_____
04/16/19	7812739	Evaluate tax issues relating to trust.	Kraus, Katherine	2.4	1,404.00	10,505.25	WO HD	TR_____
04/17/19	7813434	Review/analysis of the memo re tax issues and QSF (.4).	Zaro, David	0.4	297.00	10,802.25	WO HD	TR_____
04/18/19	7815210	Review of tax memorandum as to QSF taxes, pre-pooling returns (.3). Meeting with counsel to address approach to taxes QSF, disputed ownership funds (DOF) (.4).	Zaro, David	0.7	519.75	11,322.00	WO HD	TR_____
05/01/19	7828791	Meeting with tax counsel to address the tax issues/QSF (.4). Call with Receiver counsel to address as to accounting for taxes/tax accountant and IRS strategy (.2).	Zaro, David	0.6	445.50	11,767.50	WO HD	TR_____
05/01/19	7826952	Analyze and advise on QSF tax issues for PWCG Trust/receivership.	Fates, Edward	0.3	168.75	11,936.25	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
05/03/19	7832813	Conference with counsel related to the tax issues (.2). Conference with tax counsel related to taxes/QSF/DOF and email to Receiver as to next steps (.7).	Zaro, David	0.9	668.25	12,604.50	WO HD TR	_____
05/06/19	7830212	Communications with Receiver regarding QSF tax issues.	Fates, Edward	0.2	112.50	12,717.00	WO HD TR	_____
05/21/19	7845323	Analysis of Receiver email re tax returns, assess returns (.3). Emails with Receiver counsel re returns(.1). Meeting with tax counsel re PWCG Trust returns (.3).	Zaro, David	0.7	519.75	13,236.75	WO HD TR	_____
05/27/19	7848945	Emails related to taxes/analysis of QJF and meeting with accountants (.2).	Zaro, David	0.2	148.50	13,385.25	WO HD TR	_____
05/29/19	7851759	Conference with tax counsel related to the taxes for PWCG (.3). Emails related to the PWCG taxes (.1).	Zaro, David	0.4	297.00	13,682.25	WO HD TR	_____
05/30/19	7853042	Analysis of the tax issues, address the issues with tax counsel (.4). Conference call with Receiver/counsel, tax accountants to address and analyze tax issues (.7).	Zaro, David	1.1	816.75	14,499.00	WO HD TR	_____
05/30/19	7851562	Conference call with Receiver and tax accountants to discuss tax issues for PWCG Trust, analysis and strategy for minimizing taxable income for receivership.	Fates, Edward	0.9	506.25	15,005.25	WO HD TR	_____
05/30/19	7852188	Tax analysis and TC with Duffy Kruspodin	Kraus, Katherine	1.0	585.00	15,590.25	WO HD TR	_____
05/31/19	7856944	Call/email with tax counsel related to the tax issues, follow-up to coordinate with tax accountants (.3).	Zaro, David	0.3	222.75	15,813.00	WO HD TR	_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
05/31/19	7854191	Analyze tax issues and e-mail with Duffy Kruspodin	Kraus, Katherine	0.5	292.50	16,105.50	WO HD TR_____
06/19/19	7874931	Email/call with counsel related to taxes/QSF related issues as to returns (.2).	Zaro, David	0.2	148.50	16,254.00	WO HD TR_____
06/25/19	7880625	Analysis/review of the emails related to tax issues, prepare for conference call/tax counsel (.4). Email/calls with tax counsel to address alternative approaches to insurance policy income, and losses, review research materials (.8).	Zaro, David	1.2	891.00	17,145.00	WO HD TR_____
06/25/19	7879551	Evaluate materials provided by Hebrank. Tax analysis of treatment of life insurance contracts.	Kraus, Katherine	1.1	643.50	17,788.50	WO HD TR_____
06/26/19	7881488	Call/email with receiver tax counsel concerning QSF/accounting issues (.2). Follow-up to assess email and conference re QSF (.4). Prepare for/attend the meeting with tax counsel, Receiver, accountants, follow-up on issues re taxes (.8).	Zaro, David	1.4	1,039.50	18,828.00	WO HD TR_____
06/26/19	7880472	Conference call with Receiver and Duffy firm to discuss tax treatment of PWCG Trust and gains/losses to portfolio.	Fates, Edward	0.6	337.50	19,165.50	WO HD TR_____
06/26/19	7881132	TC with Hebrank and Duffy Kruspodin re. tax issues. Tax research and draft memo re. tax issues relating to the life insurance policies.	Kraus, Katherine	3.9	2,281.50	21,447.00	WO HD TR_____
06/27/19	7882421	Analyze income tax consequences relating to trust and life-insurance	Kraus, Katherine	2.5	1,462.50	22,909.50	WO HD TR_____

Disbursements for Matter 377432-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt	Circle	Action
04/01/19	2519965	File Conversion - E-Discovery - - CS Disco Inc., Monthly Hosting for April 2019^56324	1.00	150.00	WO	HD TR_____
05/01/19	2525250	File Conversion - E-Discovery - - CS Disco Inc., Monthly Hosting for May 2019^57810	1.00	150.00	WO	HD TR_____
05/14/19	2529339	Document Search - - Case Anywhere LLC, System Access Fee (2/1/19-4/30/19)^159931	1.00	120.00	WO	HD TR_____
05/22/19	2535513	Messenger - - Nationwide Legal, LLC, USDC CENTRAL DISTRICT,^193625	1.00	32.00	WO	HD TR_____
06/01/19	2533098	File Conversion - E-Discovery - - CS Disco Inc., Monthly Hosting for June 2019^59507	1.00	150.00	WO	HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	14.8	742.50	10,989.00
001665	Edward Fates	3.2	562.50	1,800.00
002372	Katherine Kraus	17.3	585.00	10,120.50
		<u>35.3</u>		<u>22,909.50</u>
Total Fees				22,909.50
Total Disbursements				602.00

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 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	42,369.61	38,039.40	4,330.21	23,511.50	22,909.50	602.00	42,369.61	38,039.40	4,330.21
Unbilled Adj	(396.18)	0.00	(396.18)	(116.85)	0.00	(116.85)	(396.18)	0.00	(396.18)
Billed	18,461.93	15,129.90	3,332.03	7,569.71	6,239.25	1,330.46	18,461.93	15,129.90	3,332.03
Collected	18,461.93	15,129.90	3,332.03	7,569.71	6,239.25	1,330.46	18,461.93	15,129.90	3,332.03
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	Fees	Cost						
WIP Balance	37,138.35	36,442.35	696.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

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

08/09/19 17:12:21 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

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
04/08/19	7804056	Discuss process of gathering data and documents from MPC for accounting with Receiver.	Fates, Edward	0.4	225.00	225.00	WO HD TR_____
04/09/19	7807972	Work with counsel to address recovery of MP investor data, investigation/approach to accounting (.4).	Zaro, David	0.4	297.00	522.00	WO HD TR_____
04/10/19	7807991	Call with SEC counsel related to the Receiver's accounting, the investigation of trustee (.3).	Zaro, David	0.3	222.75	744.75	WO HD TR_____
04/12/19	7809872	Call with SEC counsel related to accounting and investor issues (.3).	Zaro, David	0.3	222.75	967.50	WO HD TR_____
04/15/19	7810233	Advise Receiver on document recovery and accounting analysis issues.	Fates, Edward	0.4	225.00	1,192.50	WO HD TR_____
04/16/19	7813412	Several emails with lender counsel and Receiver counsel related to the overall receivership (.2).	Zaro, David	0.2	148.50	1,341.00	WO HD TR_____
04/17/19	7813429	Call with counsel to address the accounting issues, additional bank and Mills Potoczak records (.3).	Zaro, David	0.3	222.75	1,563.75	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
04/26/19	7821549	Communications with counsel for investor plaintiffs and Receiver re: potential claims against MPC.	Fates, Edward	0.3	168.75	1,732.50	WO HD TR	_____
05/02/19	7829000	Call with counsel related to the accounting, the turnover of Mills Potoczak (.3). Call with Receiver concerning scope of accounting/strategy (.3). Call with SEC counsel re the accounting, the PWCG investigation (.3).	Zaro, David	0.9	668.25	2,400.75	WO HD TR	_____
05/02/19	7829027	Call/follow-up on the status of lending/cash flows and timing, call with SEC counsel (.2).	Zaro, David	0.2	148.50	2,549.25	WO HD TR	_____
05/02/19	7827924	Advise Receiver on strategy and scope for accounting work and document gathering for same.	Fates, Edward	0.4	225.00	2,774.25	WO HD TR	_____
05/03/19	7832769	Analysis of issues related to Mills Potoczak, possible recovery, investigate insurance (.6). Call with counsel to address the accounting, termination of the trust, and further meeting with litigation counsel as to the pending lawsuits (.5).	Zaro, David	1.1	816.75	3,591.00	WO HD TR	_____
05/08/19	7833193	Advise on issues relating to scope and strategy for Receiver's accounting.	Fates, Edward	0.2	112.50	3,703.50	WO HD TR	_____
05/13/19	7837812	Call with counsel related to accounting concerning PWCG Trust/Mills Potoczak (.4). Follow-up on the issues related to the accounting/trust tax matter (.2).	Zaro, David	0.6	445.50	4,149.00	WO HD TR	_____
06/06/19	7865813	Review/analysis of the commission's accounting report, assess data as to	Zaro, David	0.7	519.75	4,668.75	WO HD TR	_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		investor interests (.5). Call with counsel to address strategy for discovery to support the turnover/claim defenses (.2).					
06/10/19	7867727	Analysis of the valuation issues, the approach to cash flow analysis, updates and email from Receiver counsel (.4).	Zaro, David	0.4	297.00	4,965.75	WO HD TR_____
06/12/19	7870264	Analysis of the issues concerning Receiver's accounting, analysis of investor data/records held by Mills Potoczak (.4).	Zaro, David	0.4	297.00	5,262.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	5.8	742.50	4,306.50
001665	Edward Fates	1.7	562.50	956.25
		7.5		5,262.75
Total Fees				5,262.75
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 06/30/2019

Fiscal YTD

Calendar YTD

LTD

	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	148,982.51	148,023.00	959.51	5,262.75	5,262.75	0.00	119,324.70	119,324.70	0.00
Unbilled Adj	(0.09)	(0.09)	0.00	0.00	0.00	0.00	(0.09)	(0.09)	0.00
Billed	114,061.86	114,061.86	0.00	57,155.40	57,155.40	0.00	114,061.86	114,061.86	0.00
Collected	114,061.86	114,061.86	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
	<i>Total</i>	<i>Fees</i>	<i>Cost</i>						
<i>WIP Balance</i>	<i>36,268.85</i>	<i>35,182.35</i>	<i>1,086.50</i>						
<i>AR Balance</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>						
<i>Unalloc Payment</i>	<i>0.00</i>								
<i>Client Trust Balance</i>	<i>0.00</i>								

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

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
04/18/19	7812823	Work on Receiver's 5th interim report.	Fates, Edward	1.8	1,012.50	1,012.50	WO HD	TR_____
04/26/19	7820106	Revisions to 5th interim report (.7); discuss same with Receiver (.2).	Fates, Edward	0.9	506.25	1,518.75	WO HD	TR_____
05/13/19	7837207	Revisions to Receiver's 5th interim report, review SFAR exhibit, discuss same with Receiver.	Fates, Edward	1.4	787.50	2,306.25	WO HD	TR_____
05/14/19	7839267	Review draft of the Receiver's report, advice to counsel/Receiver concerning the report/accounting (.4).	Zaro, David	0.4	297.00	2,603.25	WO HD	TR_____
05/15/19	7840263	Work with counsel to address the Receiver's report, revise same and accounting (.3).	Zaro, David	0.3	222.75	2,826.00	WO HD	TR_____
05/15/19	7839055	Meet and confer communications regarding Receiver's 5th interim report.	Fates, Edward	0.2	112.50	2,938.50	WO HD	TR_____
05/22/19	7846230	Follow-up on the SEC comments to the Report and review of final draft of the report/follow-up (.3).	Zaro, David	0.3	222.75	3,161.25	WO HD	TR_____
05/22/19	7845029	Meet and confer communications with SEC counsel (.1); revise and finalize Receiver's 5th interim report (.6).	Fates, Edward	0.7	393.75	3,555.00	WO HD	TR_____
05/30/19	7852766	Analysis of the accounting data,	Zaro, David	0.4	297.00	3,852.00	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		financial issues and Receiver's accounting report (.4).					

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	1.4	742.50	1,039.50
001665	Edward Fates	5.0	562.50	2,812.50
		<u>6.4</u>		<u>3,852.00</u>
Total Fees				3,852.00
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 06/30/2019

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	19,568.25	19,559.25	9.00	3,852.00	3,852.00	0.00	15,066.00	15,057.00	9.00
Unbilled Adj	(9.00)	0.00	(9.00)	0.00	0.00	0.00	(9.00)	0.00	(9.00)
Billed	11,205.00	11,205.00	0.00	5,346.00	5,346.00	0.00	11,205.00	11,205.00	0.00
Collected	11,205.00	11,205.00	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
WIP Balance	9,996.75	9,996.75	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

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

08/09/19 17:12:21 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

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
04/01/19	7806726	Review executed VIDA purchase contracts to confirm conform to agreed upon terms. (.3) Outline key dates. (.4)	Hall, Debra	0.7	472.50	472.50	WO HD TR_____
04/02/19	7799370	Calls/email with Receiver and prospective lender related to the cash flow loan for premiums (.6).	Zaro, David	0.6	445.50	918.00	WO HD TR_____
04/03/19	7803401	Email to counsel for prospective lender, follow-up on the Request for Production/Non-Disclosure Agreement (.4). Call with counsel, Receiver re loan data room issues/timing (.2).	Zaro, David	0.6	445.50	1,363.50	WO HD TR_____
04/03/19	7798841	Review BroadRiver purchase and sale agreement for negative value policy and advise Receiver regarding same.	Fates, Edward	0.4	225.00	1,588.50	WO HD TR_____
04/04/19	7801120	Advise Receiver regarding execution of PSA for negative value policy with BroadRiver.	Fates, Edward	0.3	168.75	1,757.25	WO HD TR_____
04/09/19	7807971	Email/calls with counsel related to sale of the negative value assets, loan request for proposals (.4).	Zaro, David	0.4	297.00	2,054.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
04/11/19	7809829	Emails with Broad River counsel, address the NDA/data room (.4). follow-up with counsel/Receiver as to data room, prospects and timing (.3).	Zaro, David	0.7	519.75	2,574.00	WO HD	TR_____
04/11/19	7807067	Communications with Receiver and 21st regarding signed NDA for potential credit facility from counsel for BroadRiver, communications with counsel for BroadRiver regarding same.	Fates, Edward	0.4	225.00	2,799.00	WO HD	TR_____
04/15/19	7813337	Work on issues related to the loans and the emails/matters associated with the loan/data room (.4).	Zaro, David	0.4	297.00	3,096.00	WO HD	TR_____
04/15/19	7809758	Review executed NDA received from counsel for JMB and advise Receiver and 21st regarding same (.3); communications with counsel for JMB (.2).	Fates, Edward	0.5	281.25	3,377.25	WO HD	TR_____
04/16/19	7810503	Respond to inquiries from counsel for BroadRiver regarding negative value policies (.4); review proposed revisions to NDA from prospective lender and discuss same with Receiver and 21st (.4).	Fates, Edward	0.8	450.00	3,827.25	WO HD	TR_____
04/22/19	7817453	Email/call with Receiver concerning insured's maturity and impact upon cash flow (.4). Follow-up to assess lending issues and accounting to support the loan (.3).	Zaro, David	0.7	519.75	4,347.00	WO HD	TR_____
04/23/19	7818411	Email concerning the loans, the premiums and the loan, impact of maturing policies (.3).	Zaro, David	0.3	222.75	4,569.75	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
04/24/19	7817700	Communications with Receiver re: policy maturity and impact of same on premiums and potential credit facility.	Fates, Edward	0.2	112.50	4,682.25	WO HD TR	_____
04/25/19	7819393	Discuss cash flow, premiums and strategy for credit facility with Receiver in light of maturity and anticipated death benefit (.2); communications regarding closing of sale of negative value policies to Vida (.2).	Fates, Edward	0.4	225.00	4,907.25	WO HD TR	_____
04/26/19	7820310	Communications with Receiver and 21st re: potential sale of additional negative value policy.	Fates, Edward	0.3	168.75	5,076.00	WO HD TR	_____
05/01/19	7827142	Analyze proposed changes to PSA from prospective purchaser of negative value policy (.6); communications with Receiver and 21st regarding same (.3).	Fates, Edward	0.9	506.25	5,582.25	WO HD TR	_____
05/02/19	7828536	Review ALIR, LLC Purchase Agreement. Analysis of securities law issues.	Hall, Debra	1.3	877.50	6,459.75	WO HD TR	_____
05/02/19	7830567	Analysis regarding viatical contract.	Bishop, Keith	0.2	148.50	6,608.25	WO HD TR	_____
05/06/19	7834496	Call with purchaser's counsel. Emails to work out securities representations. Review and finalize draft agreement. Email to Receiver and purchaser and their respective counsel and representatives.	Hall, Debra	1.2	810.00	7,418.25	WO HD TR	_____
05/06/19	7830454	Advise on issues relating to purchase and sale agreement for negative value policy.	Fates, Edward	0.4	225.00	7,643.25	WO HD TR	_____
05/07/19	7834504	Provide key dates timeline for EI	Hall, Debra	0.2	135.00	7,778.25	WO HD TR	_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		Diablo purchase.					
05/07/19	7831895	Advise Receiver on issues regarding execution of PSA for negative value policy, good standing of policy and closing date, communications with counsel for buyer.	Fates, Edward	0.9	506.25	8,284.50	WO HD TR_____
05/09/19	7833998	Communications with Receiver and counsel for buyer re: sale closing documents, W-9 tax form, and wire transfer issues	Fates, Edward	0.8	450.00	8,734.50	WO HD TR_____
05/16/19	7842785	Follow-up on loan status, the offers and timing based upon receipts, cash flow and call with counsel (.2).	Zaro, David	0.2	148.50	8,883.00	WO HD TR_____
05/21/19	7843552	Analyze operational/servicing work performed by MPC, limited scope of services and fees, and advise Receiver regarding same.	Fates, Edward	0.7	393.75	9,276.75	WO HD TR_____
06/03/19	7857003	Advise Receiver on banking/interest rate issues for receivership estate funds.	Fates, Edward	0.3	168.75	9,445.50	WO HD TR_____
06/21/19	7877023	Analyze 12-month schedule of premiums coming due from 21st.	Fates, Edward	0.2	112.50	9,558.00	WO HD TR_____
06/25/19	7878555	Discuss data relating to cash flows and projected premiums with Receiver.	Fates, Edward	0.3	168.75	9,726.75	WO HD TR_____
06/26/19	7881486	Emails concerning maturity of policy, follow-up as to the impact on cash flow (.4). Call with counsel/email as to loan and cash flow (.2).	Zaro, David	0.6	445.50	10,172.25	WO HD TR_____
06/26/19	7879645	Communications with Receiver regarding policy maturity and anticipated impact on cash flow for	Fates, Edward	0.4	225.00	10,397.25	WO HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		portfolio, communications with 21st regarding same.					

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	4.5	742.50	3,341.25
001578	Debra Hall	3.4	675.00	2,295.00
001665	Edward Fates	8.2	562.50	4,612.50
001995	Keith Bishop	0.2	742.50	148.50
		16.3		10,397.25
Total Fees				10,397.25
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 06/30/2019

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	107,960.03	107,957.25	2.78	10,400.03	10,397.25	2.78	68,528.78	68,526.00	2.78
Unbilled Adj	(2.69)	0.09	(2.78)	(2.78)	0.00	(2.78)	(2.69)	0.09	(2.78)
Billed	58,128.84	58,128.84	0.00	21,429.45	21,429.45	0.00	58,128.84	58,128.84	0.00
Collected	58,128.84	58,128.84	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
Total									
WIP Balance	50,363.10	50,363.10	0.00						
AR Balance	0.00	0.00	0.00						

Unalloc Payment	0.00
Client Trust Balance	0.00

Billing Address

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

08/09/19 17:12:21 PROFORMA STATEMENT FOR MATTER 377432-00006 (Thomas C. Hebrank, as Receiver for PWCG Trust) (Claims & Distributions)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377432-00006

Matter Name: Claims & Distributions

Date of Last Billing: 04-16-2019

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

Proforma Number

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
04/03/19	7799419	Revisions to monthly case update to investors.	Fates, Edward	0.3	168.75	168.75	WO	HD TR_____
04/10/19	7807980	Call/follow-up on investor group's counsel to address receiver response to dispute over pooling/claims (.4).	Zaro, David	0.4	297.00	465.75	WO	HD TR_____
04/11/19	7809802	Calls with SEC counsel and Receiver counsel related to the investor letter/email (.3).	Zaro, David	0.3	222.75	688.50	WO	HD TR_____
04/11/19	7807873	Analyze issues with correspondence filed with investor Belsky.	Fates, Edward	0.2	112.50	801.00	WO	HD TR_____
04/12/19	7828387	Emails with Receiver and SEC concerning investor demands, Receiver response/communications (.4).	Zaro, David	0.4	297.00	1,098.00	WO	HD TR_____
04/15/19	7813307	Email/calls with Receiver and counsel related to claims process, investor claimants, alternative approaches to claims (.6). Follow-up with counsel to address claimant inquiries (.3).	Zaro, David	0.9	668.25	1,766.25	WO	HD TR_____
04/15/19	7810236	Discuss timing and strategy for claims process with Receiver.	Fates, Edward	0.3	168.75	1,935.00	WO	HD TR_____
04/16/19	7813400	Call/email related to the claims of Mohr related investors, follow-up with	Zaro, David	0.3	222.75	2,157.75	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		regard to Receiver's response (.3).						
04/17/19	7811976	Address inquiry from counsel for investors and response to same, email to Receiver and confer with counsel on strategy.	Fates, Edward	0.4	225.00	2,382.75	WO	HD TR_____
04/18/19	7813641	Review and advise Receiver regarding order rejecting investor Belsky letter.	Fates, Edward	0.1	56.25	2,439.00	WO	HD TR_____
04/30/19	7826591	Conference with counsel related to the Broad River claims, follow-up emails with counsel and Receiver (.4). Follow-up on the claims process, timing with counsel (.2).	Zaro, David	0.6	445.50	2,884.50	WO	HD TR_____
04/30/19	7822882	Initial communications with counsel for BroadRiver and Receiver re: proposal to resolve claims	Fates, Edward	0.2	112.50	2,997.00	WO	HD TR_____
05/01/19	7828779	Email/call with Receiver and counsel re Broad River transactions (.2). Call with counsel concerning the accounting to support the analysis of investor claims (.3).	Zaro, David	0.5	371.25	3,368.25	WO	HD TR_____
05/03/19	7832795	Analysis of the scope of the Broad River claims and viability of PWCG claims versus the trust claim (.4). Attend the Broad River conference call, follow-up with counsel related to strategy (.5).	Zaro, David	0.9	668.25	4,036.50	WO	HD TR_____
05/03/19	7828415	Confer with Receiver and counsel regarding issues relating to BroadRiver claim (.6); conference call with counsel for BroadRiver regarding same and settlement issues (.3).	Fates, Edward	0.9	506.25	4,542.75	WO	HD TR_____
05/06/19	7830558	Analyze issues regarding BroadRiver	Fates, Edward	0.8	450.00	4,992.75	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		claims and possible resolution, conference call with Receiver regarding same.						
05/09/19	7837754	Call with counsel, analysis of Broad River claim and possible settlement process (.6). Follow-up on the letter from claimant and call to counsel related to the investor claim (.2).	Zaro, David	0.8	594.00	5,586.75	WO	HD TR_____
05/09/19	7834729	Work on response to counsel for BroadRiver regarding Cook Street claim and potential settlement terms/timing.	Fates, Edward	0.7	393.75	5,980.50	WO	HD TR_____
05/09/19	7834981	Review and advise Receiver regarding letter from I. Belsky rejected by court.	Fates, Edward	0.2	112.50	6,093.00	WO	HD TR_____
05/10/19	7835877	Revisions to monthly investor update and list of policies with status for each, discuss same with Receiver.	Fates, Edward	0.4	225.00	6,318.00	WO	HD TR_____
05/13/19	7837805	Analysis of the Broad River matter, follow-up call with counsel as to response (.4). Follow-up on letter from Belsky and court ruling concerning the same (.3).	Zaro, David	0.7	519.75	6,837.75	WO	HD TR_____
05/14/19	7839261	Work on response to Broad River related to the claims, possible settlement (.4). Email/call with counsel related to the Broad River claim (.3).	Zaro, David	0.7	519.75	7,357.50	WO	HD TR_____
05/14/19	7837931	Revise draft response to counsel for BroadRiver regarding settlement of claim and discuss same with Receiver (.6); finalize response (.2).	Fates, Edward	0.8	450.00	7,807.50	WO	HD TR_____
05/22/19	7846273	Email to/from Broadriver counsel	Zaro, David	0.2	148.50	7,956.00	WO	HD TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		related to the claim/follow-up thereon (.2).						
05/23/19	7847270	Follow-up further analysis of issues related to loans verse cap; Calls related to premiums and Receiver accounting for PWCG and Trust transactions (.7).	Zaro, David	0.7	519.75	8,475.75	WO HD	TR_____
05/23/19	7847349	Prepare for and attend the conference with the Broad River and analysis of claim/settlement options/follow-up (.4) Conference/email with counsel/receiver related to the negotiations/strategy (.2).	Zaro, David	0.6	445.50	8,921.25	WO HD	TR_____
05/23/19	7846631	Analyze terms/timing of potential settlement of BroadRiver claims and communications with counsel for BroadRiver regarding same (.4); communications with Receiver regarding same (.3).	Fates, Edward	0.7	393.75	9,315.00	WO HD	TR_____
05/31/19	7852535	Respond to inquiries from financial advisor for investor regarding accounting, claims process, and related issues	Fates, Edward	0.3	168.75	9,483.75	WO HD	TR_____
06/03/19	7858174	Analysis/follow-up on the Broad River claim, the analysis of potential resolution of dispute/email to counsel (.4).	Zaro, David	0.4	297.00	9,780.75	WO HD	TR_____
06/03/19	7857126	Address communications from counsel for BroadRiver and strategy regarding potential settlement offer and response (.4); advise Receiver regarding same (.2).	Fates, Edward	0.6	337.50	10,118.25	WO HD	TR_____
06/04/19	7860563	Evaluate issues and call re Broad	Zaro, David	0.8	594.00	10,712.25	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
		River with counsel, settlement issues (.4). Analysis of the Receiver's alternatives re claims process/accounting issues and email re same (.4).						
06/05/19	7862063	Several emails and call with counsel to address prospective settlement of disputed claim (.3).	Zaro, David	0.3	222.75	10,935.00	WO HD	TR_____
06/05/19	7860431	Revisions to monthly case update and report to investors on policies for receivership website.	Fates, Edward	0.4	225.00	11,160.00	WO HD	TR_____
06/06/19	7865798	Call/email related to prospective settlement with Broad River, assess the overall strategy (.4). Analysis of records available to substantiate investor claims/returns (.3).	Zaro, David	0.7	519.75	11,679.75	WO HD	TR_____
06/10/19	7865683	Advise Receiver on issues regarding potential settlement of BroadRiver claim and strategy regarding same.	Fates, Edward	0.4	225.00	11,904.75	WO HD	TR_____
06/12/19	7867718	Advise on issues/timing for communications with counsel for BroadRiver.	Fates, Edward	0.2	112.50	12,017.25	WO HD	TR_____
06/12/19	7867847	Advise Receiver on issues relating to analysis of data from MPC on investor claims.	Fates, Edward	0.2	112.50	12,129.75	WO HD	TR_____
06/13/19	7870383	Emails with counsel for Broad River and Receiver related to the claims (.4).	Zaro, David	0.4	297.00	12,426.75	WO HD	TR_____
06/17/19	7872941	Analysis of data concerning the investor claim issues and approach to claim process, assess MP&C data and follow-up with Receiver counsel (.4).	Zaro, David	0.4	297.00	12,723.75	WO HD	TR_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
06/17/19	7871591	Analyze preliminary investor claims data, discuss same and next steps with Receiver (.6); communications with 21st regarding data needed for analysis of potential settlement of BroadRiver claims (.3).	Fates, Edward	0.9	506.25	13,230.00	WO HD TR_____
06/19/19	7873387	Call with Receiver and 21st regarding information needed to formulate/analyze options to resolve BroadRiver claims.	Fates, Edward	0.4	225.00	13,455.00	WO HD TR_____
06/25/19	7880627	Work on issues related to accounting to support the investor claims analysis, conference with counsel (.4).	Zaro, David	0.4	297.00	13,752.00	WO HD TR_____
06/25/19	7879243	Advise on accounting issues concerning process for verifying investor claims.	Fates, Edward	0.3	168.75	13,920.75	WO HD TR_____
06/26/19	7879613	Respond to direct inquiry from investor W. Names.	Fates, Edward	0.3	168.75	14,089.50	WO HD TR_____
06/27/19	7883726	Follow-up on email concerning Broad River and claims issues, call with counsel re same (.4).	Zaro, David	0.4	297.00	14,386.50	WO HD TR_____
06/28/19	7883747	Call with counsel re Broad River claim/brief (.2). Emails with Receiver and Broad River counsel as to the briefing/claim (.6).	Zaro, David	0.8	594.00	14,980.50	WO HD TR_____
06/28/19	7882234	Analyze draft brief and legal arguments in support of claims asserted by BroadRiver.	Fates, Edward	0.7	393.75	15,374.25	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	12.6	742.50	9,355.50
001665	Edward Fates	10.7	562.50	6,018.75
		<u>23.3</u>		<u>15,374.25</u>
Total Fees				15,374.25
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 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	47,986.65	47,986.65	0.00	15,374.25	15,374.25	0.00	32,580.90	32,580.90	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	17,206.65	17,206.65	0.00	9,828.00	9,828.00	0.00	17,206.65	17,206.65	0.00
Collected	17,206.65	17,206.65	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
WIP Balance	41,887.35	41,887.35	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

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 #: 377432-00008

Matter Name: Pending Litigation

Date of Last Billing: 04-16-2019

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

Proforma Number

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
04/01/19	7797243	Communications with counsel for MPC regarding 4/5 hearing in pending Names action by investors.	Fates, Edward	0.2	112.50	112.50	WO HD TR	_____
04/03/19	7799521	Review case management statement filed by counsel for investors in pending Names action in LA Superior Court.	Fates, Edward	0.2	112.50	225.00	WO HD TR	_____
04/05/19	7801811	Attend status conference in pending Names action (1.2); communications with counsel for investor plaintiffs regarding same (.3).	Fates, Edward	1.5	843.75	1,068.75	WO HD TR	_____
04/25/19	7819291	Communications with counsel for investor Names regarding pending action and inquiry regarding distributions.	Fates, Edward	0.4	225.00	1,293.75	WO HD TR	_____
05/02/19	7827865	Calls with Receiver and counsel for putative investor class regarding pending state court action, claims against MPC, production of documents, protective order, and related issues.	Fates, Edward	0.9	506.25	1,800.00	WO HD TR	_____
05/03/19	7828410	Calls/emails with counsel for investors in pending Schechter action regarding request for documents	Fates, Edward	0.8	450.00	2,250.00	WO HD TR	_____

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action
		relating to BroadRiver and subpoena regarding same.					
06/12/19	7867822	Communications with counsel for investors in pending Schechter action regarding status report due on 6/13 and request to lift stay of case as to discovery from third parties.	Fates, Edward	0.5	281.25	2,531.25	WO HD TR_____
06/13/19	7870421	Email/brief status report concerning state court litigation (.2).	Zaro, David	0.2	148.50	2,679.75	WO HD TR_____
06/13/19	7869120	Revisions to joint status report in Shechter litigation pending in Superior Court (.4); communications with counsel for putative investor class regarding same (.2).	Fates, Edward	0.6	337.50	3,017.25	WO HD TR_____
06/19/19	7874935	Review the Schechter status report, the order form the court and follow-up with counsel concerning the matter (.2).	Zaro, David	0.2	148.50	3,165.75	WO HD TR_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	0.4	742.50	297.00
001665	Edward Fates	5.1	562.50	2,868.75
		5.5		3,165.75
Total Fees				3,165.75
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 06/30/2019

Fiscal YTD				Calendar YTD			LTD		
	Total	Fees	Disbursement	Total	Fees	Disbursement	Total	Fees	Disbursement
Worked	16,749.45	16,749.45	0.00	3,165.75	3,165.75	0.00	15,511.95	15,511.95	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Billed	12,346.20	12,346.20	0.00	6,880.50	6,880.50	0.00	12,346.20	12,346.20	0.00
Collected	12,346.20	12,346.20	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
Total	6,125.85	6,125.85	0.00						
WIP Balance	6,125.85	6,125.85	0.00						
AR Balance	0.00	0.00	0.00						
Unalloc Payment	0.00								
Client Trust Balance	0.00								

Billing Address

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