

1 Michael F. Lynch, Esq.  
2 Nevada Bar No. 8555  
3 LYNCH LAW PRACTICE, PLLC  
4 3613 S. Eastern Ave.  
5 Las Vegas, Nevada 89169  
6 702.684.6000  
7 702.543.3279 (fax)  
8 Michael@LynchLawPractice.com

9 *Attorney for the Receiver,*  
10 *Robb Evans & Associates LLC*

11 **UNITED STATES DISTRICT COURT**  
12 **DISTRICT OF NEVADA**

13 SECURITIES AND EXCHANGE  
14 COMMISSION,

15 Plaintiff,

16 vs.

17 EDWIN YOSHIHIRO FUJINAGA and  
18 MRI INTERNATIONAL, INC.,

19 Defendants,

20 and

21 CSA SERVICE CENTER, LLC  
22 THE FACTORING COMPANY,  
23 JUNE FUJINAGA, and  
24 THE YUNJU TRUST,

25 Relief Defendants.

Case No.: 2:13-cv-01658-JCM-CWH

**NOTICE OF MOTION AND MOTION  
FOR ORDER**

**(1) APPROVING AND  
AUTHORIZING PAYMENT OF  
RECEIVER'S AND  
PROFESSIONALS' FEES AND  
EXPENSES FROM JANUARY 1,  
2019 THROUGH JUNE 30, 2019;  
AND**

**(2) GRANTING RELIEF FROM  
LOCAL CIVIL RULE 66-5  
PERTAINING TO NOTICE TO  
CREDITORS**

26 **PLEASE TAKE NOTICE** that Robb Evans & Associates LLC (the  
27 “Receiver”), pursuant to the Court’s Order Appointing a Full Equity Receiver to  
28 Assume Control Over the Defendants’ Assets and Enforce the Final Judgment  
(ECF No. 226) entered on May 15, 2015, hereby moves the Court for the following  
relief:

1. An order approving and authorizing payment of receivership fees and  
expenses incurred for the six-month period from January 1, 2019 through June 30,

1 2019 (the "Reporting Period"), including payment of the fees of the Receiver, its  
2 deputies, agents, staff and professionals, and reimbursement of costs incurred  
3 during the six (6) month Reporting Period,<sup>1</sup> in the total sum of \$137,742.18:

4 a. The Receiver's fees, including those of its deputies, agents and  
5 staff, in the amount of \$22,700.45, its expenses in the amount of  
6 \$338.11, and business entity expenses in the amount of \$13,573.00;

7 b. Expenses relating to the estate's real property in the amount of  
8 \$40,576.64;

9 c. Lynch Law Practice, PLLC's fees in the amount of \$58,622.40  
10 and its expenses in the amount of \$1,931.58;

11 2. An order deeming the foregoing notice of this Motion to be sufficient  
12 under Local Civil Rule 66-5 based on the service of this Motion on all known non-  
13 consumer creditors of the estate, but not the tens of thousands of potential  
14 consumer creditors of the estate.

15 This Motion is made pursuant to Local Civil Rules 7-2 and 66-5, the  
16 accompanying memorandum of points and authorities, the Notice of Filing Report  
17 of Receiver's Activities for the Reporting Period and its attachment, on file herein  
18 at ECF No. 542; the Declarations of Brick Kane and Michael Lynch filed  
19 contemporaneously herewith, and all attachments thereto, the facts of this case, and  
20 all other pleadings and/or documentary evidence as may be presented to the Court  
21 by the Receiver.

22 **MEMORANDUM OF POINTS AND AUTHORITIES**

23 **I. Introduction.**

24 The Receiver was appointed in the above-captioned case by that certain  
25 Order Appointing an Equitable Receiver entered on February 23, 2015 (ECF No.  
26 194), which order was superseded by that certain Order Appointing a Full

27 \_\_\_\_\_  
28 <sup>1</sup> The Court entered an order granting the Receiver's request for an order authorizing it to file bi-  
annual reports and fee applications instead of quarterly reports and fee applications (ECF No.  
495).

1 Equitable Receiver to Assume Control over the Defendants' Assets and Enforce  
2 the Final Judgment (the "Order Appointing Receiver") (ECF No. 226).

3 The Receiver's first interim application for fees was filed on July 16, 2015,  
4 which covered the period of February 23, 2015, through March 31, 2015, and was  
5 approved by order of this Court entered on August 10, 2015. (ECF Nos. 244, 258).

6 The Receiver's second interim application for fees and costs, which covered the  
7 period of April 1, 2015 through September 30, 2015, was approved by order of this  
8 Court entered on December 24, 2015 (ECF Nos. 284, 294). The Receiver's third

9 interim application for fees and costs, which covers the period October 1, 2015  
10 through December 31, 2015, was approved by order of this Court on April 1, 2016  
11 (ECF Nos. 313, 319). The Receiver's fourth motion for approval of fees and costs,

12 which covered the period of January 1, 2016 through March 31, 2016, was  
13 approved by order of this Court entered on June 22, 2016 (ECF Nos. 337, 344).

14 The Receiver's fifth motion for approval of fees and costs, which covered the  
15 period of April 1, 2016 through June 30, 2016, was approved by order of this Court  
16 entered on September 23, 2016 (ECF Nos. 352, 360). The Receiver's sixth motion

17 for approval of fees and costs, which covered the period of July 1, 2016 through  
18 September 30, 2016, was approved by order of this Court entered on February 2,

19 2017 (ECF Nos. 376, 385). The Receiver's seventh motion for approval of fees and  
20 costs, which covered the period of October 1, 2016 through December 31, 2016,  
21 was approved by order of this Court entered on May 15, 2017 (ECF Nos. 415,

22 421). The Receiver's eighth motion for approval of fees and costs, which covered  
23 the period January 1, 2017 through March 31, 2017, was approved by order of this  
24 Court entered on June 9, 2017 (ECF Nos. 423, 429). The Receiver's ninth motion

25 for approval of fees and costs, which covered the period April 1, 2017 through

26 June 30, 2017, was approved by order of this Court entered on September 5, 2017

27 (ECF Nos. 441, 448). The Receiver's tenth motion for approval of fees and costs,

28 which covered the period July 1, 2017 through September 30, 2017, was approved

1 by order of this Court entered on February 23, 2018 (ECF Nos. 461, 481). The  
2 Receiver's eleventh application for fees and costs, which covered the period from  
3 October 1, 2017 through December 31, 2017, was approved by order of this Court  
4 entered on May 3, 2018 (ECF Nos. 483, 495). The Receiver's twelfth interim  
5 application for approval of fees and costs, which covers the period from January 1,  
6 2018 through June 30, 2018, was approved by order of this Court entered on  
7 November 16, 2018. (ECF Nos. 501, 507). The Receiver's thirteenth interim  
8 application for approval of fees and costs, which covers the period from July 1,  
9 2018 through December 31, 2018, was approved by order of this Court entered on  
10 June 12, 2019 (ECF Nos. 524, 536).

11 This is the Receiver's fourteenth interim application for approval of fees and  
12 costs and covers the entirety of the Reporting Period, the first half of 2019.

13 **II. Summary of Operations During the Reporting Period.**

14 The Receiver's activities during the Reporting Period are described in the  
15 Receiver's Report on file herein (ECF No. 542) (the "Receiver's Report").

16 **III. Ongoing Administrative and Other Activities by the Receiver and its**  
17 **Counsel.**

18 In addition to the activities summarized in the Receiver's Report, the  
19 Receiver's deputies and staff respond to and cooperate with law enforcement  
20 inquiries and activities as required. The Receiver's deputies and staff respond to  
21 inquiries from creditors, prepare and reconcile the Receiver's accounting records  
22 for the case, address tax issues concerning the estate, deal with banks and other  
23 financial institutions which may have receivership funds or documentation for  
24 accounts of Receivership Defendants and perform other similar administrative  
25 tasks.

26 The Receiver's counsel prosecutes and defends various lien claims and  
27 reviews and monitors Court filings in federal and state cases as they may pertain to  
28 the interests of the estate, responds to inquiries received from creditors and others,

1 including taxing authorities, issues demand letters to protect and investigate assets  
2 of the estate, files notices of pending actions to protect real estate assets if deemed  
3 appropriate, and also performs numerous other tasks in advising the Receiver and  
4 rendering services as the Receiver's counsel to protect the estate, pursue claim  
5 enforcement, and advance the interests of the estate.

6 Numerous and varied issues arise in the supervision and administration of  
7 the estate by the Receiver which are detailed in the billing records of the Receiver  
8 and its counsel attached to the Declarations of Brick Kane and Michael Lynch filed  
9 in support of this Motion. The Receiver performs regular accounting and bank  
10 reconciliations for the receivership accounts and maintains and updates creditor  
11 lists for the case and responds to the inquiries of known or putative creditors and  
12 other parties.

13 **IV. The Fees and Expenses of the Receiver and Its Professionals Should Be**  
14 **Approved.**

15 It is a fundamental tenet of receivership law that expenses of administration  
16 incurred by a receiver, including those of the Receiver, its counsel and others  
17 employed by the Receiver, constitute priority expenses for which compensation  
18 should be paid from the assets of the receivership. As explained in the leading  
19 receivership treatise, Clark on Receivers:

20 The obligations and expenses which the court creates in  
21 its administration of the property are necessarily burdens  
22 on the property taken possession of, and this, irrespective  
23 of the question who may be the ultimate owner, or who  
24 may have the preferred lien, or who may invoke the  
25 receivership. The appointing court pledges its good faith  
26 that all duly authorized obligations incurred during the  
receivership shall be paid.

27 2 Clark, Ralph Ewing, A Treatise on the Law and Practice of Receivers § 637, p.  
28 1052 (3rd ed. 1992) (internal citations omitted).

1 The Motion, and the declarations and the exhibits thereto submitted in  
2 support hereof, establish that the Receiver, its deputies, staff and counsel rendered  
3 extensive and complex services and obtained significant and beneficial results for  
4 the receivership estate during the Reporting Period. *See Federal Trade*  
5 *Commission v. Capital Acquisitions & Management Corp.*, 2005 U.S. Dist. LEXIS  
6 18504 (N.D. Ill. August 26, 2005). The activities in the receivership by both the  
7 Receiver and its counsel are wide-ranging and varied.

8 The Receiver is working towards wrapping up this receivership, which is a  
9 substantial task given the Receiver is in control of and has obtained information  
10 regarding scores of entities in numerous locations, protected and preserved records,  
11 taken control of and liquidated assets, and obtained voluminous banking, financial  
12 and business records from many various sources, as set forth in more detail in the  
13 Receiver's Report. The billing rates charged in this case and reflected in the billing  
14 records filed in support of this Motion, including the Receiver, the Receiver's  
15 members, and its senior accounting staff, are discounted at 10% from the rates  
16 charged in private sector cases as of the time of the Receiver's appointment.

17 The rates charged by counsel are also discounted by 10% from standard  
18 hourly billing rates in place at the time of counsel's appointment. The Receiver  
19 submits that its fees and costs, and those of its counsel, are reasonable considering  
20 the services rendered and the results obtained and that the fees and expenses  
21 requested should be awarded in their entirety.

22 **V. Notice of This Motion Is Sufficient Under the Circumstances and**  
23 **Should Be Approved.**  
24

25 Local Civil Rule 66-5 provides for service of notice of a hearing on various  
26 motions by a receiver concerning the administration of the estate. That rule  
27 provides for service of the notice of hearing on such motions on all creditors of the  
28 receivership estate. No hearing has been set on this Motion and the provisions of

1 Local Civil Rule 66-5 do not specifically apply. Nevertheless, the Receiver will  
2 serve the Motion on the parties, the affected lienholders, and on all known non-  
3 consumer creditors of the estate and on known taxing authorities with a potential  
4 claim in the receivership estate (“Notice Parties”), to provide them notice and an  
5 opportunity to be heard concerning the Motion. As described more precisely  
6 below, this notice is consistent with notices previously approved by the Court in  
7 this case.

8 In this case, there are believed to be many potential consumer creditors who  
9 may have claims against the receivership defendants arising out of the business  
10 operations of the receivership defendants prior to the Receiver’s appointment,  
11 although the precise number, identity and location of such consumer creditors have  
12 not been determined by the Receiver. The Receiver has had discussions for counsel  
13 representing many of the foreign investors and has been advised that the number of  
14 consumer creditors is likely in the thousands. It is not realistically possible or  
15 beneficial to the estate and its creditors for the Receiver to attempt to identify and  
16 serve the potential consumer creditors with notice of this and other similar  
17 administrative motions, and the expense and burden on the estate of attempting to  
18 effectuate such service would drain the estate’s resources and cause undue  
19 administrative expense.

20 Based on the foregoing, to the extent that Local Civil Rule 66-5 applies to  
21 this motion, the Receiver seeks an order providing that the notice requirement of  
22 that rule shall be deemed satisfied if notice of the filing of the motion is given by  
23 serving copies of all motion papers on the parties to the action and by serving  
24 copies on all known non-consumer creditors. The Receiver submits that such  
25 service provides sufficient notice and an opportunity for hearing to the interested  
26 parties and should be approved as adequate. This limited notice is consistent with  
27 the notice approved by the court concerning prior fee motions. (*See e.g.*, ECF Nos.  
28 421, 429, 448, 481, 495, 507, 536).

1           There is ample authority for approval of the scope and method of notice as  
2 set forth above. This Court, as a court of equity supervising the receivership estate,  
3 may make appropriate administrative orders governing the receivership, including  
4 limitations on and changes in notice and other procedures. *See* Fed. R. Civ. Proc.  
5 5(a) and (c) (authorizing the court to modify service procedures when numerous  
6 defendants are involved in litigation).

7 **VI. Conclusion.**

8           For the foregoing reasons, it is respectfully requested that the Court grant  
9 relief as requested in the Motion in its entirety.

10           Dated November 20, 2019.

11 **LYNCH LAW PRACTICE, PLLC**

12 /s/ Michael F. Lynch

13 Nevada Bar No. 8555

14 3613 S. Eastern Ave.

15 Las Vegas, Nevada 89169

16 702.684.6000

17 702.543.3279 (fax)

18 Michael@LynchLawPractice.com

19 *Attorney for the Receiver,*

20 *Robb Evans & Associates LLC*

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Nevada Bar No. 8555  
2 **LYNCH LAW PRACTICE, PLLC**  
3613 S. Eastern Ave.  
3 Las Vegas, Nevada 89169  
702.684.6000  
4 702.543.3279 (fax)  
Michael@lynchlawpractice.com

5 *Attorney for the Receiver*  
6 *Robb Evans & Associates LLC*

7 **UNITED STATES DISTRICT COURT**  
8 **DISTRICT OF NEVADA**

9  
10 SECURITIES AND EXCHANGE  
COMMISSION,  
11  
12 Plaintiff,  
vs.  
13 EDWIN YOSHIHIRO FUJINAGA and  
MRI INTERNATIONAL, INC.,  
14 Defendants,  
15 and  
16 CSA SERVICE CENTER, LLC  
THE FACTORING COMPANY,  
17 JUNE FUJINAGA, and  
THE YUNJU TRUST,  
18 Relief Defendants.

Case No.: 2:13-cv-01658-JCM-CWH

**DECLARATION OF BRICK KANE  
IN SUPPORT OF MOTION FOR  
ORDER**

**(1) APPROVING AND  
AUTHORIZING PAYMENT OF  
RECEIVER'S AND  
PROFESSIONALS' FEES AND  
EXPENSES FROM JANUARY 1,  
2019 THROUGH JUNE 30, 2019;  
AND**

**(2) GRANTING RELIEF FROM  
LOCAL CIVIL RULE 66-5  
PERTAINING TO NOTICE TO  
CREDITORS**

19  
20  
21 I, Brick Kane, declare:

22 1. I am the president and chief operating officer of Robb Evans &  
23 Associates LLC, the court-appointed equitable receiver (the "Receiver") in the  
24 above-entitled case. I am one of the members of the Receiver primarily  
25 responsible for the supervision and administration of the Receivership estate. If  
26 called upon to testify as to the facts set forth in this declaration, I could and would  
27 testify competently thereto as the facts are personally known to me to be true or I  
28 have gained knowledge of the facts through my supervision and administration of

1 the Receivership estate.

2 2. On January 27, 2015, the Clerk of Court entered judgment against  
3 Defendants (ECF No. 189) (the “Judgment”) pursuant to the Court’s order granting  
4 summary judgment in favor of plaintiff Securities and Exchange Commission (the  
5 “SEC”).

6 3. On February 23, 2015, the Court issued its Order Appointing an  
7 Equitable Receiver (ECF No. 194) pursuant to which the Receiver was appointed  
8 as receiver for various commercial properties and their rents and profits as more  
9 fully set forth therein.

10 4. On February 25, 2015, the Court issued its Rule 54(b) Certification  
11 (ECF No. 195) pursuant to which the judgment was made final as to the  
12 Defendants.<sup>1</sup>

13 5. The Receiver’s duties and responsibilities were enlarged by that  
14 certain Order Appointing a Full Equitable Receiver to Assume Control over the  
15 Defendants’ Assets and Enforce the Final Judgment entered on May 15, 2015 (the  
16 “Order Appointing Receiver”) (ECF No. 226). The Order Appointing Receiver  
17 supersedes the previous order, and without limitation, directs Receiver to take and  
18 retain immediate possession, custody, and control of all assets owned or controlled,  
19 directly or indirectly, by any of the Defendants in the SEC Receivership Litigation.  
20 *Id.*

21 6. On July 16, 2015, the Receiver filed its first motion for approval and  
22 payment of Receiver’s fees and expenses, which was approved by order of this  
23 Court entered on August 10, 2015 (ECF Nos. 244, 258).

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26 <sup>1</sup> Subsequently, the Court entered Amended Final Judgment Against Relief Defendants June  
27 Fujinaga and the Yunju Trust on March 14, 2016 (ECF No. 317) (the “Final Judgment”), which  
28 provides: “This Final Judgment, and the assets and funds of June Fujinaga and The Yunju Trust  
up to the amount of the Final Judgment [of \$2,333,382.18], are included in the Receivership  
Estate established by the Court’s May 20, 2015 Order Appointing a Full Equitable Receiver  
(ECF No. 226), and all of the provisions of that Order are incorporated by reference and  
applicable herein.” ECF No. 317 at §§ A, F.

1           7.     On November 30, 2015, the Receiver filed its second motion for  
2 approval and payment of Receiver's fees and expenses, which was approved by  
3 order of this Court entered on December 24, 2015 (ECF Nos. 284, 294).

4           8.     On March 14, 2016, the Receiver filed its third motion for approval of  
5 fees and costs, which covered the period of October 1, 2015 through December 31,  
6 2015, which was approved by order of this Court entered on April 1, 2016 (ECF  
7 Nos. 313, 319).

8           9.     On May 31, 2016, the Receiver filed its fourth motion for approval of  
9 fees and costs, which covered the period of January 1, 2016 through March 31,  
10 2016, which was approved by order of this Court entered on June 22, 2016 (ECF  
11 Nos. 337, 344).

12          10.    On August 29, 2016, the Receiver filed its fifth motion for approval of  
13 fees and costs, which covered the period of April 1, 2016 through June 30, 2016,  
14 which was approved by order of this Court entered on September 23, 2016 (ECF  
15 Nos. 352, 360).

16          11.    On December 21, 2016, the Receiver filed its sixth motion for  
17 approval of fees and costs, which covered the period of July 1, 2016 through  
18 September 30, 2016, which was approved by order of this Court entered on  
19 February 2, 2017 (ECF Nos. 376, 385).

20          12.    On April 28, 2017, the Receiver filed its seventh motion for approval  
21 of fees and costs, which covered the period of October 1, 2016 through December  
22 31, 2016, which was approved by order of this Court entered on May 15, 2017  
23 (ECF Nos. 415, 421).

24          13.    On May 25, 2017, the Receiver filed its eighth motion for approval of  
25 fees and costs, which covered the period of January 1, 2017 through March 31,  
26 2017, which was approved by order of this Court entered on June 9, 2017 (ECF  
27 Nos. 423, 429).

28

1           14. On August 14, 2017, the Receiver filed its ninth motion for approval  
2 of fees and costs, which covered the period of April 1, 2017 through June 30, 2017,  
3 which was approved by order of this Court entered on September 5, 2017 (ECF  
4 Nos. 441, 448).

5           15. On December 20, 2017, the Receiver filed its tenth motion for  
6 approval of fees and costs, which covered the period of July 1, 2017 through  
7 September 30, 2017, which was approved by order of this Court entered on  
8 February 23, 2018 (ECF Nos. 461, 481).

9           16. On February 28, 2018, the Receiver filed its eleventh motion for  
10 approval of fees and costs, which covered the period from October 1, 2017 through  
11 December 31, 2017, which was approved by order of this Court entered on May 3,  
12 2018 (ECF Nos. 483, 495).

13           17. On October 12, 2018, the Receiver filed its twelfth motion for  
14 approval of fees and costs, which covered the period from January 1, 2018 through  
15 June 30, 2018, which was approved by order of this Court entered on November  
16 16, 2018 (ECF Nos. 501, 507).

17           18. On May 9, 2019, the Receiver filed its thirteenth motion for approval  
18 of fees and costs, which covered the period from July 1, 2018 through December  
19 31, 2018, which was approved by order of this court entered on June 12, 2019  
20 (ECF Nos. 524, 536).

21           19. The Receiver filed its detailed Report of Receiver's Activities from  
22 January 1, 2019 through June 30, 2019 (the "Receiver's Report"). (ECF No. 542).

23           20. The term "Reporting Period" shall refer to the period January 1, 2019  
24 through June 30, 2019.

25           21. This Declaration is made and submitted in support of the Receiver's  
26 Motion for Order (1) Approving and Authorizing Payment of Receiver's and  
27 Professionals' Fees and Expenses from January 1, 2019 through June 30, 2019; and  
28

1 (2) Granting Relief from Local Civil Rule 66-5 Pertaining to Notice to Creditors,  
2 filed contemporaneously herewith.

3 22. As a member of Robb Evans & Associates LLC, I am familiar with  
4 the methods and procedures used by the Receiver and its staff and employees to  
5 record the time spent rendering services to receivership estates over which the  
6 Receiver has been appointed. The invoices attached hereto as **Exhibit "1"** are  
7 regularly prepared by the members, staff and employees of the Receiver at or about  
8 the time of the services rendered and each of whom has a business duty to  
9 accurately record the information regarding their services set forth in these records.  
10 The records are reviewed by the Receiver's accounting staff, summarized in the  
11 Receiver's financial summary included within the Receiver's Report, and redacted  
12 only as the Receiver has deemed necessary to preserve confidential, sensitive,  
13 tactical, strategic, attorney-client privileged and/or attorney work-product  
14 information. Based upon my experience with Robb Evans & Associates LLC, I  
15 believe the Receiver's methods and procedures for recording and accounting for  
16 time and services for the Receivership estates over which the Receiver has been  
17 appointed are reliable and accurate.

18 23. The applicant has not entered into any agreement, written or oral,  
19 express or implied, with any other person concerning the amount of compensation  
20 paid or to be paid from the assets of the estate, or any sharing thereof.

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1           24. I have carefully read, reviewed, and assisted in drafting the Receiver's  
2 Report of its activities during the Reporting Period, which report is incorporated  
3 herein by this reference, and I hereby affirm that the statements, figures, and  
4 calculations made therein are true, accurate, and correct to the best of my  
5 information, knowledge and belief.

6           I declare under penalty of perjury under the law of the State of Nevada that  
7 the foregoing is true and correct.

8           Dated:       November 20, 2019

/s/ Brick Kane

Brick Kane  
President and Chief Operating Officer  
of the Receiver, Robb Evans &  
Associates LLC

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2 **LYNCH LAW PRACTICE, PLLC**  
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3 Las Vegas, Nevada 89169  
702.684.6000  
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5 *Attorney for the Receiver*  
6 *Robb Evans & Associates LLC*

7 **UNITED STATES DISTRICT COURT**  
8 **DISTRICT OF NEVADA**

9 SECURITIES AND EXCHANGE  
10 COMMISSION,

11 Plaintiff,

12 vs.

13 EDWIN YOSHIHIRO FUJINAGA and  
MRI INTERNATIONAL, INC.,

14 Defendants,

15 and

16 CSA SERVICE CENTER, LLC  
17 THE FACTORING COMPANY,  
JUNE FUJINAGA, and  
18 THE YUNJU TRUST,

19 Relief Defendants.

Case No.: 2:13-cv-01658-JCM-CWH

**DECLARATION OF MICHAEL  
LYNCH IN SUPPORT OF  
MOTION FOR ORDER**

**(1) APPROVING AND  
AUTHORIZING PAYMENT OF  
RECEIVER'S AND  
PROFESSIONALS' FEES AND  
EXPENSES FROM JANUARY  
1, 2019 THROUGH JUNE 30,  
2019; AND**

**(2) GRANTING RELIEF FROM  
LOCAL CIVIL RULE 66-5  
PERTAINING TO NOTICE TO  
CREDITORS**

20 I, Michael F. Lynch, declare:

21 1. I am an attorney at law duly licensed and authorized to practice before  
22 all courts in the State of Nevada, and before the Ninth Circuit Court of Appeals,  
23 and am the managing member of Lynch Law Practice, PLLC ("Lynch Law"),  
24 court-appointed counsel for Robb Evans & Associates LLC, the court-appointed  
25 equitable receiver (the "Receiver"). If called upon to testify as to the facts set  
26 forth in this declaration, I could and would testify competently thereto as the facts  
27 are personally known to me to be true.

1           2.     On July 16, 2015, the Court appointed Lynch Law as counsel for the  
2 Receiver by minute order (ECF No. 247), and the proposed Order Appointing  
3 Counsel for Receiver (ECF No. 250) which was approved by minute order of the  
4 Court entered on August 20, 2015 (the “Order Appointing Counsel”). (ECF No.  
5 261).

6           3.     The Order Appointing Counsel provides that, upon the request of the  
7 Receiver, the Receiver’s counsel shall provide legal assistance to the Receiver in  
8 connection with the discharge of the Receiver’s duties and responsibilities pursuant  
9 to the Order Appointing Receiver,<sup>1</sup> and directed the Receiver’s counsel to neither  
10 perform, nor seek compensation for, any of the non-legal tasks enumerated in the  
11 Order Appointing Receiver.

12           4.     The Order Appointing Counsel authorizes Lynch Law to provide legal  
13 assistance in connection with the following:

14               a.     Providing legal advice to the Receiver concerning the Order  
15 Appointing Receiver, including the legal interpretation of any provisions  
16 contained therein, or any other order or filing in this case concerning the  
17 Receiver;

18               b.     Providing legal advice to the Receiver concerning the  
19 disposition or possession of any assets subject to the Order Appointing  
20 Receiver, including records containing personal, financial or medical  
21 information and controlled substances;

22               c.     Providing legal advice and representation in connection with  
23 obtaining cooperation, compliance or assistance from the Defendants or any  
24 other entities claiming to have an interest in the assets subject to the Order  
25 Appointing Receiver;

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<sup>1</sup> The “Order Appointing Receiver” means the Order Appointing a Full Equitable Receiver to Assume Control over the Defendants’ Assets and Enforce the Final Judgment entered on May 15, 2015. (ECF No. 226).



1           d.     Providing legal advice and representation in connection with  
2 any civil or criminal actions in which one or more of the Defendants is a  
3 party, but not including *Takiguchi v. MRI International, Inc.*, Case No. 2:13-  
4 cv-1183 (D. Nev.);

5           e.     Providing legal advice and representation in connection with  
6 any legal claims made against the Defendants or any assets subject to the  
7 Order Appointing Receiver; and

8           f.     Providing legal advice and representation in connection with  
9 any civil or other actions in which the Receiver is a party, including any  
10 legal actions instituted by the Receiver pursuant to the Order Appointing  
11 Receiver, such as levying on assets, filing collection actions or filing  
12 fraudulent transfer actions, and any legal filings requiring the assistance of  
13 counsel.

14         5.     The Order Appointing Counsel further provides that the compensation  
15 of Lynch Law shall be fixed at \$310.50 per hour, which rate reflects a 10%  
16 discount on Lynch Law's regular rate.

17         6.     This Declaration is made and submitted in support of the Receiver's  
18 Motion for Order (1) Approving and Authorizing Payment of Receiver's and  
19 Professionals' Fees and Expenses from January 1, 2019 through June 30, 2019; and  
20 (2) Granting Relief from Local Civil Rule 66-5 Pertaining to Notice to Creditors  
21 (the "Motion") filed contemporaneously herewith.

22         7.     The Motion seeks, among other relief, approval and authorization for  
23 payment of receivership fees, costs, and expenses for the six-month period from  
24 January 1, 2019 through June 30, 2019 (the "Reporting Period") as described in the  
25 latest Receiver's Report (ECF No. 542).

26         8.     Lynch Law has acted as counsel for the Receiver since the Order  
27 Appointing Counsel was entered. Lynch Law and the Receiver have coordinated  
28

1 their efforts to ensure that the Receiver's and Lynch Law's responsibilities for  
2 work were strictly maintained to prevent duplication of efforts.

3 9. Attached hereto as **Exhibit "1"**, are true and correct copies of Lynch  
4 Law's invoices for fees and costs during the Reporting Period. The detailed  
5 descriptions of work done on these invoices have been redacted where appropriate  
6 to preserve descriptions containing confidential, sensitive, tactical, strategic, and  
7 attorney/client privileged and/or attorney work-product information.

8 10. I personally enter time and/or personally verify billable time and cost  
9 entries in the Lynch Law software at or about the time the billable time and costs  
10 are incurred. The invoices attached hereto are prepared from computerized time  
11 and expense records prepared in the ordinary course of business that accurately  
12 record the time actually spent and the expenses actually incurred. The time records  
13 are entered into Lynch Law's time-keeping and billing software that generates  
14 invoices reviewed by Michael Lynch. Based upon my experience and personal  
15 involvement in this process, I believe that Lynch Law's methods and procedures  
16 for recording and accounting for time and services for its clients are reliable and  
17 accurate.

18 11. During the Reporting Period, Lynch Law assisted the Receiver with  
19 its operations described in its latest Receiver's Report and as described in more  
20 detail in the attached invoices.

21 12. I believe my firm's rates and the amounts billed for Lynch Law's  
22 services rendered during the Reporting Period are reasonable and appropriate  
23 based on the nature of the services rendered, the quality and amount of services  
24 provided, the complexity of the issues involved and other factors under the  
25 circumstances, including the results obtained.

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