

**ROBB EVANS**  
**Receiver of**  
**Assets of James P. Lewis, Jr.,**  
**Financial Advisory Consultants,**  
**Income Fund Ltd. &**  
**Growth Fund Ltd.**

11450 Sheldon Street  
Sun Valley, California 91352-1121  
Telephone No.: (818) 768-8100  
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**Securities and Exchange Commission v. James P. Lewis, Jr., et al.**  
**CASE No. CV 03-9354 ABC (VBKx)**

**Notice of Motion and Motion by Receiver for Order:**

- (1) Approving and Authorizing Payment of Receivership Expenses [May 1, 2009 Through September 30,2009]; and**
- (2) Approving and Authorizing Payment of Retainer Fee and Additional Expenses;**

**Memorandum of Points and Authorities and Declaration of Gary Owen Caris in Support Thereof;**  
**Declaration of Kenton Johnson in Support Thereof**

**Filed November 13, 2009**

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**ROBB EVANS**

8  
9 **UNITED STATES DISTRICT COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

11 SECURITIES AND EXCHANGE  
12 COMMISSION,

13 Plaintiff,

14 v.

15 JAMES P. LEWIS, JR., individually  
and doing business as FINANCIAL  
16 ADVISORY CONSULTANTS,  
INCOME FUND, LTD. AND  
17 GROWTH FUND, LTD.,

18 Defendants.

CASE NO. CV 03-9354 ABC (VBKx)

**NOTICE OF MOTION AND  
MOTION BY RECEIVER FOR  
ORDER: (1) APPROVING AND  
AUTHORIZING PAYMENT OF  
RECEIVERSHIP EXPENSES [MAY  
1, 2009 THROUGH SEPTEMBER  
30, 2009]; AND (2) APPROVING  
AND AUTHORIZING PAYMENT  
OF RETAINER FEE AND  
ADDITIONAL EXPENSES;  
MEMORANDUM OF POINTS AND  
AUTHORITIES AND  
DECLARATION OF GARY OWEN  
CARIS IN SUPPORT THEREOF**

**[DECLARATION OF KENTON  
JOHNSON FILED  
CONCURRENTLY HEREWITH]**

DATE: December 7, 2009  
TIME: 10:00 a.m.  
PLACE: Courtroom 680

1 PLEASE TAKE NOTICE that on December 7, 2009 at 10:00 a.m.  
2 in Courtroom 680 of the above-referenced Court, located at 255 E. Temple Street,  
3 Los Angeles, California, the permanent receiver, Robb Evans (“Receiver”) will  
4 move the Court for an order:

5 1. Approving and authorizing payment of receivership expenses incurred  
6 for the five-month period from May 1, 2009 through September 30, 2009  
7 (“Thirteenth Expense Period”), comprised of the fees and expenses of the Receiver,  
8 the Receiver’s deputies, agents, staff and professionals of \$8,841.10 and legal fees  
9 and expenses of \$49,509.09 incurred by the Receiver’s counsel, for a total of  
10 \$60,602.69; and

11 2. Approving and authorizing payment of retainer fee in the amount of  
12 \$1,000 and additional expenses of local counsel in Kansas who have been retained  
13 by the Receiver for the limited purpose of obtaining judgment liens against M.  
14 Smith.

15 This Motion is made pursuant to Local Civil Rule 66-7(c) and (f) and the  
16 limited notice order entered July 14, 2004,<sup>1</sup> and is based upon this notice of motion  
17 and motion, the accompanying memorandum of points and authorities and  
18 declaration of Kenton Johnson attached hereto and served and filed herewith, any  
19 reply, and upon all other pleadings, oral and documentary evidence as may be  
20 presented at or before the time of the hearing on the Motion.

21 PLEASE TAKE FURTHER NOTICE that this Motion is served in  
22 accordance with the Limited Notice Order. Pursuant to the Limited Notice Order,  
23 this Motion has been posted on the Receiver’s website at [www.facreceiver.com](http://www.facreceiver.com)

24  
25 <sup>1</sup> The order is entitled “Order Granting Motion by Receiver for Second Omnibus  
26 Order: (1) Approving Sale of Coin Collection by Private Sale and Modifying Sale  
27 Procedures of 28 U.S.C. sections 2001 and 2004 in Connection Therewith; (2)  
28 Approving Sale of All Ownership and Other Claims and Interests in Pyro Shield,  
Inc., and Related Compromises and Modifying Sale Procedures of 28 U.S.C.  
sections 2001 and 2004 in Connection Therewith; (3) Approving and Authorizing  
Payment of Receivership Expenses [January 6, 2004 through April 30, 2004]; and  
(4) Limiting Notice” (hereinafter, the “Limited Notice Order”).



1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 The Receiver was originally appointed as temporary receiver pursuant to this  
4 Court's Order Appointing Temporary Receiver Over the Assets of James P. Lewis,  
5 Jr., Individually and Doing Business as Financial Advisory Consultants, Income  
6 Fund, Ltd., and Growth Fund, Ltd. filed January 6, 2004. The Receiver learned of  
7 his appointment as temporary receiver on January 8, 2004 and commenced work as  
8 temporary receiver the following day. Thereafter, the Receiver was appointed as  
9 permanent receiver pursuant to this Court's Preliminary Injunction Order and  
10 Orders: (1) Freezing Assets; (2) Prohibiting the Destruction of Documents; (3)  
11 Granting Expedited Discovery; (4) for Accountings; and (5) Order Appointing a  
12 Permanent Receiver ("Permanent Receivership Order"). The Permanent  
13 Receivership Order provided that Robb Evans was appointed as permanent receiver  
14 over the assets of Defendant James P. Lewis, Jr. ("Lewis"), Financial Advisory  
15 Consultants ("FAC"), Income Fund, Ltd. ("Income Fund") and Growth Fund, Ltd.  
16 ("Growth Fund"), and their subsidiaries and affiliates, with full powers of an equity  
17 receiver, including but not limited to, full power over all funds, assets, collateral,  
18 premises, choses in action, books, records, papers and other property belonging to  
19 or in the possession of or control of Lewis, FAC, Income Fund and Growth Fund.

20 By this motion, the Receiver seeks an order approving and authorizing the  
21 payment of receivership fees and expenses for the five-month period from May 1,  
22 2009 through September 30, 2009 ("Thirteenth Expense Period"). The Receiver's  
23 fees and expenses for the Thirteenth Expense Period include fees and expenses of  
24 the Receiver and his deputies, agents and staff as well as the fees and expenses of  
25 his attorneys, and other receivership expenses more fully detailed by category in the  
26 Receiver's Fund Balance and Receivership Expenses by Month ("Financial  
27 Summary") spreadsheets attached collectively as Exhibit 1 to the Declaration of  
28

1 Kenton Johnson filed in support of this Motion. The fees and expenses for which  
2 approval and payment are sought are described in Exhibit 1.

3 The focus of the activities of the Receiver and his counsel during this  
4 expense period has continued to be the resolution of the Receiver's lawsuits against  
5 the Winning Investors, i.e. those that received more from the receivership  
6 defendants than they invested with the receivership defendants, primarily through  
7 settlements and a motion for summary judgment. To date, based on the fifth  
8 distribution motion granted by the Court in December 2008, the Receiver has been  
9 authorized to distribute and has distributed a total of approximately \$18 million to  
10 claimants, or approximately 11.5% of Allowed Claims.

11 **II. THE RECEIVER SEEKS APPROVAL AND PAYMENT OF**  
12 **RECEIVERSHIP FEES AND EXPENSES INCURRED DURING**  
13 **THE THIRTEENTH EXPENSE PERIOD**

14 Since the inception of the receivership, the Receiver has sought and obtained  
15 approval for payment of receivership expenses for twelve prior expense periods.  
16 By this motion, the Receiver seeks approval of receivership expenses for the  
17 Thirteenth Expense Period as described hereinbelow.

18 **A. Continuing Communication with Investors**

19 The Receiver has continued to respond to investor inquiries and communicate  
20 with investors regarding his activities during the Thirteenth Expense Period. The  
21 Receiver regularly receives and responds to contacts from investors in the case.

22 **B. Settlements and Negotiations**

23 The Receiver and his counsel have continued ongoing settlement discussions  
24 with the Winning Investors. As of the end of this expense period, the Receiver's  
25 claims against all Winning Investors, other than Robert Gahn, had been resolved  
26 either through entry of judgments pursuant to stipulation, by motion for summary  
27 judgment or by default judgment, settlements approved by the Court on motion, or  
28 dismissals, including dismissals resulting from settlements and from bankruptcies

1 filed by defendants. Based on the Receiver's most recent settlement motion which  
2 was approved by the Court on August 12, 2009, the Receiver, directly and through  
3 counsel, has negotiated settlements with Winning Investors providing for a  
4 recovery in excess of \$13.2 million for the receivership estate.

5 **C. Summary Judgment Proceedings**

6 The Receiver has continued to assist counsel in connection with the lawsuits  
7 filed against Winning Investors. The Receiver assisted his counsel in connection  
8 with a motion for summary judgment filed against Margaret Smith and Kevin  
9 Smith during this expense period.

10 **D. Settlement Monitoring**

11 A number of the settlements with Winning Investor provide for the  
12 settlement payment amount to be made in periodic payments. The Receiver  
13 monitors receipt of the settlement payments under the payment plans and notifies  
14 counsel of any defaults so that appropriate enforcement steps may be taken to  
15 obtain the defaulted payments or enter judgment, depending upon the terms of the  
16 settlement.

17 **E. Sale of Judgments**

18 The Receiver has 18 judgments against various defendants with uncertain  
19 prospects of collection and with the prospect of significant delay and expense to  
20 attempt to enforce the judgments through asset investigations, judgment debtor  
21 examinations and other procedures at a point in time where there are no other assets  
22 of the estate to be administered. During this expense period, the Receiver  
23 determined that liquidation of the judgments through an intermediary for an  
24 immediate cash payment through the sale of the judgments will reduce the claims to  
25 cash available for prompt distribution to creditors. The Receiver assisted his  
26 counsel in analyzing and arranging the auction agreement for the sale of judgments.  
27 The Receiver and his counsel requested that the Court approve the sale of the  
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1 judgments through this auction procedure and the sale was approved by the Court  
2 on September 14, 2009.

3 **F. Legal Services**

4 During the Thirteenth Expense Period, legal services rendered by counsel  
5 have included (a) continued settlement negotiations with the remaining Winning  
6 Investors in ten related lawsuits; (b) negotiation and documentation, subject to  
7 Court approval, of multiple settlements with Winning Investors, which led to two  
8 motions to approve settlements being filed and heard during the Thirteenth Expense  
9 Period; (c) preparation of and appearance at a motion to approve the Receiver's fees  
10 and expenses for the Twelfth Expense Period, heard and granted on August 10,  
11 2009 and (d) preparation of and appearance at a motion to approve the sale of  
12 judgments, heard and granted on September 14, 2009. These activities required the  
13 Receiver's counsel to attend three hearings during the five months comprising the  
14 Thirteenth Expense Period.

15 The approval of settlements entails preparation, negotiation and execution of  
16 settlement documentation with the defendants in addition to the preparation, filing  
17 and appearance at the hearings on the motions for approval of the settlements. The  
18 two settlement motions filed, heard and granted during the Thirteenth Expense  
19 Period approved settlements with seven sets of defendants with settlement  
20 payments aggregating \$135,900.

21 The Receiver's counsel continued to negotiate with defendants as to whom  
22 judgment had been entered and to take steps to conclude the ten lawsuits. The  
23 Receiver's counsel filed a motion for summary judgment against two remaining  
24 litigants, K. Smith and M. Smith, which was granted on July 2, 2009. The only  
25 remaining litigant is now R. Gahn as during the Thirteenth Expense Period, Mr.  
26 Gahn filed a motion to vacate the Receiver's default judgment and motion to  
27 dismiss the case against him. The Receiver's counsel prepared and filed an  
28 opposition to R. Gahn's motion to vacate the default judgment and motion to

1 dismiss the case against him. The Court granted R. Gahn's motion to vacate and  
2 denied his motion to dismiss and ordered the Receiver to serve the complaint on R.  
3 Gahn. The Receiver's counsel served R. Gahn with the complaint on  
4 September 29, 2009.

5 The Receiver's counsel also pursued post-judgment enforcement steps, such  
6 as recording abstracts of judgment in California and other states and filing J-1  
7 Notices of Judgment in the records of the California Secretary of State where  
8 appropriate.

9 **III. THE RECEIVER SEEKS APPROVAL OF RETAINER FEE**  
10 **AND ADDITIONAL EXPENSES NOT COVERED BY THE**  
11 **EXPENSE PERIOD**

12 In connection with the Receiver's judgment against defendant M. Smith, the  
13 Receiver has retained local counsel in Kansas for the limited purpose of obtaining  
14 judgment liens against M. Smith in Kansas. The Receiver has determined that M.  
15 Smith has property in Kansas and in order to obtain judgment liens against M.  
16 Smith, the Receiver needs the assistance of local counsel in Kansas. The Receiver  
17 has hired the firm of Fleeson, Goong, Coulson & Kitch, L.L.C. to assist with  
18 obtaining judgment liens in Kansas. The retainer fee is \$1,000 and the Receiver  
19 requests that the Court approve the retainer fee and to expend money against the  
20 retainer fee to pay costs and fees associated with the narrow task of obtaining  
21 judgment liens against M. Smith. In addition, the Receiver requests that the Court  
22 approve any additional expenses not covered by the retainer fee, although it is  
23 unlikely that the retainer fee would not cover the full amount of work performed.  
24 Local counsel in Kansas estimates that the specific task they have been hired to  
25 perform will only take approximately three to four hours of work.

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1 **IV. THE RECEIVER’S MOTION FOR APPROVAL AND**  
2 **AUTHORIZATION FOR PAYMENT OF RECEIVERSHIP**  
3 **FEES AND EXPENSES HAS BEEN PROPERLY SERVED**

4 Local Rule 66-7(f) provides for notice to be given to known creditors of a  
5 receivership estate of applications by the Receiver and his counsel for payment of  
6 receivership fees and expenses. The Court’s Limited Notice Order permits the  
7 Receiver to seek approval of receivership fees and expenses under Local Rule 66-  
8 7(f) by notice served on the parties to the action and those creditors who have  
9 requested written notice. This notice was served in accordance with the Limited  
10 Notice Order, and a copy of the motion has been posted on the Receiver’s website.

11 **V. CONCLUSION**

12 The Receiver respectfully requests that the Court approve and authorize the  
13 payment of receivership fees and expenses for the six-month period from May 1,  
14 2009 through September 30, 2009.

15  
16 DATED: November 13, 2009 McKENNA LONG & ALDRIDGE LLP  
17 GARY OWEN CARIS  
18 LESLEY ANNE HAWES  
19 ANGELA E. FONES

20 By: /s/ Gary Owen Caris  
21 GARY OWEN CARIS  
22 Attorneys for Receiver, ROBB EVANS  
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**DECLARATION OF GARY OWEN CARIS**

I, Gary Owen Caris, declare:

1. I am an attorney at law duly admitted to practice before the courts of the State of California and before the United States District Court for the Central District of California and am a member of the firm of McKenna Long & Aldridge LLP (“McKenna Firm”), the attorneys for the Receiver Robb Evans (“Receiver”) in this case. I have personal knowledge of the matters set forth in this declaration, and if I were called upon to testify as to these matters, I could and would competently testify based upon my personal knowledge.

2. I am the attorney primarily responsible for the representation of the Receiver in this case. The Receiver has incurred legal fees in the aggregate sum of \$44,035.25 and expenses of \$5,473.84 in connection with the services rendered to the Receiver by the McKenna Firm during the five months comprising the Thirteenth Expense Period, as more fully reflected in the financial summary attached to the Declaration of Kenton Johnson in support of the Receiver’s current fee motion. During the Thirteenth Expense Period, legal services rendered by counsel have included (a) continued settlement negotiations with the remaining Winning Investors in ten related lawsuits; (b) negotiation and documentation, subject to Court approval, of multiple settlements with Winning Investors, which led to two motions to approve settlements being filed and heard during the Thirteenth Expense Period; (c) preparation of and appearance at a motion to approve the Receiver’s fees and expenses for the Twelfth Expense Period, heard and granted on August 10, 2009 and (d) preparation of and appearance at a motion to approve the sale of judgments, heard and granted on September 14, 2009. These activities required the Receiver’s counsel to attend three hearings during the five months comprising the Thirteenth Expense Period.

3. My firm’s activities performed in obtaining the numerous settlements reached during the Twelfth Expense Period include not only the negotiation and

1 documentation of the settlement agreement documents but also the preparation,  
2 filing and appearance at a hearing on the motion for approval of the settlements.  
3 There were two settlement motions filed, heard and granted during the Thirteenth  
4 Expense Period. Those two motions sought approval of settlements with seven sets  
5 of defendants and involved settlement payments aggregating \$135,900.

6 4. I have continued to negotiate with defendants against whom judgment  
7 has been entered and to take steps to conclude the ten lawsuits. My firm filed a  
8 motion for summary judgment against the two remaining litigants, K. Smith and M.  
9 Smith, which was granted on July 2, 2009. In addition, my firm prepared and filed  
10 an opposition to R. Gahn's motion to vacate the default judgment and to dismiss the  
11 case against him. The Court granted R. Gahn's motion to vacate and denied his  
12 motion to dismiss and ordered the Receiver to serve the complaint on R. Gahn. My  
13 firm served R. Gahn with the complaint on September 29, 2009.

14 5. I have also pursued pursuing post-judgment enforcement steps on  
15 behalf of the Receiver where judgment has been entered against defendants, such as  
16 recording abstracts of judgment and filing J-1 Notices of Judgment in the records of  
17 the California Secretary of State where appropriate.

18 6. I am familiar with the billing practices and procedures of the McKenna  
19 Firm and the attorneys, paralegals and other professionals whose services are billed  
20 by the Firm to its clients. The billing statements are prepared in the ordinary course  
21 of business by the Firm's accounting department from time records regularly input  
22 and updated by attorneys, paralegals and other professionals rendering services to  
23 clients. I review the draft "pre-bills" that are generated from the time entries and  
24 the final billing statements for my clients. I find that the billing statements  
25 accurately reflect the time entries regularly made by professionals at the Firm and  
26 the services rendered and expenses incurred in connection with the McKenna  
27 Firm's representation of its clients.  
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7 Attorneys for Receiver  
**ROBB EVANS**

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9 **UNITED STATES DISTRICT COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

11 SECURITIES AND EXCHANGE  
12 COMMISSION,

13 Plaintiff,

14 v.

15 JAMES P. LEWIS, JR., individually  
and doing business as FINANCIAL  
16 ADVISORY CONSULTANTS,  
INCOME FUND, LTD. AND  
17 GROWTH FUND, LTD.,

18 Defendants.

CASE NO. CV 03-9354 ABC (VBKx)

**DECLARATION OF KENTON  
JOHNSON IN SUPPORT OF  
MOTION BY RECEIVER FOR  
ORDER: (1) APPROVING AND  
AUTHORIZING PAYMENT OF  
RECEIVERSHIP EXPENSES [MAY  
1, 2009 THROUGH SEPTEMBER  
30, 2009]; AND (2) APPROVING  
AND AUTHORIZING PAYMENT  
OF RETAINER FEE AND  
ADDITIONAL EXPENSES**

DATE: December 7, 2009  
TIME: 10:00 a.m.  
PLACE: Courtroom 680

21 I, Kenton Johnson, declare:

22 1. I am a Deputy to the Receiver Robb Evans, and am a principal in Robb  
23 Evans & Associates LLC. I have personal knowledge of the matters set forth in this  
24 declaration or have gained knowledge of these matters based upon my supervision  
25 of other members and staff of Robb Evans & Associates LLC involved in the day to  
26 day management of this receivership estate. If called upon to testify as to these  
27 matters, I could and would competently testify based upon my personal knowledge.  
28

1 Receiver total \$49,509.09 for the five-month period. Since the inception of the  
2 receivership, the Receiver has sought and obtained approval for payment of  
3 receivership expenses for twelve prior expense periods.

4 4. The focus of the activities of the Receiver and his counsel during this  
5 expense period has continued to be the resolution of the Receiver's lawsuits against  
6 the Winning Investors (those that received more from the receivership defendants  
7 than they invested with the receivership defendants) primarily through settlements  
8 and a motion for summary judgment. To date, based on the fifth distribution  
9 motion granted by the Court in December 2008, the Receiver has been authorized  
10 to distribute and distributed a total of approximately \$18 million to claimants, or  
11 approximately 11.5% of Allowed Claims.

12 5. The Receiver and his counsel have continued ongoing settlement  
13 discussions with the Winning Investors. As of the end of this expense period, the  
14 Receiver's claims against all Winning Investors, other than Robert Gahn, had been  
15 resolved either through entry of judgments pursuant to stipulation, by motion for  
16 summary judgment or by default judgment, settlements approved by the Court on  
17 motion, or dismissals, including dismissals resulting from settlements and from  
18 bankruptcies filed by defendants. Based on the Receiver's most recent settlement  
19 motion which was approved by the Court on August 12, 2009, the Receiver,  
20 directly and through counsel, has negotiated settlements with Winning Investors  
21 providing for a recovery in excess of \$13.2 million for the receivership estate.

22 6. The Receiver has continued to assist counsel in connection with the  
23 lawsuits filed against Winning Investors. The Receiver assisted his counsel in  
24 connection with a motion for summary judgment filed against Margaret Smith and  
25 Kevin Smith during this expense period.

26 7. A number of the settlements with Winning Investor provide for the  
27 settlement payment amount to be made in periodic payments. The Receiver  
28 monitors receipt of the settlement payments under the payment plans and notifies

1 counsel of any defaults so that appropriate enforcement steps may be taken to  
2 obtain the defaulted payments or enter judgment, depending upon the terms of the  
3 settlement.

4 8. The Receiver has 18 judgments against various defendants with  
5 uncertain prospects of collection and with the prospect of significant delay and  
6 expense to attempt to enforce the judgments through asset investigations, judgment  
7 debtor examinations and other procedures at a point in time where there are no  
8 other assets of the estate to be administered. During this expense period, the  
9 Receiver determined that liquidation of the judgments through an intermediary for  
10 an immediate cash payment through the sale of the judgments will reduce the  
11 claims to cash available for prompt distribution to creditors. The Receiver assisted  
12 his counsel in analyzing and arranging the auction agreement for the sale of  
13 judgments. The Receiver and his counsel requested that the Court approve the sale  
14 of the judgments through this auction procedure and the sale was approved by the  
15 Court on September 14, 2009.

16 9. The Receiver has also continued to actively manage and administer the  
17 receivership estate. The Receiver and his staff continued to respond to investor  
18 inquiries and communicate with investors regarding the Receiver's activities and  
19 the status of the estate during the Thirteenth Expense Period.

20 10. In connection with the Receiver's judgment against defendant M.  
21 Smith, the Receiver has retained local counsel in Kansas for the limited purpose of  
22 obtaining judgment liens against M. Smith in Kansas. The Receiver has determined  
23 that M. Smith has property in Kansas and in order to obtain judgment liens against  
24 M. Smith, the Receiver needs the assistance of local counsel in Kansas. The  
25 Receiver has hired the firm of Fleeson, Gooing, Coulson & Kitch, L.L.C. to assist  
26 with obtaining judgment liens in Kansas. The retainer fee is \$1,000 and it is  
27 unlikely that the retainer fee would not cover the full amount of work performed.  
28

1 Local counsel in Kansas estimates that the specific task they have been hired to  
2 perform will only take approximately three to four hours of work.

3 11. In accordance with the Limited Notice Order entered July 14, 2004, I  
4 have caused a request for notice list to be prepared and maintained in this matter.  
5 The list is periodically updated. In addition to service of notice of the Receiver's  
6 motion on the persons requesting notice pursuant to the Limited Notice Order, a  
7 copy of the motion will be posted to the Receiver's website.

8 I declare under penalty of perjury that the foregoing is true and correct and  
9 that this declaration was executed on November 12, 2009 at Sun Valley, California.

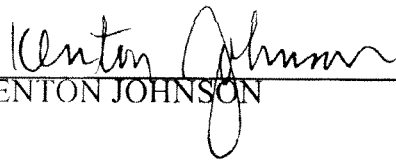
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Exhibit 1  
Declaration of K. Johnson

**Robb Evans, Receiver of Financial Advisory Consultants**  
**Fund Balance and Receivership Expenses by Month**  
 May 1, 2009 to September 30, 2009

	<u>May 09</u>	<u>Jun 09</u>	<u>Jul 09</u>	<u>Aug 09</u>	<u>Sep 09</u>	<u>TOTAL</u>
<b>Receipts</b>						
<b>Repayment from Overpaid Investo</b>						
Akers, Gregory	0.00	0.00	0.00	0.00	80,732.87	80,732.87
Carling, Joel & Holly	0.00	83.33	83.33	83.33	83.33	333.32
Pardella	0.00	8,000.00	0.00	0.00	0.00	8,000.00
Stiefel, Martin	20,000.00	0.00	0.00	0.00	0.00	20,000.00
Decker, Shelley	24,400.00	0.00	0.00	0.00	0.00	24,400.00
Smith, R. Scott	6,000.00	0.00	3,000.00	3,000.00	3,000.00	15,000.00
Keasling, James & Sandra	333.33	333.33	333.33	333.33	333.37	1,666.69
Hosseinzadeh Family	0.00	0.00	0.00	5,000.00	0.00	5,000.00
Ball, Christopher	0.00	0.00	70,142.88	0.00	0.00	70,142.88
James J. Zakhar, Jr.	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	50,000.00
<b>Total Repayment from Overpaid Investo</b>	<u>60,733.33</u>	<u>18,416.66</u>	<u>83,559.54</u>	<u>18,416.66</u>	<u>94,149.57</u>	<u>275,275.76</u>
<b>Interest Income</b>	721.75	776.12	787.42	702.57	618.90	3,606.76
<b>Total Receipts</b>	<u>61,455.08</u>	<u>19,192.78</u>	<u>84,346.96</u>	<u>19,119.23</u>	<u>94,768.47</u>	<u>278,882.52</u>
<b>Expense</b>						
<b>Asset Preservation</b>						
Tax Preparation	0.00	0.00	0.00	0.00	2,252.50	2,252.50
<b>Total Asset Preservation</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,252.50</u>	<u>2,252.50</u>
<b>Receivership Admin Expenses</b>						
<b>Receiver Fees &amp; Costs</b>						
Receiver's Fees - R. Evans	726.00	616.00	550.00	110.00	0.00	2,002.00
<b>Total Receiver Fees &amp; Costs</b>	<u>726.00</u>	<u>616.00</u>	<u>550.00</u>	<u>110.00</u>	<u>0.00</u>	<u>2,002.00</u>
<b>Senior Staff</b>						
A. Jen	300.00	276.00	144.00	12.00	0.00	732.00
B. Kane	0.00	36.00	24.00	0.00	0.00	60.00
<b>Total Senior Staff</b>	<u>300.00</u>	<u>312.00</u>	<u>168.00</u>	<u>12.00</u>	<u>0.00</u>	<u>792.00</u>
<b>Financial Reconst &amp; Claim Adm</b>						
L. Lee	260.00	260.00	430.00	290.00	270.00	1,510.00
<b>Total Financial Reconst &amp; Claim Adm</b>	<u>260.00</u>	<u>260.00</u>	<u>430.00</u>	<u>290.00</u>	<u>270.00</u>	<u>1,510.00</u>
<b>Support Staff</b>	621.79	428.01	193.54	570.70	362.46	2,176.50
<b>Occupancy &amp; Equipment Rental</b>	87.89	275.08	565.65	366.16	380.61	1,675.39
<b>Postage/Delivery</b>	0.42	0.00	5.94	13.08	54.85	74.29
<b>Office Telephone and Supplies</b>	189.47	50.35	102.96	64.12	54.02	460.92
<b>Miscellaneous Expenses</b>						
Website Hosting	30.00	30.00	30.00	30.00	30.00	150.00
<b>Total Miscellaneous Expenses</b>	<u>30.00</u>	<u>30.00</u>	<u>30.00</u>	<u>30.00</u>	<u>30.00</u>	<u>150.00</u>
<b>Total Receivership Admin Expenses</b>	<u>2,215.57</u>	<u>1,971.44</u>	<u>2,046.09</u>	<u>1,456.06</u>	<u>1,151.94</u>	<u>8,841.10</u>

**Robb Evans, Receiver of Financial Advisory Consultants**  
**Fund Balance and Receivership Expenses by Month**  
 May 1, 2009 to September 30, 2009

	<u>May 09</u>	<u>Jun 09</u>	<u>Jul 09</u>	<u>Aug 09</u>	<u>Sep 09</u>	<u>TOTAL</u>
<b>Legal Fees &amp; Costs</b>						
Winning Investor Costs	106.92	1,199.97	1,873.15	571.88	240.57	3,992.49
Winning Investor Fees	7,399.15	9,052.20	8,690.45	3,228.85	6,401.10	34,771.75
Legal Costs	169.30	97.80	325.09	820.32	68.84	1,481.35
Legal Fees	96.75	3,016.00	3,160.30	2,007.90	982.55	9,263.50
<b>Total Legal Fees &amp; Costs</b>	<u>7,772.12</u>	<u>13,365.97</u>	<u>14,048.99</u>	<u>6,628.95</u>	<u>7,693.06</u>	<u>49,509.09</u>
<b>Total Expense</b>	<u>9,987.69</u>	<u>15,337.41</u>	<u>16,095.08</u>	<u>8,085.01</u>	<u>11,097.50</u>	<u>60,602.69</u>
<b>Distributions</b>						
Distributions to Creditors	0.00	0.00	(3.85)	0.00	0.00	(3.85)
<b>Total Distributions</b>	<u>0.00</u>	<u>0.00</u>	<u>(3.85)</u>	<u>0.00</u>	<u>0.00</u>	<u>(3.85)</u>
<b>Fund balance</b>	<u><u>51,467.39</u></u>	<u><u>3,855.37</u></u>	<u><u>68,255.73</u></u>	<u><u>11,034.22</u></u>	<u><u>83,670.97</u></u>	<u><u>218,283.68</u></u>

Robb Evans, Receiver of Financial Advisory Consultants  
**Fund Balance and Receivership Expenses by Month**  
 From Inception(January 4, 2004) to September 30, 2009

	Previously Reported and Approved by the Court	May 09	Jun 09	Jul 09	Aug 09	Sep 09	5/1/09-9/30/09	TOTAL
<b>Receipts</b>								
Opening Funds Balance	2,584,422.66	0.00	0.00	0.00	0.00	0.00	0.00	2,584,422.66
29829 Santa Margarita Pkwy	248,530.55	0.00	0.00	0.00	0.00	0.00	0.00	248,530.55
Sanction Payments Collected	2,988.80	0.00	0.00	0.00	0.00	0.00	0.00	2,988.80
Global Research Analyst Settle	596.92	0.00	0.00	0.00	0.00	0.00	0.00	596.92
Sale of jewelry	10,851.00	0.00	0.00	0.00	0.00	0.00	0.00	10,851.00
Sale of Property/Residence	6,694,436.09	0.00	0.00	0.00	0.00	0.00	0.00	6,694,436.09
Sale of Coins	25,266.00	0.00	0.00	0.00	0.00	0.00	0.00	25,266.00
Sale of Pyro Shield Stock	100,000.00	0.00	0.00	0.00	0.00	0.00	0.00	100,000.00
Settlement with James P Lewis III	185,000.00	0.00	0.00	0.00	0.00	0.00	0.00	185,000.00
Settlement with ComCash	332,459.35	0.00	0.00	0.00	0.00	0.00	0.00	332,459.35
Repayment from Overpaid Investo	12,019,588.31	60,733.33	18,416.66	83,559.54	18,416.66	94,149.57	275,275.76	12,294,864.07
Cash Value of Life Insurance	10,994.63	0.00	0.00	0.00	0.00	0.00	0.00	10,994.63
Sale of Automobiles	122,717.50	0.00	0.00	0.00	0.00	0.00	0.00	122,717.50
Rental Income	50,847.45	0.00	0.00	0.00	0.00	0.00	0.00	50,847.45
Interest Income	264,693.49	721.75	776.12	787.42	702.57	618.90	3,606.76	268,300.25
Miscellaneous Receipts	11,256.74	0.00	0.00	0.00	0.00	0.00	0.00	11,256.74
<b>Total Receipts</b>	<b>22,664,649.49</b>	<b>61,455.08</b>	<b>19,192.78</b>	<b>84,346.96</b>	<b>19,119.23</b>	<b>94,768.47</b>	<b>278,882.52</b>	<b>22,943,532.01</b>
<b>Expense</b>								
<b>Asset Preservation</b>								
Tax Preparation	23,889.98	0.00	0.00	0.00	0.00	2,252.50	2,252.50	26,142.48
Settlement Payments	17,216.73	0.00	0.00	0.00	0.00	0.00	0.00	17,216.73
Mortgage Payments	35,091.82	0.00	0.00	0.00	0.00	0.00	0.00	35,091.82
Out of Pocket Expenses	2,252.92	0.00	0.00	0.00	0.00	0.00	0.00	2,252.92
Miscellaneous	498.95	0.00	0.00	0.00	0.00	0.00	0.00	498.95
Property Management fees	1,527.00	0.00	0.00	0.00	0.00	0.00	0.00	1,527.00
Bond Premium	662.00	0.00	0.00	0.00	0.00	0.00	0.00	662.00
Document Reproduction	874.90	0.00	0.00	0.00	0.00	0.00	0.00	874.90
Appraisal/Survey Fees	17,100.00	0.00	0.00	0.00	0.00	0.00	0.00	17,100.00
Vehicle Registration Fees	4,930.00	0.00	0.00	0.00	0.00	0.00	0.00	4,930.00
Telephone/Cable	527.15	0.00	0.00	0.00	0.00	0.00	0.00	527.15
Property Taxes	107,160.20	0.00	0.00	0.00	0.00	0.00	0.00	107,160.20
Vehicle	706.85	0.00	0.00	0.00	0.00	0.00	0.00	706.85
Contract Labor Fees	8,006.00	0.00	0.00	0.00	0.00	0.00	0.00	8,006.00

**Robb Evans, Receiver of Financial Advisory Consultants**  
**Fund Balance and Receivership Expenses by Month**  
 From Inception(January 4, 2004) to September 30, 2009

	Previously Reported and Approved by the Court	May 09	Jun 09	Jul 09	Aug 09	Sep 09	5/1/09-9/30/09	TOTAL
<b>Golf Club Membership</b>	15,937.93	0.00	0.00	0.00	0.00	0.00	0.00	15,937.93
<b>Alarm/Security</b>	2,787.51	0.00	0.00	0.00	0.00	0.00	0.00	2,787.51
<b>Insurance</b>	143,103.87	0.00	0.00	0.00	0.00	0.00	0.00	143,103.87
<b>HOA Dues</b>	12,730.14	0.00	0.00	0.00	0.00	0.00	0.00	12,730.14
<b>Repairs &amp; Maintenance</b>	72,399.75	0.00	0.00	0.00	0.00	0.00	0.00	72,399.75
<b>Utilities</b>	12,254.88	0.00	0.00	0.00	0.00	0.00	0.00	12,254.88
<b>Rent/Storage</b>	9,153.46	0.00	0.00	0.00	0.00	0.00	0.00	9,153.46
<b>Total Asset Preservation</b>	488,812.04	0.00	0.00	0.00	0.00	2,252.50	2,252.50	491,064.54
<b>Receivership Admin Expenses</b>								
<b>Receiver Fees &amp; Costs</b>								
Receiver's Fees - R. Evans	74,822.00	726.00	616.00	550.00	110.00	0.00	2,002.00	76,824.00
Receiver Out of Pocket Expenses	264.77	0.00	0.00	0.00	0.00	0.00	0.00	264.77
<b>Total Receiver Fees &amp; Costs</b>	75,086.77	726.00	616.00	550.00	110.00	0.00	2,002.00	77,088.77
<b>Senior Staff</b>	164,662.00	300.00	312.00	168.00	12.00	0.00	792.00	165,454.00
<b>Financial Reconst &amp; Claim Adm</b>	228,796.00	260.00	260.00	430.00	290.00	270.00	1,510.00	230,306.00
<b>Asset Management</b>	57,746.50	0.00	0.00	0.00	0.00	0.00	0.00	57,746.50
<b>Database Reconstruction</b>	47,660.00	0.00	0.00	0.00	0.00	0.00	0.00	47,660.00
<b>Support Staff</b>	289,383.97	621.79	428.01	193.54	570.70	362.46	2,176.50	291,560.47
<b>Out of Pocket Expenses</b>	5,640.94	0.00	0.00	0.00	0.00	0.00	0.00	5,640.94
<b>Contract Labor</b>	20,836.85	0.00	0.00	0.00	0.00	0.00	0.00	20,836.85
<b>Occupancy &amp; Equipment Rental</b>	91,494.49	87.89	275.08	565.65	366.16	380.61	1,675.39	93,169.88
<b>Postage/Delivery</b>	8,056.21	0.42	0.00	5.94	13.08	54.85	74.29	8,130.50
<b>Office Telephone and Supplies</b>	16,136.55	189.47	50.35	102.96	64.12	54.02	460.92	16,597.47
<b>Miscellaneous Expenses</b>								
Website Hosting	1,777.30	30.00	30.00	30.00	30.00	30.00	150.00	1,927.30
Moving Expenses	455.00	0.00	0.00	0.00	0.00	0.00	0.00	455.00
Copies and Reproduction	22,222.11	0.00	0.00	0.00	0.00	0.00	0.00	22,222.11
Asset/Credit Search Costs	5,484.98	0.00	0.00	0.00	0.00	0.00	0.00	5,484.98
Bank Service Charges	338.55	0.00	0.00	0.00	0.00	0.00	0.00	338.55
Other	94.95	0.00	0.00	0.00	0.00	0.00	0.00	94.95
<b>Total Miscellaneous Expenses</b>	30,372.89	30.00	30.00	30.00	30.00	30.00	150.00	30,522.89
<b>Investor Mailing Expense</b>	40,425.68	0.00	0.00	0.00	0.00	0.00	0.00	40,425.68

**Robb Evans, Receiver of Financial Advisory Consultants**  
**Fund Balance and Revership Expenses by Month**  
 From Inception(January 4, 2004) to September 30, 2009

	Previously Reported and Approved by the Court	May 09	Jun 09	Jul 09	Aug 09	Sep 09	5/1/09-9/30/09	TOTAL
<b>Total Receivership Admin Expenses</b>	1,076,298.85	2,215.57	1,971.44	2,046.09	1,456.06	1,151.94	8,841.10	1,085,139.95
<b>Legal Fees &amp; Costs</b>								
Shipman & Goodwin LLP	11,167.00	0.00	0.00	0.00	0.00	0.00	0.00	11,167.00
Rodey, Dickason, Sloan, Akin								
Costs	440.39	0.00	0.00	0.00	0.00	0.00	0.00	440.39
Fees	6,395.00	0.00	0.00	0.00	0.00	0.00	0.00	6,395.00
<b>Total Rodey, Dickason, Sloan, Akin</b>	6,835.39	0.00	0.00	0.00	0.00	0.00	0.00	6,835.39
James J. Warner, Esq.	(16,257.80)	0.00	0.00	0.00	0.00	0.00	0.00	(16,257.80)
Winning Investor Costs	148,816.13	106.92	1,199.97	1,873.15	571.88	240.57	3,992.49	152,808.62
Winning Investor Fees	1,343,193.75	7,399.15	9,052.20	8,690.45	3,228.85	6,401.10	34,771.75	1,377,965.50
Legal Costs	90,252.36	169.30	97.80	325.09	820.32	68.84	1,481.35	91,753.71
Legal Fees	533,613.30	96.75	3,016.00	3,160.30	2,007.90	982.55	9,263.50	542,876.80
<b>Total Legal Fees &amp; Costs</b>	2,117,620.13	7,772.12	13,365.97	14,048.99	6,628.95	7,693.06	49,509.09	2,167,129.22
<b>Total Expense</b>	3,682,731.02	9,987.69	15,337.41	16,095.08	8,085.01	11,097.50	60,602.69	3,743,333.71
Other Expense	18,981,918.47	51,467.39	3,855.37	68,251.88	11,034.22	83,670.97	218,279.83	19,200,198.30
<b>Distributions</b>								
Distributions to Creditors	7,781.57	0.00	0.00	(3.85)	0.00	0.00	(3.85)	7,777.72
Distributions to Claimants	17,984,332.69	0.00	0.00	0.00	0.00	0.00	0.00	17,984,332.69
<b>Total Distributions</b>	17,992,114.26	0.00	0.00	(3.85)	0.00	0.00	(3.85)	17,992,110.41
<b>Total Other Expense</b>	17,992,114.26	0.00	0.00	(3.85)	0.00	0.00	(3.85)	17,992,110.41
<b>Fund Balance</b>	989,804.21	51,467.39	3,855.37	68,255.73	11,034.22	83,670.97	218,283.68	1,208,087.89