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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF LOS ANGELES, SOUTH DISTRICT**
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11 Randolph Anthony Garcia and Victorianna
Hendrickson, Trustees of The Amended
12 and Restated Garcia Family Trust UTD
October 28, 2009, individually, and as
13 Limited Partner of the CA Pedersen Client
Investment Pool Limited Partnership, et al.,

14 Plaintiffs,

15 vs.

16 Carol A. Pedersen, C.P.A., Individually, et
17 al.

18 Defendants.
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Case No. NC061364

**NOTICE OF MOTION AND MOTION
FOR ORDER APPROVING RECEIVER'S
AND PROFESSIONAL'S FEES AND
COSTS FROM MAY 1, 2018 THROUGH
JUNE 30, 2020; MEMORANDUM OF
POINTS AND AUTHORITIES AND
DECLARATIONS OF BRICK KANE AND
GARY OWEN CARIS IN SUPPORT
THEREOF**

DATE: September 15, 2020
TIME: 8:30 a.m.
DEPT: S26

Complaint Filed: August 31, 2017

23 **TO: THE PARTIES AND THEIR COUNSEL OF RECORD AND TO THE PLAINTIFFS**
24 **IN THE RELATED ACTIONS AND THEIR COUNSEL OF RECORD:**

25 **PLEASE TAKE NOTICE** that on September 15, 2020 at 8:30 a.m., or as soon thereafter
26 as this matter may be heard, in Department S26 of the above-entitled Court located at 275
27 Magnolia, Long Beach, California 90802, Robb Evans & Associates LLC ("Receiver") as
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1 Receiver of all real and personal property and assets of Defendants Carol A. Pedersen, C.P.A.,
2 Individually, Carol A. Pedersen, General Partner of CA Pedersen Client Investment Pool Limited
3 Partnership, CA Pedersen Client Investment Pool Limited Partnership, Carol A. Pedersen, Partner
4 of Pedersen & Fernando, CPA's, Carol Pedersen, President, Director, and Sole Owner of CA
5 Pedersen Accountancy Corporation, CA Pedersen Accountancy Corporation, Dland Flip, LLC,
6 General Partner of Carol Pedersen Family Limited Partnership, Carol Pedersen Family Limited
7 Partnership, Dland Flip, LLC, Hedwig & Fawkes, LLC, General Partner of Unicorn Partners
8 XXIV Fund, L.P., Unicorn Partners XXIV Fund, L.P., and Hedwig & Fawkes, LLC (hereinafter
9 collectively "Receivership Defendants") appointed pursuant to the Court's Order Appointing a
10 Receiver entered October 20, 2017 and the Amendment to Order Appointing a Receiver entered
11 November 2, 2017, hereby moves the Court for an order approving the receivership fees and costs
12 incurred during the 26-month period from May 1, 2018 through June 30, 2020 ("Second Expense
13 Period"). The Receiver specifically moves the Court for an order: (1) approving the fees of the
14 Receiver, the Receiver's members, staff and professionals, and reimbursement of costs,
15 comprised of: (1) Receiver's fees, including the Receiver's members and staff, of \$86,453.50 and
16 costs of \$19,319.98, for a total of \$105,773.48; and (b) Receiver's counsel Barnes & Thornburg
17 LLP's ("Barnes & Thornburg") fees of \$172,412.07 and costs of \$6,098.44, for a total of
18 \$178,510.51.


19 **PLEASE TAKE FURTHER NOTICE** that this Motion is made pursuant to Rule 3.1183
20 of the California Rules of Court and Paragraph 4.V of the Order Appointing a Receiver which
21 provides that interim monthly fees paid shall be subject to review and approval by this Court, on a
22 quarterly basis. Because no payments were made to the Receiver or its counsel which covered
23 any portion of the Second Expense Period until May 27, 2020, a motion for approval of these fees
24 was not previously filed. This Motion is based upon this Notice of Motion and Motion, the
25 Memorandum of Points and Authorities attached hereto, the accompanying Declarations of Brick
26 Kane ("Kane Declaration") and Gary Owen Caris ("Caris Declaration") served and filed
27 concurrently herewith, the proposed order granting the Motion, served and lodged concurrently
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herewith, the papers and records in the Court’s file, and such other and further oral and documentary evidence as may be presented by the Receiver at or prior to the hearing on this Motion.

Dated: August 11, 2020

BARNES & THORNBURG LLP

By: 
Gary Owen Caris
Attorneys for Receiver
ROBB EVANS & ASSOCIATES LLC

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION AND STATEMENT OF FACTS**

3 This action was filed by Plaintiffs Randolph Anthony Garcia and Victorianna
4 Hendrickson, Trustees of The Amended and Restated Garcia Family Trust UTD October 28,
5 2009, individually, and as Limited Partner of the CA Pedersen Client Investment Pool Limited
6 Partnership; Randolph Anthony Garcia and Martha Garcia, Trustees of The Amended and
7 Restated 1996 Garcia Family Trust, individually and as Limited Partner of the CA Pedersen
8 Client Investment Pool Limited Partnership; and RMG Corporation (hereinafter “Plaintiffs”) on
9 August 31, 2017 against Defendants Carol A. Pedersen, C.P.A.; Carol A. Pedersen, General
10 Partner of CA Pedersen Client Investment Pool Limited Partnership; CA Pedersen Client
11 Investment Pool Limited Partnership; Dayantha Manilal Fernando; Carol A. Pedersen, Partner of
12 Pedersen & Fernando, CPA’s; Dayantha Manilal Fernando, Partner of Pedersen & Fernando,
13 CPA’s; Pedersen & Fernando, CPA’s; Dland Flip, LLC, General Partner of Carol Pedersen
14 Family Limited Partnership; Carol Pedersen Family Limited Partnership; Dland Flip, LLC,
15 Hedwig & Fawkes, LLC, General Partner of Unicorn Partners XXIV Fund, L.P.; Unicorn
16 Partners XXIV Fund, L.P.; Hedwig & Fawkes, LLC; John Pedersen; Andrew Pedersen; Steve
17 Pedersen; Mark Delmer Hawkins; Maureen Ellen Ashley; Mark Louis Hawkins; and Brett A.
18 Hawkins (hereinafter collectively “Defendants”).

19 The Complaint alleges that Defendants Carol A. Pedersen (“Pedersen”) and Dayantha
20 Manilal Fernando used the corporate entity defendants in “a complex network of funds and
21 businesses to fraudulently obtain funds from investors in violation of the California Corporate
22 Securities Law and divert them for their own personal use and the use of the remaining
23 Defendants.” (Complaint, ¶ 1). Further, the Complaint alleges that in reliance on Defendants and
24 their long-term relationship with the accountants and accountancy firm, Plaintiffs invested
25 millions of dollars in the CA Pedersen Client Investment Pool (“Investment Pool”), after being
26 “advised that the Investment Pool was seeing well above-average returns” and being led to
27 believe the investment was being managed by outside licensed and regulated brokers. (Complaint,
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¶¶ 37-45, 49, 379, 380). Additionally, the Complaint alleges multiple violations of the California Corporate Securities Laws, California Civil Code, California Commercial Code, and California Penal Code. (Complaint, ¶ 5).

Plaintiffs sought the appointment of a receiver to determine the extent to which the Defendants commingled and diverted investor funds amongst themselves and the network of companies they control. (Complaint, ¶ 6). The Order Appointing a Receiver (“Receivership Order”) was entered on October 20, 2017. The Receivership Order provides, at paragraph 4.U, that the Receiver, its employees and agents, and professionals employed by the Receiver, are entitled to monthly payment of interim compensation for services rendered, at their normal hourly rates (subject to a cap discussed below), and monthly reimbursement of expenses, and the Receiver is authorized to make such payments without further order of the Court. The Receivership Order further provides, at paragraph 4.V that interim monthly fees paid shall be subject to review and approval by the Court, on a quarterly basis. This is consistent with Rule 3.1183(a) of the California Rules of Court which provides that interim fees are subject to final review and approval by the court. From the inception of the receivership estate, through April 30, 2020, the Receiver provided periodic billing statements and financial reports to the parties in this matter and the related proceedings captioned *Lael Montgomery, etc., et al. v. Carol Pedersen*, Los Angeles Superior Court Case No. BC668345; *Mary F. Marroquin et al. v. Carol Pedersen et al.*, Los Angeles Superior Court Case No. BC680766; and *Janet Cottrell, et al. v. Carol Pedersen*, Los Angeles Superior Court Case No. NC061559.¹ The billing statements for the Receiver and its counsel for the last two months of the Second Expense Period (covering May 2020 and June 2020) have not been previously supplied to the parties in interest, but are attached to the Kane Declaration collectively as Exhibit 3.

Pursuant to this Court’s Order entered July 16, 2019, the fees and costs of the Receiver and its counsel were approved for the period from October 23, 2017 (the inception of the

¹ As explained in the Caris Declaration, the bills provided to the parties and submitted with this motion have been redacted where appropriate to preserve confidential, sensitive, tactical, strategic, attorney-client privileged and/or attorney work-product information.

1 receivership) through April 30, 2018 (“Initial Expense Period”), awarding a total of \$160,348.86
2 to the Receiver and \$137,005.54 to its counsel. However, there was only a limited amount of
3 funds in the receivership estate, primarily generated from the sale of the first parcel of real estate
4 sold by the Receiver in March 2019, the property at 505 Gould Avenue, Hermosa Beach,
5 California (“Hermosa Beach Property”). Based on the limited amount of funds on hand, the
6 Receiver was paid \$95,127.45 in March 2019, which only paid the Receiver for its services
7 through January 2018 and a portion of February 2018 services. Receiver’s counsel was paid
8 \$97,031.89 in March 2019, which only paid Barnes & Thornburg through February 2018 and a
9 portion of its March 2018 services.

10 For most of the Second Expense Period, the estate was administratively insolvent and did
11 not have the ability to make payments to the Receiver or its counsel beyond the initial payments
12 made in March 2019 after sale of the Hermosa Beach Property. However, pursuant to the Order
13 Authorizing, Approving and Confirming Sale of Real Properties Located at (1) 3768 Linden
14 Avenue, Long Beach, California and (2) 6956 Seaborn Street, Lakewood, California entered
15 April 21, 2020 (these properties are referred to herein as the “Long Beach Property” and
16 “Lakewood Property” respectively), the Receiver successfully closed escrow on these properties.
17 On May 18, 2020, the sale of the Lakewood Property was completed. The receivership estate
18 received \$139,607.42 from the close of escrow on the Lakewood Property. On June 5, 2020, the
19 sale of the Long Beach Property was completed. The receivership estate received \$167,736.91
20 from the close of escrow on the Long Beach Property.

21 In May and June 2020, the Receiver paid from available receivership funds on hand the
22 sum of \$121,432.51 to the Receiver and \$155,734.92 to Barnes & Thornburg, representing pro
23 rata payments based on funds than outstanding to the Receiver and Barnes & Thornburg. The
24 \$121,432.51 payment to the Receiver paid the unpaid fees of the Receiver through October 2018
25 and partially paid its fees through November 2018, as well as paying certain costs the Receiver
26 has incurred through the Second Expense Period. The \$155,734.92 payment to Barnes &
27 Thornburg paid the unpaid fees and costs of counsel through March 2019 and partially paid its
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1 fees and costs for April 2019.

2 Pursuant to the Order Appointing a Receiver, the Receiver now seeks an order approving
3 the fees and costs incurred through June 30, 2020 pursuant to the billing records previously
4 supplied to the parties along with periodic financial reports, along with the last two months of
5 billing records attached to the Kane Declaration as Exhibit 3 and the updated financial report
6 attached to the Kane Declaration as Exhibit 4. However, the Receiver has less than \$1,000 on
7 hand, which is insufficient to pay any further sums to the Receiver and its counsel at this time.
8 The balance which remains outstanding to the Receiver and its counsel, assuming the Court
9 grants this motion as requested, totals approximately \$106,000, as set forth in the financial report
10 attached as Exhibit 4 to the Kane Declaration, and will only be paid if and when further sums are
11 recovered by the Receiver.

12 As evidenced by the detailed billing records which accompany the Kane Declaration in
13 support of this Motion and explained in more detail below, while the Receiver was able to
14 significantly reduce the time spent on this receivership estate during the Second Expense Period,
15 billing only \$86,453.50 over a 26-month period, the efforts of the Receiver during the Second
16 Expense Period helped facilitate the liquidation of three parcels of real property, one of which
17 was co-owned by Pedersen's son Andrew Pedersen, and resulted in an agreement with counsel for
18 Loren and Carol Wall (collectively, "Wall"), whereby the Receiver will obtain 20% of any
19 contingency fee awarded to the Walls' counsel in connection with their action against E*Trade
20 Securities LLC ("E-Trade"). While the Receiver's counsel incurred \$172,412.07 in fees during
21 this 26-month period, it performed substantial work during this time period, including preparing
22 several motions and ex parte applications, making eleven Court appearances (seven in-person and
23 four telephonic appearances), and taking the lead in negotiating a successful resolution of the
24 Receiver's dispute with Andrew Pedersen over his interest in the Lakewood Property.

25 This receivership remained very challenging for the Receiver and its counsel, given the
26 ongoing lack of cooperation by Pedersen, her refusal to allow the Receiver access to the Long
27 Beach Property without a Court order, her continued refusal to be interviewed by the Receiver
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1 and her failure to voluntarily provide meaningful records to the Receiver or any explanation
2 concerning her fraudulent financial activities. These challenges were heightened by the fact that
3 her fraudulent activities went undetected for over 20 years and long past the seven-year period
4 that records were available from financial institutions. The Receiver also faced numerous issues
5 concerning the minimal or lack of equity in the various parcels of receivership real estate, its
6 inability to readily access the properties and its disputes with the occupants of the properties. The
7 services of the Receiver and its counsel during the Second Expense Period are summarized
8 separately and in more detail below and described in the detailed billing records which
9 accompany the Kane Declaration.

10 **II. SUMMARY OF THE RECEIVER’S SERVICES AND ACTIVITIES DURING THE**
11 **SECOND EXPENSE PERIOD**

12 The Receiver seeks approval of the Receiver’s fees and costs summarized in the Receiver
13 Administrative Expenses spreadsheets (“Financial Summaries”) attached as exhibits to the Kane
14 Declaration in support of this Motion, together with the detailed billing records of the Receiver
15 also attached to the Kane Declaration. The Financial Summary and billing records of the
16 Receiver and its counsel for the period from May 1, 2018 through April 30, 2019, along with a
17 cover letter dated June 28, 2019 to the parties who received these materials, are collectively
18 attached as Exhibit 1 to the Kane Declaration; the Financial Summary and billing records of the
19 Receiver and its counsel for the period from May 1, 2019 through April 30, 2020, along with a
20 cover letter dated June 12, 2020 to the parties who received these materials, are collectively
21 attached as Exhibit 2 to the Kane Declaration; the billing records for the Receiver and its counsel
22 for May 2020 and June 2020 are collectively attached as Exhibit 3 to the Kane Declaration; and
23 an updated Financial Summary through June 30, 2020 is attached as Exhibit 4 to the Kane
24 Declaration. During the Second Expense Period, the Receiver has incurred fees for the
25 Receiver’s members and staff of \$86,453.50. The Receiver’s costs during the Second Expense
26 Period total \$19,319.98 and are detailed in the Financial Summaries. Most of that expense is for
27 the Receiver’s accountant, Squar Milner, in the sum of \$14,260.50 for the preparation of two
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1 years of receivership tax returns for the estate's Qualified Settlement Fund.

2 **A. Activities Performed in Connection with the Marketing and Sale of the**
3 **Real Properties**

4 During the Second Expense Period, the Receiver addressed numerous issues in connection
5 with the three principal parcels of receivership real property: the Hermosa Beach Property, Long
6 Beach Property and Lakewood Property (hereinafter, collectively referred to as the "Properties").
7 After the Court granted the Receiver's motion to market the Hermosa Beach Property in May
8 2018, it had to address how to gain possession of the property, which was occupied by Stephen
9 Pedersen, another of Pedersen's sons, and a third party tenant. The Receiver was advised that
10 neither tenant was paying rent to Pedersen. Surveillance undertaken by the Receiver thereafter
11 indicated that the tenants had vacated the Hermosa Beach Property and the Receiver prepared to
12 seek a Court order allowing it to take possession and control of the property. However, it was
13 subsequently able to make contact with Stephen Pedersen and the other occupant, who advised
14 the Receiver that the property had not yet been vacated. It prepared for a potential eviction,
15 which became unnecessary when the occupants agreed to vacate after a 30-day notice to vacate
16 was prepared and posted by Receiver's counsel. Thereafter, the Receiver inspected the property
17 and addressed all relevant issues with respect to marketing and selling the property. The Receiver
18 selected a realtor after canvassing various ones and obtained brokers opinions of value in order to
19 set a listing price for the property in consultation with its broker. It analyzed and developed
20 strategies after multiple sale offers were received in order to maximize a sale price, assisted
21 counsel with respect to title issues and assisted counsel in negotiating payoff amounts with
22 multiple lienholders, some at a discount. Once a sales contract was entered into, it assisted the
23 Receiver's counsel in preparing a motion to confirm the sale. It actively addressed all issues
24 which arose during the escrow and sale process, through closing. The Receiver obtained
25 \$215,928.39 from the sale of the Hermosa Beach Property.

26 The Receiver's efforts to market and sell the Long Beach Property and Lakewood
27 Property commenced during the Second Expense Period, after the sale process already had begun
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1 on the Hermosa Beach Property. It assisted Receiver's counsel in its preparation of a motion to
2 permit the marketing and sale of these properties. The Court granted the motion to market and
3 sell the Long Beach Property, but denied it as to the Lakewood Property because co-owner
4 Andrew Pedersen had been dismissed as a defendant and the Court concluded that it lacked
5 jurisdiction over him. The Receiver worked with its counsel to arrive at a settlement with
6 Andrew Pedersen which facilitated subsequent Court permission to market and sell the Lakewood
7 Property too.

8 As with the Hermosa Beach Property, during the Second Expense Period the Receiver
9 took steps to address the proper marketing and sale of the Long Beach Property and Lakewood
10 Property. It interviewed various realtors and selected an appropriate one for each property. The
11 Receiver obtained brokers opinions of value as to both of those properties in order to determine
12 proper listing prices, in conjunction with its brokers. It addressed title issues and assisted in
13 negotiating with lienholders regarding their payoff demands. The Receiver addressed
14 maintenance and repair issues on the Long Beach Property, as well as abandoned personal
15 property located there, some of which was sold for the benefit of the receivership estate,
16 generating net proceeds of \$2,680.84 for the estate. It addressed a break-in at the Long Beach
17 Property and minor damage which occurred there. The Receiver also assisted its counsel with the
18 motion to approve the marketing and sale of the two properties and subsequent motion to confirm
19 the sale of the properties. The Receiver took the lead in negotiating with prospective purchasers
20 and finalizing the sales contract on each property. The Receiver obtained \$139,607.42 from the
21 sale of the Lakewood Property and \$167,736.91 from the sale of the Long Beach Property.

22 **B. The Receiver's Continued Forensic Accounting Work and Its**
23 **Assistance to Third Parties for the Benefit of Various Governmental**
24 **Entities and Defrauded Investors**

25 During the Second Expense Period, the Receiver continued to refine its in-depth forensic
26 review and analysis of financial records, as described in the Report of Receiver's Activities From
27 November 6, 2017 to February 21, 2018 ("First Report"). This was based in part on documents
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1 provided by several defrauded investors during the Second Expense Period, enabling the Receiver
2 to further refine its analysis as to the individual and aggregate totals of investor losses. This was
3 also based on additional documents obtained from First Bank Holding Co. (“First Bank”) in
4 response to the Receiver’s subpoena. The Receiver also obtained documents from the Federal
5 Bureau of Investigation (“FBI”), which Pedersen provided to the FBI but refused to provide to the
6 Receiver. All of these documents enabled the Receiver to further refine the forensic accounting
7 work it performed during the Initial Expense Period.

8 The Receiver also assisted numerous governmental entities and defrauded investors. It
9 gathered documents in response to a Securities and Exchange Commission (“SEC”) subpoena and
10 in response to information requests from the FBI and the United States Attorney’s Office for the
11 Central District of California. It also provided loss calculations to the United States Attorney’s
12 Office for the Central District of California. On January 8, 2019 Pedersen entered into a Plea
13 Agreement for Defendant Carol Ann Pedersen (“Plea Agreement”) with the United States in the
14 case of *United States of America v. Carol Ann Pedersen*, United States District Court, Central
15 District of California, Case No. CR 19-00013 DMG. Pedersen pled guilty to the crime charged in
16 a single-count information, wire fraud, in violation of Title 18, United States Code, §1343. In the
17 Plea Agreement, Pedersen admitted to executing a scheme to defraud clients for whom she served
18 as an investment advisor between approximately 1996 and September 1, 2017. She admitted that
19 she did not invest the victims’ funds as promised, but would instead deposit the funds into
20 accounts that she controlled and had established with First Bank and E-Trade. She further
21 admitted that she would solicit new funds in order to honor distribution requests made by prior
22 investor-victims and was operating a Ponzi scheme. On March 20, 2019 Pedersen pled guilty to
23 the single-count information and was thereafter sentenced on September 4, 2019 to 97 months in
24 prison. Pedersen is currently incarcerated in a Federal prison in Texas.

25 The Plea Agreement relied extensively on the forensic accounting work performed by the
26 Receiver. In addition, the SEC also brought an action against Pedersen on March 20, 2019, also
27 relying extensively on the work performed by the Receiver.

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2 The Receiver also had to determine whether it had effective litigation claims against First
3 Bank and E-Trade, which received and paid out investor funds from September 2010 through
4 August 2017. The Receiver ultimately determined that litigation claims more effectively and
5 properly resided with defrauded investors as they pertained to First Bank and that the claim
6 against E-Trade properly resided with Loren and Carol Wall (collectively, “Wall”). Wall’s
7 payment of \$12.7 million to Pedersen was deposited into accounts at E-Trade in January 2015,
8 and fueled the Ponzi scheme until it ended in the summer of 2017. Attorney Jon Furgison
9 ultimately brought an action against E-Trade on behalf of Wall in a Financial Industry Regulatory
10 Authority (“FINRA”) arbitration proceeding. Attorney Steven Nunez brought an action against
11 First Bank on behalf of several investors in Los Angeles Superior Court. During the Second
12 Expense Period, the Receiver and its counsel communicated regularly with both lawyers
13 discussing potential claims and assisted them by providing requested information and
14 documentation which had been obtained in discovery by the Receiver from First Bank and E-
15 Trade. Both of these matters are ongoing.

16 The Receiver, with counsel’s assistance, negotiated a fee sharing agreement with Furgison
17 whereby the receivership estate will receive 20% of any contingency fee awarded to Furgison and
18 his co-counsel in connection with the FINRA proceeding brought by Wall against E-Trade.

19 **C. The Receiver’s Communications With Investors and Other Interested**
20 **Parties**

21 Throughout the Second Expense Period, the Receiver continued to communicate with
22 defrauded investors concerning the status of the receivership and their claims in the estate. It also
23 communicated with a variety of other persons, sometimes directly and sometimes through
24 counsel, including counsel for plaintiff; Mark Hawkins, who lived with Pedersen prior to her
25 incarceration and raised various spurious claims and allegations against the Receiver in written
26 and telephonic communications; and representatives of the United States Attorney’s Office for
27 the Central District of California, the FBI and the SEC, to discuss the criminal and civil litigation
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1 involving those governmental authorities and how those civil and criminal actions affected the
2 receivership. During the Second Expense Period, the Receiver again attempted to interview
3 Pedersen, but was rebuffed in its efforts to do so.

4 **D. Other Administrative Work Regularly Performed by the Receiver**
5 **During the Second Expense Period**

6 In addition to the work described above, as more particularly set forth in the Receiver's
7 invoices attached to the Kane Declaration, the Receiver continued to review, suggest revisions to
8 and approve the pleadings and filings prepared by its counsel, Barnes & Thornburg, including
9 three interim reports to the Court. It also prepared interim financial reports for the plaintiff and
10 for other interested parties, as set forth in Exhibits 1 and 2 to the Kane Declaration. The Receiver
11 also coordinated with its accountant, Squar Milner, for the preparation of post-receivership tax
12 returns of the receivership estate. It also continued to regularly maintain and update its
13 accounting records for the receivership estate and process payables.

14 **III. SUMMARY OF THE RECEIVER'S COUNSEL'S SERVICES AND ACTIVITIES**
15 **DURING THE SECOND EXPENSE PERIOD**

16 The Receiver also seeks payment of its counsel's fees and costs summarized in the
17 Financial Summaries, in Exhibits 1, 2 and 4 to the Kane Declaration, and set forth in the detailed
18 billing records of Barnes & Thornburg, in Exhibits 1, 2 and 3 to the Kane Declaration. During
19 the Second Expense Period, the Receiver incurred fees to Barnes & Thornburg of \$172,412.07
20 and costs of \$6,098.44. As set forth in more detail in the Caris Declaration and its invoices,
21 Barnes & Thornburg performed an extensive amount of work during the Second Expense Period.

22 **A. Receiver's Counsel's Preparation of Numerous Pleadings, Legal**
23 **Documents and Agreements, and Numerous Court Appearances**

24 Barnes & Thornburg prepared numerous pleadings, legal documents and agreements
25 throughout the Second Expense Period. When the Receiver was having initial difficulty gaining
26 access to the Hermosa Beach Property for the purpose of evaluating its condition and value after
27 obtaining an order allowing it to be marketed for sale, and believed it to be abandoned, counsel
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1 drafted an ex parte application authorizing the Receiver to take possession and control of the
2 property. It ultimately was not needed when the Receiver was able to establish communications
3 with the occupants who eventually granted access.

4 Barnes & Thornburg prepared a subpoena to the FBI to enable it to obtain documents
5 which the FBI had gotten from Pedersen during its criminal investigation and which were needed
6 to further refine the Receiver's forensic analysis. This was required because Pedersen
7 consistently refused to turn over these records to the Receiver. Counsel prepared a protective
8 order required by the FBI before it would produce the subpoenaed documents and brought a
9 successful ex parte application for entry of the protective order.

10 Counsel prepared a 30-day notice to vacate the Hermosa Beach property, but did not need
11 to initiate an unlawful detainer proceeding when the occupants timely moved out. It also
12 prepared a successful ex parte application for order granting the Receiver access to the Long
13 Beach Property and Lakewood Property for the purpose of inspection and evaluation, required
14 because Pedersen refused to grant access to the Long Beach Property and because Andrew
15 Pedersen had resisted the Receiver's efforts to provide documents evidencing his one-half interest
16 in the Lakewood Property. Barnes & Thornburg also prepared a successful motion to confirm the
17 sale of the Hermosa Beach Property during the Second Expense Period.

18 During the Second Expense Period, Receiver's counsel also brought a motion to authorize
19 the marketing and sale of the Long Beach Property and Lakewood Property. It was granted as to
20 the Long Beach Property, but denied without prejudice as to the Lakewood Property because
21 Andrew Pedersen had been dismissed as a defendant. Subsequently, the Receiver's counsel
22 negotiated and documented an agreement with Andrew Pedersen with respect to the marketing
23 and sale of the Lakewood Property and the allocation of sale proceeds, which was approved by
24 the Court. Consequently, the Receiver was able to market and locate buyers for both the Long
25 Beach Property and Lakewood Property. Once purchase contracts were entered into for both
26 properties, Barnes & Thornburg filed a successful motion to confirm the sales. To expedite entry
27 of the order granting this motion, it prepared a declaration requesting prompt entry of the sale
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1 confirmation motion after the objection period passed, in light of the COVID-19 pandemic and
2 the uncertainty surrounding whether either or both properties would fall out of escrow.

3 The Receiver's counsel also prepared the initial motion for approval of fees and costs
4 incurred by the Receiver and its counsel through April 30, 2018, which was granted in full. It
5 also prepared a motion to destroy paper records, set for hearing concurrently with the hearing on
6 this fee motion. Barnes & Thornburg also prepared the agreement which will entitle the
7 receivership estate to share in 20% of the fees recovered by Wall's counsel in the FINRA action
8 against E-Trade. Counsel also prepared, with the assistance of the Receiver, three semi-annual
9 Receiver reports for the Court.

10 During the Second Expense Period, the Receiver's counsel made numerous Court
11 appearances on this matter, including seven in-person Court appearances and four telephonic
12 Court appearances. These included hearings on: a successful motion to market the Hermosa
13 Beach property for sale; a Case Management Conference (appearing telephonically); a motion to
14 set aside defaults (appearing telephonically); a successful ex parte application for a protective
15 order to enable documents to be obtained from the FBI (set in conjunction with a continued status
16 conference and continued motion to set aside defaults); a successful ex parte application to
17 inspect the Long Beach Property and Lakewood Property; a successful motion to confirm the sale
18 of the Hermosa Beach property; a status conference on one of the Receiver's reports together with
19 a Case Management Conference; a motion to market and sell the Long Beach Property and
20 Lakewood Property, which was granted as to Long Beach and which led to the stipulation with
21 Andrew Pedersen to sell the Lakewood Property; a successful fee motion for the Initial Expense
22 Period; and two continued status conferences (appearing telephonically).

23 **B. Barnes & Thornburg's Services in Assisting with the Successful Closing**
24 **of the Sale of the Properties**

25 Barnes & Thornburg played an active role in helping to facilitate the successful
26 consummation of the sales of all the Properties. It had extensive communication with various
27 lienholders in the frequently successful effort to reduce the payoff amounts. It regularly
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1 communicated with the Receiver's title company to resolve concerns it had concerning title
2 exceptions and other unique receivership issues. It communicated with counsel for Pedersen and
3 with counsel for her two sons regarding various issues concerning the Properties, including access
4 to the Properties. The Receiver's counsel negotiated and drafted a comprehensive agreement
5 with Andrew Pedersen's counsel concerning how sale proceeds would be divided between him
6 and the Receiver from the sale of the Lakewood Property.

7 **C. The Receiver's Counsel Had Extensive Communications with Other**
8 **Interested Parties During the Second Expense Period**

9 In addition to the foregoing services, Barnes & Thornburg had extensive communications
10 both orally and in writing with numerous parties in interest in this matter. Counsel regularly
11 spoke to Steven Nunez and Jon Furgison both prior to and after they were retained in the First
12 Bank and E-Trade litigation proceedings. These communications followed a detailed analysis of
13 potential litigation claims and whether such claims properly resided with one or more investors
14 directly or with the Receiver. Counsel also communicated with various persons from the SEC,
15 FBI and United States Attorney's Office concerning many of the matters described above,
16 including subpoenas and other information requests, the Plea Agreement, and various
17 receivership issues. It followed up with First Bank and E-Trade to obtain the remainder of the
18 documents which the Receiver subpoenaed from those entities in the First Expense Period, but for
19 which production had not yet been completed. Barnes & Thornburg also responded to Mark
20 Hawkins, who made several unfounded allegations against the Receiver.

21 As described in the Caris Declaration, lead counsel reduced his rate as required by the
22 Order Appointing a Receiver from his normal hourly rate of \$665 as of 2017 to \$525, a discount
23 of over 20% from his 2017 rate and a discount of over 25% from his 2020 rate.

24 **IV. THE FEES AND COSTS OF THE RECEIVER AND ITS COUNSEL ARE**
25 **REASONABLE AND SHOULD BE APPROVED**

26 It is a fundamental tenet of receivership law that expenses of administration incurred by
27 the receiver, including those of the receiver, his counsel and others employed by him, constitute
28

1 priority expenses for which compensation should be paid from the assets of the receivership. As
2 explained in the leading treatise *Clark on Receivers*:

3 The obligations and expenses which the court creates in its administration of the
4 property are necessarily burdens on the property taken possession of, and this,
5 irrespective of the question who may be the ultimate owner, or who may have the
6 preferred lien, or who may invoke the receivership. The appointing court pledges
7 its good faith that all duly authorized obligations incurred during the receivership
8 shall be paid...

9 When a fund is realized or produced or brought into court for distribution among
10 claimants, those who by their exertions and activities have brought the fund into
11 court are entitled to be paid out of the fund before it is distributed.

12 2 Clark, Ralph Ewing, *A Treatise on the Law and Practice of Receivers* § 637, pp. 1052-1053
13 (3rd ed. Rev. 1992).

14 Under California law, a receiver that discharges his duties is entitled to reasonable
15 compensation *Macmorris Sales Corp. v. Kozak*, 249 Cal. App. 2d 998, 1003, 58 Cal. Rptr. 92, 95
16 (Ct. App. 1967) (stating “[t]he record supports the finding of the trial court that the receiver
17 properly discharged the duties of his office. He is therefore entitled to reasonable compensation
18 for his trouble.”)

19 The Receiver and its counsel have performed extensive and wide-ranging tasks during the
20 Second Expense Period in this complex and challenging receivership proceeding. This Motion
21 establishes that the Receiver, its members, staff and professionals rendered reasonable and
22 necessary services for the receivership estate during this Second Expense Period that were highly
23 beneficial to the estate, to Federal criminal and civil enforcement authorities and to defrauded
24 investors who have brought claims against First Bank and E-Trade. The Receiver submits the fees
25 are reasonable in light of the scope and complexity of the services rendered, and that the fees and
26 costs requested should be awarded in their entirety.

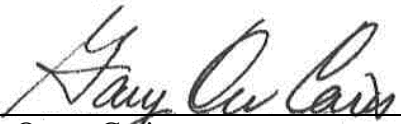
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V. CONCLUSION

For the reasons set forth herein and the Declarations of Kane and Caris which accompany this Motion, it is respectfully requested that the Court grant the Motion and approve the fees and costs incurred by the Receiver and Barnes & Thornburg during the Second Expense Period in their entirety.

Dated: August 11, 2020

BARNES & THORNBURG LLP

By: 

Gary Owen Caris
Attorneys for Receiver
ROBB EVANS & ASSOCIATES LLC

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ROBB EVANS & ASSOCIATES LLC

6
7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF LOS ANGELES, SOUTH DISTRICT**

10
11 Randolph Anthony Garcia and Victorianna
Hendrickson, Trustees of The Amended
12 and Restated Garcia Family Trust UTD
October 28, 2009, individually, and as
13 Limited Partner of the CA Pedersen Client
Investment Pool Limited Partnership, et al.,

14 Plaintiffs,

15 vs.

16 Carol A. Pedersen, C.P.A., Individually, et
17 al.

18 Defendants.

Case No. NC061364

**DECLARATION OF BRICK KANE IN
SUPPORT OF MOTION FOR ORDER
APPROVING RECEIVER'S AND
PROFESSIONAL'S FEES AND COSTS
FROM MAY 1, 2018 THROUGH JUNE 30,
2020**

DATE: September 15, 2020
TIME: 8:30 a.m.
DEPT: S26

19
20
21 I, Brick Kane, declare:

22 1. I am the President of Robb Evans & Associates LLC ("Receiver"), the Court-
23 Appointed in the above-captioned case pursuant to the Order Appointing a Receiver that was
24 entered on October 20, 2017 and the Amendment to Order Appointing a Receiver that was
25 entered on November 2, 2017 (collectively, the "Receivership Orders"). Under the Receivership
26 Orders, Robb Evans & Associates LLC was named as Receiver of all real and personal property
27 and assets of Defendants Carol A. Pedersen, C.P.A., Individually, Carol A. Pedersen, General
28 Partner of CA Pedersen Client Investment Pool Limited Partnership, CA Pedersen Client

1 Investment Pool Limited Partnership, Carol A. Pedersen, Partner of Pedersen & Fernando,
2 CPA's, Carol Pedersen, President, Director, and Sole Owner of CA Pedersen Accountancy
3 Corporation, CA Pedersen Accountancy Corporation, Dland Flip, LLC, General Partner of Carol
4 Pedersen Family Limited Partnership, Carol Pedersen Family Limited Partnership, Dland Flip,
5 LLC, Hedwig & Fawkes, LLC, General Partner of Unicorn Partners XXIV Fund, L.P., Unicorn
6 Partners XXIV Fund, L.P., and Hedwig & Fawkes, LLC (hereinafter collectively "Receivership
7 Defendants"). I am one of the members of Robb Evans & Associates LLC responsible for the
8 day-to-day management, administration and supervision of this receivership estate. I was the
9 member of Robb Evans & Associates principally responsible for supervising and directing the
10 forensic accounting prepared by the Receiver in this matter and which formed the basis for the
11 Report of Receiver's Activities from November 6, 2017 through February 21, 2018 ("First
12 Report"). I was one of the members of Robb Evans & Associates responsible for reviewing the
13 financial documents which formed the basis of the forensic accounting described in the First
14 Report and I was one of the individuals primarily responsible for drafting the First Report. I
15 have personal knowledge of the facts set forth in this declaration and if I were called upon to
16 testify as to these facts I could and would competently testify based upon my personal
17 knowledge.

18 2. Pursuant to this Court's Order entered July 16, 2019, the fees and costs of the
19 Receiver and its counsel were approved for the period from October 23, 2017 (the inception of
20 the receivership) through April 30, 2018 ("Initial Expense Period"), awarding a total of
21 \$160,348.86 to the Receiver and \$137,005.54 to its counsel. However, there was only a limited
22 amount of funds in the receivership estate, primarily generated from the sale of the first parcel of
23 real estate sold by the Receiver in March 2019, the property at 505 Gould Avenue, Hermosa
24 Beach, California ("Hermosa Beach Property"). Based on the limited amount of funds on hand,
25 the Receiver was paid \$95,127.45 in March 2019, which only paid the Receiver for its services
26 through January 2018 and a portion of February 2018 services. Receiver's counsel was paid
27 \$97,031.89 in March 2019, which only paid Barnes & Thornburg through February 2018 and a
28 portion of its March 2018 services.

1 3. For most of the Second Expense Period, the estate has been administratively
2 insolvent and did not have the ability to make payments to the Receiver or its counsel beyond the
3 initial payments made in March 2019 after sale of the Hermosa Beach Property. However,
4 pursuant to the Order Authorizing, Approving and Confirming Sale of Real Properties Located at
5 (1) 3768 Linden Avenue, Long Beach, California and (2) 6956 Seaborn Street, Lakewood,
6 California entered April 21, 2020 (these properties are referred to herein as the “Long Beach
7 Property” and “Lakewood Property” respectively), the Receiver successfully closed escrow on
8 these properties. On May 18, 2020, the sale of the Lakewood Property was completed. The
9 receivership estate received \$139,607.42 from the close of escrow on the Lakewood Property.
10 On June 5, 2020, the sale of the Long Beach Property was completed. The receivership estate
11 received \$167,736.91 from the close of escrow on the Long Beach Property.

12 4. In May and June 2020, the Receiver paid from available receivership funds on
13 hand the sum of \$121,432.51 to the Receiver and \$155,734.92 to Barnes & Thornburg,
14 representing pro rata payments based on funds than outstanding to the Receiver and Barnes &
15 Thornburg. The \$121,432.51 payment to the Receiver paid the unpaid fees of the Receiver
16 through October 2018 and partially paid its fees through November 2018, as well as paying
17 certain costs the Receiver has incurred through the Second Expense Period. The \$155,734.92
18 payment to Barnes & Thornburg paid the unpaid fees and costs of counsel through March 2019
19 and partially paid its fees and costs for April 2019.

20 5. Pursuant to the Order Appointing a Receiver, the Receiver now seeks an order
21 approving the fees and costs incurred through June 30, 2020. However, the Receiver has less
22 than \$1,000 on hand, which is insufficient to pay any further sums to the Receiver and its
23 counsel at this time. The balance which remains outstanding to the Receiver and its counsel,
24 assuming the Court grants this motion as requested, totals approximately \$106,000, as set forth
25 in the financial report attached hereto as Exhibit 4, and will only be paid if and when further
26 sums are recovered by the Receiver.

27 6. As evidenced by the detailed billing records which accompany this declaration
28 and explained in more detail below, while the Receiver was able to significantly reduce the time

1 spent on this receivership estate during the Second Expense Period, billing only \$86,453.50 over
2 a 26-month period, the efforts of the Receiver during the Second Expense Period helped
3 facilitate the liquidation of three parcels of real property, one of which was co-owned by Carol
4 Pedersen's son Andrew Pedersen, and resulted in an agreement with counsel for Loren and Carol
5 Wall (collectively "Wall") whereby the receivership estate will obtain 20% of any contingency
6 fee awarded to Wall's counsel in connection with its action against and E*Trade Securities LLC
7 ("E-Trade"). This receivership estate remained very challenging for the Receiver and its
8 counsel, given the ongoing lack of cooperation by Carol Pedersen ("Pedersen"), her refusal to
9 allow the Receiver access to the Long Beach Property without a Court order, her continued
10 refusal to be interviewed by the Receiver and her failure to voluntarily provide meaningful
11 records to the Receiver or any explanation concerning her fraudulent financial activities. These
12 challenges were heightened by the fact that her fraudulent activities went undetected for over 20
13 years and long past the seven-year period that records were available from financial institutions.
14 The Receiver also faced numerous issues concerning the minimal or lack of equity in the various
15 parcels of receivership real estate, inability to readily access those real properties and disputes
16 with various occupants of the properties.

17 7. The Receiver seeks approval of the Receiver's fees and costs summarized in the
18 Receiver Administrative Expenses spreadsheets ("Financial Summaries") together with the
19 detailed billing records of the Receiver. The Financial Summary and billing records of the
20 Receiver and its counsel for the period from May 1, 2018 through April 30, 2019, along with a
21 cover letter dated June 28, 2019 to the parties who received these materials, are collectively
22 attached hereto as Exhibit 1. The Financial Summary and billing records of the Receiver and its
23 counsel for the period from May 1, 2019 through April 30, 2020, along with a cover letter dated
24 June 12, 2020 to the parties who received these materials, are collectively attached hereto as
25 Exhibit 2. The billing records for the Receiver and its counsel for May 2020 and June 2020 are
26 collectively attached hereto as Exhibit 3. An updated Financial Summary through June 30, 2020
27 is attached hereto as Exhibit 4. During the Second Expense Period, the Receiver has incurred
28 fees for the Receiver's members and staff of \$86,453.50. The Receiver's costs during the

1 Second Expense Period total \$19,319.98 and are detailed in the Financial Summaries. Most of
2 that expense is for the Receiver's accountant, Squar Milner, in the sum of \$14,260.50 for the
3 preparation of two years of receivership tax returns for the estate's Qualified Settlement Fund.

4 8. During the Second Expense Period, the Receiver addressed numerous issues in
5 connection with the three principal parcels of receivership real property: the Hermosa Beach
6 Property, Long Beach Property and Lakewood Property (hereinafter, collectively referred to as
7 the "Properties"). After the Court granted the Receiver's motion to market the Hermosa Beach
8 Property in May 2018, it had to address how to gain possession of the property, which was
9 occupied by Stephen Pedersen, another of Pedersen's sons, and a third party tenant. The
10 Receiver was advised that neither tenant was paying rent to Pedersen. Surveillance undertaken
11 by the Receiver thereafter indicated that the tenants had vacated the Hermosa Beach Property
12 and the Receiver prepared to seek a Court order allowing it to take possession and control of the
13 property. However, it was subsequently able to make contact with Stephen Pedersen and the
14 other occupant, who advised the Receiver that the property had not yet been vacated. It prepared
15 for a potential eviction, which became unnecessary when the occupants agreed to vacate after a
16 30-day notice to vacate was prepared and posted by Receiver's counsel. Thereafter, the Receiver
17 inspected the property and addressed all relevant issues with respect to marketing and selling the
18 property. The Receiver selected a realtor after canvassing various ones and obtained brokers
19 opinions of value in order to set a listing price in consultation with its broker. It analyzed and
20 developed strategies after multiple sale offers were received in order to maximize a sale price,
21 assisted counsel with respect to title issues and assisted counsel in negotiating payoff amounts
22 with multiple lienholders, some at a discount. Once a sales contract was entered into, it assisted
23 the Receiver's counsel in preparing a motion to confirm the sale. It actively addressed all issues
24 which arose during the escrow and sale process, through closing. The Receiver obtained
25 \$215,928.39 from the sale of the Hermosa Beach Property.

26 9. The Receiver's efforts to market and sell the Long Beach Property and Lakewood
27 Property commenced during the Second Expense Period, after the sale process already had
28 begun on the Hermosa Beach Property. It assisted Receiver's counsel in its preparation of a

1 motion to permit the marketing and sale of these properties. The Court granted the motion to
2 market and sell the Long Beach Property, but denied it as to the Lakewood Property because co-
3 owner Andrew Pedersen had been dismissed as a defendant and the Court concluded that it
4 lacked jurisdiction over him. The Receiver worked with its counsel to arrive at a settlement with
5 Andrew Pedersen which facilitated subsequent Court permission to market and sell the
6 Lakewood Property too.

7 10. As with the Hermosa Beach Property, during the Second Expense Period the
8 Receiver took steps to address the proper marketing and sale of the Long Beach Property and
9 Lakewood Property. It interviewed various realtors and selected an appropriate one for each
10 property. The Receiver obtained brokers opinions of value as to both of those properties in order
11 to determine proper listing prices, in conjunction with its brokers. It addressed title issues and
12 assisted in negotiating with lienholders regarding their payoff demands. The Receiver addressed
13 maintenance and repair issues on the Long Beach Property, as well as abandoned personal
14 property located there, some of which was sold for the benefit of the receivership estate,
15 generating net proceeds of \$2,680.84 for the estate. It addressed a break-in at the Long Beach
16 Property and minor damage which occurred there. The Receiver also assisted its counsel with
17 the motion to approve the marketing and sale of the two properties and subsequent motion to
18 confirm the sale of the properties. The Receiver took the lead in negotiating with prospective
19 purchasers and finalizing the sales contract on each property. As a result of these efforts, the
20 Receiver obtained \$139,607.42 from the sale of the Lakewood Property and \$167,736.91 from
21 the sale of the Long Beach Property.

22 11. During the Second Expense Period, the Receiver continued to refine its in-depth
23 forensic review and analysis of financial records, as described in the First Report. This was
24 based in part on documents provided by several defrauded investors during the Second Expense
25 Period, enabling the Receiver to further refine its analysis as to the individual and aggregate
26 totals of investor losses. This was also based on additional documents obtained from First Bank
27 Holding Co. (“First Bank”) in response to the Receiver’s subpoena. The Receiver also obtained
28 documents from the Federal Bureau of Investigation (“FBI”), which Pedersen provided to the

1 FBI but refused to provide to the Receiver. All of these documents enabled the Receiver to
2 further refine the forensic accounting work it performed during the Initial Expense Period.

3 12. The Receiver also assisted numerous governmental entities and defrauded
4 investors. It gathered documents in response to a Securities and Exchange Commission (“SEC”)
5 subpoena and in response to information requests from the FBI and the United States Attorney’s
6 Office for the Central District of California. It also provided loss calculations to the United
7 States Attorney’s Office for the Central District of California. On January 8, 2019 Pedersen
8 entered into a Plea Agreement for Defendant Carol Ann Pedersen (“Plea Agreement”) with the
9 United States in the case of United States of America v. Carol Ann Pedersen, United States
10 District Court, Central District of California, Case No. CR 19-00013 DMG. Pedersen pled guilty
11 to the crime charged in a single-count information, wire fraud, in violation of Title 18, United
12 States Code, §1343. In the Plea Agreement, Pedersen admitted to executing a scheme to defraud
13 clients for whom she served as an investment advisor between approximately 1996 and
14 September 1, 2017. She admitted that she did not invest the victims’ funds as promised, but
15 would instead deposit the funds into accounts that she controlled and had established with First
16 Bank and E-Trade. She further admitted that she would solicit new funds in order to honor
17 distribution requests made by prior investor-victims and was operating a Ponzi scheme. On
18 March 20, 2019 Pedersen pled guilty to the single-count information and was thereafter
19 sentenced on September 4, 2019 to 97 months in prison. I understand that Pedersen is currently
20 incarcerated in a Federal prison in Texas.

21 13. I have reviewed the Plea Agreement and I believe it relied extensively on the
22 forensic accounting work performed by the Receiver. In addition, the SEC also brought an
23 action against Pedersen on March 20, 2019. Based on my review of its complaint against
24 Pedersen, I believe that the SEC also relied extensively on the work performed by the Receiver.

25 14. The Receiver also had to determine whether it had effective litigation claims
26 against First Bank and E-Trade, which received and paid out investor funds from September
27 2010 through August 2017. The Receiver ultimately determined that litigation claims more
28 effectively and properly resided with defrauded investors as they pertained to First Bank and that

1 the claim against E-Trade properly resided with Wall. Wall's payment of \$12.7 million to
2 Pedersen was deposited into accounts at E-Trade in January 2015, and fueled the Ponzi scheme
3 until it ended in the summer of 2017. Attorney Jon Furgison ultimately brought an action
4 against E-Trade on behalf of Wall in a Financial Industry Regulatory Authority ("FINRA")
5 arbitration proceeding. Attorney Steven Nunez brought an action against First Bank on behalf of
6 several investors in Los Angeles Superior Court. During the Second Expense Period, the
7 Receiver and its counsel communicated regularly with both lawyers discussing potential claims
8 and assisted them by providing requested information and documentation which had been
9 obtained in discovery by the Receiver from First Bank and E-Trade. Both of these matters are
10 ongoing.

11 15. The Receiver, with counsel's assistance, negotiated a fee sharing agreement with
12 Furgison whereby the receivership estate will receive 20% of any contingency fee awarded to
13 Furgison and his co-counsel in connection with the FINRA proceeding brought by Wall against
14 E-Trade.

15 16. Throughout the Second Expense Period, the Receiver continued to communicate
16 with defrauded investors concerning the status of the receivership and their claims in the estate.
17 It also communicated with a variety of other persons, sometimes directly and sometimes through
18 counsel, including counsel for plaintiff; Mark Hawkins, who lived with Pedersen prior to her
19 incarceration and raised various spurious claims and allegations against the Receiver in written
20 and telephonic communications; and representatives of the United States Attorney's Office for
21 the Central District of California, the FBI and the SEC, to discuss the criminal and civil litigation
22 involving those governmental authorities and how those civil and criminal actions affected the
23 ongoing receivership. During the Second Expense Period, the Receiver again attempted to
24 interview Pedersen, but was rebuffed in its efforts to do so.

25 17. In addition to the work described above, the Receiver continued to review,
26 suggest revisions to and approve the pleadings and filings prepared by its counsel, Barnes &
27 Thornburg, including three interim reports to the Court. It also prepared interim financial reports
28 for the plaintiff and for other interested parties, as set forth in Exhibits 1 and 2 hereto. The

1 Receiver also coordinated with its accountant, Squar Milner for the preparation of post-
2 receivership tax returns of the receivership estate. It also continued to regularly maintain and
3 update its accounting records for the receivership estate and process payables.

4 18. This receivership has been complex and challenging, given the long running
5 nature of Pedersen's Ponzi scheme, the absence of records dating back more than seven years,
6 and Pedersen's total lack of cooperation. We have performed a wide range and extensive
7 amount of services for the benefit of the receivership estate and its defrauded investors, as well
8 for the benefit of the criminal and civil Federal enforcement authorities, including the United
9 States Attorney, the FBI and the SEC.

10 19. As the President of Robb Evans & Associates, I am familiar with the methods
11 and procedures used by the Receiver and its members, staff and employees to record the time
12 spent rendering services to the receivership estates over which Robb Evans & Associates have
13 been appointed. The Robb Evans & Associates' billing records attached as part of Exhibits 1
14 and 2, and Exhibit 3 are regularly prepared by the members, staff and employees of the Receiver
15 at or about the time of the services rendered and each of whom has a business duty to accurately
16 record the information regarding their services set forth in these billing records. These billing
17 records are reviewed by the Receiver's accounting staff or me and summarized in the Financial
18 Summaries which are attached as part of Exhibits 1 and 2 and Exhibit 4. Based on my
19 experience with Robb Evans & Associates, I believe the Receiver's methods and procedures for
20 recording and accounting for time and services for the receivership estates over which Robb
21 Evans & Associates LLC has been appointed are reliable and accurate.

22 I declare under penalty of perjury that the foregoing is true and correct and that this
23 declaration is executed on August 11, 2020 at Alhambra, California.

24
25 
26 _____
27 BRICK KANE
28

EXHIBIT 1

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2019

Previously Reported	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18
Funds Collected							
Sale of 505 Gould Funds Turned Over	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bank of America	397.19	0.00	0.00	0.00	0.00	0.00	0.00
First Bank Deposit Services	5,063.34	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Turned Over	<u>5,460.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Funds Collected	5,460.53	0.00	0.00	0.00	0.00	0.00	0.00
Expense							
Asset Preservation							
Repairs & Maintenance	0.00	0.00	0.00	0.00	328.89	0.00	0.00
Hazard & Liability Insurance	6,301.39	1,919.20	1,919.20	1,919.20	1,857.31	1,919.20	1,857.31
Moving Services	607.50	0.00	0.00	0.00	0.00	0.00	0.00
Storage	1,978.60	0.00	0.00	0.00	0.00	0.00	0.00
Total Asset Preservation	<u>8,887.49</u>	<u>1,919.20</u>	<u>1,919.20</u>	<u>1,919.20</u>	<u>2,186.20</u>	<u>1,919.20</u>	<u>1,857.31</u>
Receiver's Fees & Costs							
Receiver Fees							
Receiver							
B. Kane	30,096.00	1,216.00	1,482.00	836.00	836.00	1,596.00	342.00
A. Jen	7,334.00	266.00	760.00	38.00	228.00	0.00	0.00
Total Receiver	<u>37,430.00</u>	<u>1,482.00</u>	<u>2,242.00</u>	<u>874.00</u>	<u>1,064.00</u>	<u>1,596.00</u>	<u>342.00</u>
Senior & Accounting Staff							
C. Callahan	6,125.00	925.00	425.00	1,050.00	1,450.00	2,475.00	3,150.00
F. Jen	11,557.50	0.00	33.50	0.00	0.00	0.00	0.00
T. Chung	98,456.50	435.50	6,063.50	234.50	0.00	7,939.50	5,929.50
C. DeCius	1,579.50	54.00	81.00	40.50	0.00	0.00	0.00
Total Senior & Accounting Staff	<u>117,718.50</u>	<u>1,414.50</u>	<u>6,636.50</u>	<u>1,325.00</u>	<u>1,450.00</u>	<u>10,414.50</u>	<u>9,079.50</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2019

Previously Reported	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18
Support Staff	696.00	15.00	21.00	6.00	6.00	6.00	0.00
Total Receiver Fees	155,844.50	10,130.50	8,899.50	2,205.00	2,520.00	12,016.50	9,421.50
Receiver Costs							
Bond Premium	475.00	0.00	0.00	0.00	0.00	0.00	475.00
Document Reproduction	1,097.20	0.00	0.00	0.00	0.00	0.00	0.00
Investigative Search	1,627.99	309.00	1,404.58	0.00	0.00	0.00	470.76
IT Support	279.46	17.74	0.00	17.74	0.00	26.62	26.62
Mileage & Parking	78.04	0.00	0.00	0.00	0.00	0.00	0.00
Postage & Delivery	946.67	0.00	0.47	0.00	0.47	0.00	0.00
Total Receiver Costs	4,504.36	326.74	1,405.05	17.74	0.47	26.62	972.38
Legal Fees & Costs							
Legal Fees	129,849.50	7,638.00	13,417.50	3,835.00	4,910.00	38,187.00	16,117.50
Legal Costs	7,156.04	375.40	164.52	71.00	0.00	225.05	292.54
Total Legal Fees & Costs	137,005.54	8,013.40	13,582.02	3,906.00	4,910.00	38,412.05	16,410.04
Total Receiver's Fees & Costs	297,354.40	24,233.41	15,381.07	6,128.74	7,430.47	50,455.17	26,803.92
Total Expense	306,241.89	12,846.84	17,300.27	8,047.94	9,616.67	52,374.37	28,661.23
Net Balance for the Month	(12,846.84)	(26,090.72)	(17,300.27)	(8,047.94)	(9,616.67)	(52,374.37)	(28,661.23)
Accumulated Fund Balance	(300,781.36)	(339,718.92)	(357,019.19)	(365,067.13)	(374,683.80)	(427,058.17)	(455,719.40)

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2019

	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	5/1/18~ 4/30/19	TOTAL
Funds Collected							
Sale of 505 Gould	0.00	0.00	0.00	200,928.39	0.00	200,928.39 ¹	200,928.39
Funds Turned Over							
Bank of America	0.00	0.00	0.00	0.00	0.00	0.00	397.19
First Bank Deposit Services	0.00	0.00	0.00	0.00	0.00	0.00	5,063.34
Total Funds Turned Over	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,460.53</u>
Total Funds Collected	0.00	0.00	0.00	200,928.39	0.00	200,928.39	206,388.92
Expense							
Asset Preservation							
Repairs & Maintenance	0.00	0.00	0.00	0.00	0.00	328.89	328.89
Hazard & Liability Insurance	1,919.20	1,919.10	1,733.46	1,919.20	1,157.58	21,897.27	28,198.66
Moving Services	0.00	0.00	0.00	0.00	0.00	0.00	607.50
Storage	0.00	0.00	0.00	0.00	0.00	0.00	1,978.60
Total Asset Preservation	<u>1,919.20</u>	<u>1,919.10</u>	<u>1,733.46</u>	<u>1,919.20</u>	<u>1,157.58</u>	<u>22,226.16</u>	<u>31,113.65</u>
Receiver's Fees & Costs							
Receiver Fees							
Receiver							
B. Kane	114.00	1,102.00	38.00	760.00	608.00	11,210.00	41,306.00
A. Jen	0.00	0.00	38.00	342.00	0.00	2,812.00	10,146.00
Total Receiver	<u>114.00</u>	<u>1,102.00</u>	<u>76.00</u>	<u>1,102.00</u>	<u>608.00</u>	<u>14,022.00</u>	<u>51,452.00</u>
Senior & Accounting Staff							
C. Callahan	100.00	1,275.00	775.00	750.00	275.00	13,100.00	19,225.00
F. Jen	0.00	0.00	0.00	0.00	0.00	33.50	11,591.00
T. Chung	0.00	0.00	234.50	1,340.00	368.50	28,676.00	127,132.50
C. DeCius	0.00	0.00	13.50	378.00	67.50	783.00	2,362.50
Total Senior & Accounting Staff	<u>100.00</u>	<u>1,275.00</u>	<u>1,023.00</u>	<u>2,468.00</u>	<u>711.00</u>	<u>42,592.50</u>	<u>160,311.00</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2019

	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	5/1/18~ 4/30/19	TOTAL
Support Staff	0.00	0.00	15.00	6.00	6.00	81.00	777.00
Total Receiver Fees	214.00	2,377.00	1,114.00	3,576.00	1,325.00	56,695.50	212,540.00
Receiver Costs							
Bond Premium	0.00	0.00	0.00	0.00	0.00	475.00	950.00
Document Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	1,097.20
Investigative Search	0.00	0.00	0.00	0.00	0.00	2,184.34	3,812.33
IT Support	0.00	44.36	0.00	26.62	53.23	230.67	510.13
Mileage & Parking	0.00	0.00	0.00	0.00	0.00	0.00	78.04
Postage & Delivery	0.00	0.47	25.93	0.00	0.00	27.34	974.01
Total Receiver Costs	0.00	44.83	25.93	26.62	53.23	2,917.35	7,421.71
Legal Fees & Costs							
Legal Fees	4,447.50	7,597.50	2,782.50	6,637.50	7,830.00	118,312.00	248,161.50
Legal Costs	910.58	172.43	473.48	481.52	202.41	3,727.60	10,883.64
Total Legal Fees & Costs	5,358.08	7,769.93	3,255.98	7,119.02	8,032.41	122,039.60	259,045.14
Total Receiver's Fees & Costs	5,572.08	10,191.76	4,395.91	10,721.64	9,410.64	181,652.45	479,006.85
Total Expense	7,491.28	12,110.86	6,129.37	12,640.84	10,568.22	203,878.61	510,120.50
Net Balance for the Month	(7,491.28)	(12,110.86)	(6,129.37)	188,287.55	(10,568.22)	(2,950.22)	
Accumulated Fund Balance	(463,210.68)	(475,321.54)	(481,450.91)	(293,163.36) ²	(303,731.58)	(303,731.58)	(303,731.58)

¹ An additional \$15,000 was received on May 30, 2019 from the sale of 505 Gould property. Total proceeds from the sale were \$215,928.39.

² In March 2019, the Receiver paid \$95,127.45 to the Receiver for fees and costs incurred for the period from the inception of its work through a portion of February 2018 and paid \$97,031.89 to its counsel for fees and costs incurred for the period from the inception of its work through a portion of March 2018.

Exhibit 2

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2020

	Previously Reported	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19
Funds Collected								
Sale of 505 Gould	200,928.39	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Estate Sale Auction Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,680.84
Funds Turned Over								
Bank of America	397.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Bank Deposit Services	5,063.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Turned Over	5,460.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Collected	206,388.92	15,000.00	0.00	0.00	0.00	0.00	0.00	2,680.84
Expense								
Asset Preservation								
Repairs & Maintenance	328.89	0.00	0.00	0.00	0.00	700.00	125.00	0.00
Hazard & Liability Insurance	28,198.66	784.96	1,077.82	1,154.82	1,154.82	1,117.58	1,154.82	1,117.58
Moving Services	607.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Storage	1,978.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cleaning Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	800.00
Electricity	0.00	0.00	0.00	0.00	0.00	0.00	70.43	0.00
Gardening Services	0.00	0.00	0.00	0.00	0.00	0.00	130.00	0.00
Gas/Water/Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Locksmith Charges	0.00	0.00	0.00	0.00	0.00	246.27	0.00	0.00
Relocation Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Asset Preservation	31,113.65	784.96	1,077.82	1,154.82	1,154.82	2,063.85	1,480.25	1,917.58
Receiver's Fees & Costs								
Receiver Fees								
Receiver								
B. Kane	41,306.00	874.00	304.00	266.00	228.00	532.00	152.00	0.00
A. Jen	10,146.00	228.00	152.00	342.00	0.00	38.00	0.00	0.00
Total Receiver	51,452.00	1,102.00	456.00	608.00	228.00	570.00	152.00	0.00
Senior & Accounting Staff								
C. Callahan	19,225.00	75.00	250.00	1,350.00	100.00	475.00	3,850.00	275.00
F. Jen	11,591.00	67.00	0.00	0.00	67.00	33.50	0.00	33.50

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2020

	Previously Reported	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19
T. Chung	127,132.50	2,378.50	1,943.00	1,708.50	67.00	502.50	0.00	0.00
C. DeCius	2,362.50	378.00	202.50	94.50	54.00	108.00	40.50	94.50
J. Dadbin	0.00	0.00	0.00	0.00	0.00	864.00	0.00	36.00
Total Senior & Accounting Staff	160,311.00	2,898.50	2,395.50	3,153.00	288.00	1,983.00	3,890.50	439.00
Support Staff	777.00	24.00	12.00	12.00	3.00	39.00	588.00	45.00
Total Receiver Fees	212,540.00	4,024.50	2,863.50	3,773.00	519.00	2,592.00	4,630.50	484.00
Receiver Costs								
Bond Premium	950.00	0.00	0.00	0.00	0.00	0.00	475.00	0.00
Document Reproduction	1,097.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigative Search	3,812.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IT Support	510.13	0.00	26.62	31.05	0.00	0.00	665.40	0.00
Mileage & Parking	78.04	0.00	0.00	0.00	0.00	27.25	0.00	67.28
Postage & Delivery	974.01	0.00	0.00	0.00	0.00	0.50	15.65	2.65
Tax Return Preparation	0.00	0.00	0.00	0.00	0.00	3,260.50	0.00	0.00
Total Receiver Costs	7,421.71	0.00	26.62	31.05	0.00	3,288.25	1,156.05	69.93
Legal Fees & Costs								
Legal Fees	248,966.57	2,617.50	16,657.50	1,260.00	735.00	1,207.50	4,387.50	0.00
Legal Costs	10,078.57	196.86	230.25	138.34	500.51	12.70	544.25	0.00
Total Legal Fees & Costs	259,045.14	2,814.36	16,887.75	1,398.34	1,235.51	1,220.20	4,931.75	0.00
Total Receiver's Fees & Costs	479,006.85	6,838.86	19,777.87	5,202.39	1,754.51	7,100.45	10,718.30	553.93
Total Expense	510,120.50	7,623.82	20,855.69	6,357.21	2,909.33	9,164.30	12,198.55	2,471.51
Net Balance for the Month		7,376.18	(20,855.69)	(6,357.21)	(2,909.33)	(9,164.30)	(12,198.55)	209.33
Accumulated Fund Balance	(303,731.58)	(296,355.40)	(317,211.09)	(323,568.30)	(326,477.63)	(335,641.93)	(347,840.48)	(347,631.15)

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2020

	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	5/1/19~ 4/30/20	TOTAL
Funds Collected							
Sale of 505 Gould	0.00	0.00	0.00	0.00	0.00	15,000.00 ¹	215,928.39
Estate Sale Auction Proceeds	0.00	0.00	0.00	0.00	0.00	2,680.84	2,680.84
Funds Turned Over							
Bank of America	0.00	0.00	0.00	0.00	0.00	0.00	397.19
First Bank Deposit Services	0.00	0.00	0.00	0.00	0.00	0.00	5,063.34
Total Funds Turned Over	0.00	0.00	0.00	0.00	0.00	0.00	5,460.53
Total Funds Collected	0.00	0.00	0.00	0.00	0.00	17,680.84	224,069.76
Expense							
Asset Preservation							
Repairs & Maintenance	2,780.00	0.00	0.00	0.00	0.00	3,605.00	3,933.89
Hazard & Liability Insurance	795.81	795.45	744.48	795.81	770.15	11,464.10	39,662.76
Moving Services	0.00	0.00	0.00	0.00	0.00	0.00	607.50
Storage	0.00	0.00	0.00	0.00	0.00	0.00	1,978.60
Cleaning Services	0.00	0.00	0.00	0.00	400.00	1,200.00	1,200.00
Electricity	71.32	57.13	41.38	35.81	32.01	308.08	308.08
Gardening Services	0.00	0.00	0.00	0.00	0.00	130.00	130.00
Gas/Water/Sewer	0.00	0.00	964.55	0.00	964.55	1,929.10	1,929.10
Locksmith Charges	0.00	0.00	0.00	0.00	0.00	246.27	246.27
Relocation Expenses	0.00	0.00	0.00	5,000.00	0.00	5,000.00	5,000.00
Total Asset Preservation	3,647.13	852.58	1,750.41	5,831.62	2,166.71	23,882.55	54,996.20
Receiver's Fees & Costs							
Receiver Fees							
Receiver							
B. Kane	114.00	38.00	266.00	114.00	76.00	2,964.00	44,270.00
A. Jen	0.00	38.00	76.00	38.00	38.00	950.00	11,096.00
Total Receiver	114.00	76.00	342.00	152.00	114.00	3,914.00	55,366.00
Senior & Accounting Staff							
C. Callahan	850.00	1,025.00	550.00	100.00	1,225.00	10,125.00	29,350.00
F. Jen	0.00	0.00	0.00	0.00	0.00	201.00	11,792.00

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to April 30, 2020

	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	5/1/19~ 4/30/20	TOTAL
T. Chung	0.00	0.00	67.00	167.50	0.00	6,834.00	133,966.50
C. DeCius	54.00	121.50	0.00	675.00	108.00	1,930.50	4,293.00
J. Dadbin	0.00	0.00	0.00	0.00	0.00	900.00	900.00
Total Senior & Accounting Staff	904.00	1,146.50	617.00	942.50	1,333.00	19,990.50	180,301.50
Support Staff	12.00	27.00	15.00	0.00	0.00	777.00	1,554.00
Total Receiver Fees	1,030.00	1,249.50	974.00	1,094.50	1,447.00	24,681.50	237,221.50
Receiver Costs							
Bond Premium	0.00	0.00	0.00	0.00	0.00	475.00	1,425.00
Document Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	1,097.20
Investigative Search	0.00	0.00	0.00	0.00	0.00	0.00	3,812.33
IT Support	0.00	0.00	35.49	0.00	35.49	794.05	1,304.18
Mileage & Parking	0.00	0.00	0.00	0.00	0.00	94.53	172.57
Postage & Delivery	5.38	0.50	6.40	1.70	0.00	32.78	1,006.79
Tax Return Preparation	0.00	0.00	0.00	0.00	0.00	3,260.50	3,260.50
Total Receiver Costs	5.38	0.50	41.89	1.70	35.49	4,656.86	12,078.57
Legal Fees & Costs							
Legal Fees	367.50	1,732.50	7,665.00	5,977.50	3,247.50	45,855.00	294,821.57
Legal Costs	82.12	290.50	182.25	320.10	179.20	2,677.08	12,755.65
Total Legal Fees & Costs	449.62	2,023.00	7,847.25	6,297.60	3,426.70	48,532.08	307,577.22
Total Receiver's Fees & Costs	1,485.00	3,273.00	8,863.14	7,393.80	4,909.19	77,870.44	556,877.29
Total Expense	5,132.13	4,125.58	10,613.55	13,225.42	7,075.90	101,752.99	611,873.49
Net Balance for the Month	(5,132.13)	(4,125.58)	(10,613.55)	(13,225.42)	(7,075.90)	(84,072.15)	(387,803.73)
Accumulated Fund Balance	(352,763.28)	(356,888.86)	(367,502.41)	(380,727.83)	(387,803.73)		(387,803.73)

¹ Additional \$139,607.42 from sale of 6956 Seaborn St. and \$167,736.91 from sale of 3768 Linden were received in May 2020 and June 2020, respectively.

EXHIBIT 4

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Previously Reported & Approved	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18
Funds Collected								
Funds Turned Over								
Bank of America	397.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Bank Deposit Services	5,063.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Turned Over	<u>5,460.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Sale - 3768 Linden Ave	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of 505 Gould	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale - 6956 Seaborn St.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estate Sale Auction Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Collected	<u>5,460.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expenses								
Asset Preservation								
Repairs & Maintenance	0.00	0.00	0.00	0.00	0.00	328.89	0.00	0.00
Hazard & Liability Insurance	6,301.39	1,919.20	1,857.31	1,919.20	1,919.20	1,857.31	1,919.20	1,857.31
Moving Services	607.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Storage	1,978.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cleaning Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electricity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gardening Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gas/Water/Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Locksmith Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Relocation Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Asset Preservation	<u>8,887.49</u>	<u>1,919.20</u>	<u>1,857.31</u>	<u>1,919.20</u>	<u>1,919.20</u>	<u>2,186.20</u>	<u>1,919.20</u>	<u>1,857.31</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Previously Reported & Approved	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18
Receiver's Fees & Costs								
Receiver Fees								
Receiver								
B. Kane	30,096.00	1,216.00	2,280.00	1,482.00	836.00	836.00	1,596.00	342.00
A. Jen	7,334.00	266.00	1,140.00	760.00	38.00	228.00	0.00	0.00
Total Receiver	<u>37,430.00</u>	<u>1,482.00</u>	<u>3,420.00</u>	<u>2,242.00</u>	<u>874.00</u>	<u>1,064.00</u>	<u>1,596.00</u>	<u>342.00</u>
Senior & Accounting Staff								
C. Callahan	6,125.00	925.00	450.00	425.00	1,050.00	1,450.00	2,475.00	3,150.00
F. Jen	11,557.50	0.00	33.50	0.00	0.00	0.00	0.00	0.00
T. Chung	98,456.50	435.50	6,063.50	6,130.50	234.50	0.00	7,939.50	5,929.50
C. DeCius	1,579.50	54.00	148.50	81.00	40.50	0.00	0.00	0.00
J. Dadbin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Senior & Accounting Staff	<u>117,718.50</u>	<u>1,414.50</u>	<u>6,695.50</u>	<u>6,636.50</u>	<u>1,325.00</u>	<u>1,450.00</u>	<u>10,414.50</u>	<u>9,079.50</u>
Support Staff	696.00	0.00	15.00	21.00	6.00	6.00	6.00	0.00
Total Receiver Fees	<u>155,844.50</u>	<u>2,896.50</u>	<u>10,130.50</u>	<u>8,899.50</u>	<u>2,205.00</u>	<u>2,520.00</u>	<u>12,016.50</u>	<u>9,421.50</u>
Receiver Costs								
Bond Premium	475.00	0.00	0.00	0.00	0.00	0.00	0.00	475.00
Document Reproduction & Destruct	1,097.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigative Search	1,627.99	0.00	309.00	1,404.58	0.00	0.00	0.00	470.76
IT Support	279.46	17.74	17.74	0.00	17.74	0.00	26.62	26.62
Mileage & Parking	78.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postage & Delivery	946.67	0.00	0.00	0.47	0.00	0.47	0.00	0.00
Tax Return Preparation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Receiver Costs	<u>4,504.36</u>	<u>17.74</u>	<u>326.74</u>	<u>1,405.05</u>	<u>17.74</u>	<u>0.47</u>	<u>26.62</u>	<u>972.38</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

Previously Reported & Approved	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18
Legal Fees & Costs							
Legal Fees	129,849.50	13,776.17	4,912.00	3,906.00	4,910.00	38,187.00	16,117.50
Legal Costs	7,156.04	0.00	164.52	0.00	0.00	225.05	292.54
Total Legal Fees & Costs	<u>137,005.54</u>	<u>13,776.17</u>	<u>5,076.52</u>	<u>3,906.00</u>	<u>4,910.00</u>	<u>38,412.05</u>	<u>16,410.04</u>
Total Receiver's Fees & Costs	<u>297,354.40</u>	<u>24,233.41</u>	<u>15,381.07</u>	<u>6,128.74</u>	<u>7,430.47</u>	<u>50,455.17</u>	<u>26,803.92</u>
Total Expenses	<u>306,241.89</u>	<u>26,090.72</u>	<u>17,300.27</u>	<u>8,047.94</u>	<u>9,616.67</u>	<u>52,374.37</u>	<u>28,661.23</u>
Net Balance for the Month	<u>(300,781.36)</u>	<u>(26,090.72)</u>	<u>(17,300.27)</u>	<u>(8,047.94)</u>	<u>(9,616.67)</u>	<u>(52,374.37)</u>	<u>(28,661.23)</u>
Accumulated Fund Balance	<u>(300,781.36)</u>	<u>(339,718.92)</u>	<u>(357,019.19)</u>	<u>(365,067.13)</u>	<u>(374,683.80)</u>	<u>(427,058.17)</u>	<u>(455,719.40)</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Funds Collected								
Funds Turned Over								
Bank of America	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Bank Deposit Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Turned Over	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale - 3768 Linden Ave	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of 505 Gould	0.00	0.00	0.00	200,928.39	0.00	15,000.00	0.00	0.00
Sale - 6956 Seaborn St.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estate Sale Auction Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Collected	0.00	0.00	0.00	200,928.39	0.00	15,000.00	0.00	0.00
Expenses								
Asset Preservation								
Repairs & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hazard & Liability Insurance	1,919.20	1,919.10	1,733.46	1,919.20	1,157.58	784.96	1,077.82	1,154.82
Moving Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cleaning Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electricity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gardening Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gas/Water/Sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Locksmith Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Relocation Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Asset Preservation	1,919.20	1,919.10	1,733.46	1,919.20	1,157.58	784.96	1,077.82	1,154.82

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Receiver's Fees & Costs								
Receiver Fees								
Receiver								
B. Kane	114.00	1,102.00	38.00	760.00	608.00	874.00	304.00	266.00
A. Jen	0.00	0.00	38.00	342.00	0.00	228.00	152.00	342.00
Total Receiver	<u>114.00</u>	<u>1,102.00</u>	<u>76.00</u>	<u>1,102.00</u>	<u>608.00</u>	<u>1,102.00</u>	<u>456.00</u>	<u>608.00</u>
Senior & Accounting Staff								
C. Callahan	100.00	1,275.00	775.00	750.00	275.00	75.00	250.00	1,350.00
F. Jen	0.00	0.00	0.00	0.00	0.00	67.00	0.00	0.00
T. Chung	0.00	0.00	234.50	1,340.00	368.50	2,378.50	1,943.00	1,708.50
C. DeCius	0.00	0.00	13.50	378.00	67.50	378.00	202.50	94.50
J. Dadbin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Senior & Accounting Staff	<u>100.00</u>	<u>1,275.00</u>	<u>1,023.00</u>	<u>2,468.00</u>	<u>711.00</u>	<u>2,898.50</u>	<u>2,395.50</u>	<u>3,153.00</u>
Support Staff	0.00	0.00	15.00	6.00	6.00	24.00	12.00	12.00
Total Receiver Fees	<u>214.00</u>	<u>2,377.00</u>	<u>1,114.00</u>	<u>3,576.00</u>	<u>1,325.00</u>	<u>4,024.50</u>	<u>2,863.50</u>	<u>3,773.00</u>
Receiver Costs								
Bond Premium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Document Reproduction & Destruct	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigative Search	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IT Support	0.00	44.36	0.00	26.62	53.23	0.00	26.62	31.05
Mileage & Parking	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postage & Delivery	0.00	0.47	25.93	0.00	0.00	0.00	0.00	0.00
Tax Return Preparation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Receiver Costs	<u>0.00</u>	<u>44.83</u>	<u>25.93</u>	<u>26.62</u>	<u>53.23</u>	<u>0.00</u>	<u>26.62</u>	<u>31.05</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Legal Fees & Costs								
Legal Fees	4,447.50	7,597.50	2,782.50	6,637.50	7,830.00	2,617.50	16,657.50	1,260.00
Legal Costs	910.58	172.43	473.48	481.52	202.41	196.86	230.25	138.34
Total Legal Fees & Costs	<u>5,358.08</u>	<u>7,769.93</u>	<u>3,255.98</u>	<u>7,119.02</u>	<u>8,032.41</u>	<u>2,814.36</u>	<u>16,887.75</u>	<u>1,398.34</u>
Total Receiver's Fees & Costs	<u>5,572.08</u>	<u>10,191.76</u>	<u>4,395.91</u>	<u>10,721.64</u>	<u>9,410.64</u>	<u>6,838.86</u>	<u>19,777.87</u>	<u>5,202.39</u>
Total Expenses	<u>7,491.28</u>	<u>12,110.86</u>	<u>6,129.37</u>	<u>12,640.84</u>	<u>10,568.22</u>	<u>7,623.82</u>	<u>20,855.69</u>	<u>6,357.21</u>
Net Balance for the Month	<u>(7,491.28)</u>	<u>(12,110.86)</u>	<u>(6,129.37)</u>	<u>188,287.55</u>	<u>(10,568.22)</u>	<u>7,376.18</u>	<u>(20,855.69)</u>	<u>(6,357.21)</u>
Accumulated Fund Balance	<u>(463,210.68)</u>	<u>(475,321.54)</u>	<u>(481,450.91)</u>	<u>(293,163.36)</u>	<u>(303,731.58)</u>	<u>(296,355.40)</u>	<u>(317,211.09)</u>	<u>(323,568.30)</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
Funds Collected								
Funds Turned Over								
Bank of America	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Bank Deposit Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Funds Turned Over	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale - 3768 Linden Ave	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of 505 Gould	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale - 6956 Seaborn St.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estate Sale Auction Proceeds	0.00	0.00	0.00	2,680.84	0.00	0.00	0.00	0.00
Total Funds Collected	0.00	0.00	0.00	2,680.84	0.00	0.00	0.00	0.00
Expenses								
Asset Preservation								
Repairs & Maintenance	0.00	700.00	125.00	0.00	2,780.00	0.00	0.00	0.00
Hazard & Liability Insurance	1,154.82	1,117.58	1,154.82	1,117.58	795.81	795.45	744.48	795.81
Moving Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cleaning Services	0.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00
Electricity	0.00	0.00	70.43	0.00	71.32	57.13	41.38	35.81
Gardening Services	0.00	0.00	130.00	0.00	0.00	0.00	0.00	0.00
Gas/Water/Sewer	0.00	0.00	0.00	0.00	0.00	0.00	964.55	0.00
Locksmith Charges	0.00	246.27	0.00	0.00	0.00	0.00	0.00	0.00
Relocation Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Asset Preservation	1,154.82	2,063.85	1,480.25	1,917.58	3,647.13	852.58	1,750.41	5,831.62

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
Receiver's Fees & Costs								
Receiver Fees								
Receiver								
B. Kane	228.00	532.00	152.00	0.00	114.00	38.00	266.00	114.00
A. Jen	0.00	38.00	0.00	0.00	0.00	38.00	76.00	38.00
Total Receiver	<u>228.00</u>	<u>570.00</u>	<u>152.00</u>	<u>0.00</u>	<u>114.00</u>	<u>76.00</u>	<u>342.00</u>	<u>152.00</u>
Senior & Accounting Staff								
C. Callahan	100.00	475.00	3,850.00	275.00	850.00	1,025.00	550.00	100.00
F. Jen	67.00	33.50	0.00	33.50	0.00	0.00	0.00	0.00
T. Chung	67.00	502.50	0.00	0.00	0.00	0.00	67.00	167.50
C. DeCius	54.00	108.00	40.50	94.50	54.00	121.50	0.00	675.00
J. Dadbin	0.00	864.00	0.00	36.00	0.00	0.00	0.00	0.00
Total Senior & Accounting Staff	<u>288.00</u>	<u>1,983.00</u>	<u>3,890.50</u>	<u>439.00</u>	<u>904.00</u>	<u>1,146.50</u>	<u>617.00</u>	<u>942.50</u>
Support Staff	3.00	39.00	588.00	45.00	12.00	27.00	15.00	0.00
Total Receiver Fees	<u>519.00</u>	<u>2,592.00</u>	<u>4,630.50</u>	<u>484.00</u>	<u>1,030.00</u>	<u>1,249.50</u>	<u>974.00</u>	<u>1,094.50</u>
Receiver Costs								
Bond Premium	0.00	0.00	475.00	0.00	0.00	0.00	0.00	0.00
Document Reproduction & Destruct	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigative Search	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IT Support	0.00	0.00	665.40	0.00	0.00	0.00	35.49	0.00
Mileage & Parking	0.00	27.25	0.00	67.28	0.00	0.00	0.00	0.00
Postage & Delivery	0.00	0.50	15.65	2.65	5.38	0.50	6.40	1.70
Tax Return Preparation	0.00	3,260.50	0.00	0.00	0.00	0.00	0.00	0.00
Total Receiver Costs	<u>0.00</u>	<u>3,288.25</u>	<u>1,156.05</u>	<u>69.93</u>	<u>5.38</u>	<u>0.50</u>	<u>41.89</u>	<u>1.70</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
Legal Fees & Costs								
Legal Fees	735.00	1,207.50	4,387.50	0.00	367.50	1,732.50	7,665.00	5,977.50
Legal Costs	500.51	12.70	544.25	0.00	82.12	290.50	182.25	320.10
Total Legal Fees & Costs	<u>1,235.51</u>	<u>1,220.20</u>	<u>4,931.75</u>	<u>0.00</u>	<u>449.62</u>	<u>2,023.00</u>	<u>7,847.25</u>	<u>6,297.60</u>
Total Receiver's Fees & Costs	<u>1,754.51</u>	<u>7,100.45</u>	<u>10,718.30</u>	<u>553.93</u>	<u>1,485.00</u>	<u>3,273.00</u>	<u>8,863.14</u>	<u>7,393.80</u>
Total Expenses	<u>2,909.33</u>	<u>9,164.30</u>	<u>12,198.55</u>	<u>2,471.51</u>	<u>5,132.13</u>	<u>4,125.58</u>	<u>10,613.55</u>	<u>13,225.42</u>
Net Balance for the Month	<u>(2,909.33)</u>	<u>(9,164.30)</u>	<u>(12,198.55)</u>	<u>209.33</u>	<u>(5,132.13)</u>	<u>(4,125.58)</u>	<u>(10,613.55)</u>	<u>(13,225.42)</u>
Accumulated Fund Balance	<u>(326,477.63)</u>	<u>(335,641.93)</u>	<u>(347,840.48)</u>	<u>(347,631.15)</u>	<u>(352,763.28)</u>	<u>(356,888.86)</u>	<u>(367,502.41)</u>	<u>(380,727.83)</u>

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Apr 20	May 20	Jun 20	5/1/18~ 6/30/20	TOTAL
Funds Collected					
Funds Turned Over					
Bank of America	0.00	0.00	0.00	0.00	397.19
First Bank Deposit Services	0.00	0.00	0.00	0.00	5,063.34
Total Funds Turned Over	0.00	0.00	0.00	0.00	5,460.53
Sale - 3768 Linden Ave	0.00		167,736.91	167,736.91	167,736.91
Sale of 505 Gould	0.00	0.00	0.00	215,928.39	215,928.39
Sale - 6956 Seaborn St.	0.00	139,607.42	0.00	139,607.42	139,607.42
Estate Sale Auction Proceeds	0.00	0.00	0.00	2,680.84	2,680.84
Total Funds Collected	0.00	139,607.42	167,736.91	525,953.56	531,414.09
Expenses					
Asset Preservation					
Repairs & Maintenance	0.00	0.00	0.00	3,933.89	3,933.89
Hazard & Liability Insurance	770.15	795.81	355.57	34,512.75	40,814.14
Moving Services	0.00	0.00	0.00	0.00	607.50
Storage	0.00	0.00	0.00	0.00	1,978.60
Cleaning Services	400.00	0.00	0.00	1,200.00	1,200.00
Electricity	32.01	28.93	7.48	344.49	344.49
Gardening Services	0.00	300.00	0.00	430.00	430.00
Gas/Water/Sewer	964.55	0.00	0.00	1,929.10	1,929.10
Locksmith Charges	0.00	0.00	0.00	246.27	246.27
Relocation Expenses	0.00	0.00	0.00	5,000.00	5,000.00
Total Asset Preservation	2,166.71	1,124.74	363.05	47,596.50	56,483.99

ROBB EVANS & ASSOCIATES LLC
Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
From inception (October 26, 2017) to June 30, 2020

	Apr 20	May 20	Jun 20	5/1/18~ 6/30/20	TOTAL
Receiver's Fees & Costs					
Receiver Fees					
Receiver					
B. Kane	76.00	342.00	228.00	14,744.00	44,840.00
A. Jen	38.00	1,216.00	1,330.00	6,308.00	13,642.00
Total Receiver	<u>114.00</u>	<u>1,558.00</u>	<u>1,558.00</u>	<u>21,052.00</u>	<u>58,482.00</u>
Senior & Accounting Staff					
C. Callahan	1,225.00	0.00	0.00	23,225.00	29,350.00
F. Jen	0.00	0.00	0.00	234.50	11,792.00
T. Chung	0.00	650.00	770.50	36,930.50	135,387.00
C. DeCius	108.00	364.50	175.50	3,253.50	4,833.00
J. Dadbin	0.00	0.00	0.00	900.00	900.00
Total Senior & Accounting Staff	<u>1,333.00</u>	<u>1,014.50</u>	<u>946.00</u>	<u>64,543.50</u>	<u>182,262.00</u>
Support Staff	0.00	0.00	0.00	858.00	1,554.00
Total Receiver Fees	<u>1,447.00</u>	<u>2,572.50</u>	<u>2,504.00</u>	<u>86,453.50</u>	<u>242,298.00</u>
Receiver Costs					
Bond Premium	0.00	0.00	0.00	950.00	1,425.00
Document Reproduction & Destruct	0.00	0.00	690.00	690.00	1,787.20
Investigative Search	0.00	0.00	0.00	2,184.34	3,812.33
IT Support	35.49	0.00	0.00	1,024.72	1,304.18
Mileage & Parking	0.00	0.00	0.00	94.53	172.57
Postage & Delivery	0.00	55.77	0.00	115.89	1,062.56
Tax Return Preparation	0.00	0.00	11,000.00	14,260.50	14,260.50
Total Receiver Costs	<u>35.49</u>	<u>55.77</u>	<u>11,690.00</u>	<u>19,319.98</u>	<u>23,824.34</u>

ROBB EVANS & ASSOCIATES LLC
 Receiver of Carol A. Pedersen CPA, et al.
Administrative Expenses by Month & Fund Balance
 From inception (October 26, 2017) to June 30, 2020

	<u>Apr 20</u>	<u>May 20</u>	<u>Jun 20</u>	<u>5/1/18~ 6/30/20</u>	<u>TOTAL</u>
Legal Fees & Costs					
Legal Fees	3,247.50	4,305.00	3,135.00	172,412.07	302,261.57
Legal Costs	179.20	495.02	3.81	6,098.44	13,254.48
Total Legal Fees & Costs	<u>3,426.70</u>	<u>4,800.02</u>	<u>3,138.81</u>	<u>178,510.51</u>	<u>315,516.05</u>
Total Receiver's Fees & Costs	4,909.19	7,428.29	17,332.81	284,283.99	581,638.39
Total Expenses	7,075.90	8,553.03	17,695.86	331,880.49	638,122.38
Net Balance for the Month	<u>(7,075.90)</u>	<u>131,054.39</u>	<u>150,041.05</u>	<u>194,073.07</u>	<u>(106,708.29)</u>
Accumulated Fund Balance	<u>(387,803.73)</u>	<u>(256,749.34)</u>	<u>(106,708.29)</u>	<u>(106,708.29)</u>	<u>(106,708.29)</u>

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF LOS ANGELES, SOUTH DISTRICT**

11 Randolph Anthony Garcia and Victorianna
12 Hendrickson, Trustees of The Amended
and Restated Garcia Family Trust UTD
13 October 28, 2009, individually, and as
Limited Partner of the CA Pedersen Client
14 Investment Pool Limited Partnership, et al.,

15 Plaintiffs,

16 vs.

17 Carol A. Pedersen, C.P.A., Individually, et
al.

18 Defendants.

Case No. NC061364

**DECLARATION OF GARY OWEN CARIS
IN SUPPORT OF MOTION FOR ORDER
APPROVING RECEIVER'S AND
PROFESSIONAL'S FEES AND COSTS
FROM MAY 1, 2018 THROUGH JUNE 30,
2020**

DATE: September 15, 2020
TIME: 8:30 a.m.
DEPT: S26

21
22 I, Gary Owen Caris, declare:

23 1. I am an attorney at law duly licensed to practice before all courts of the State of
24 California. From the time the Receiver was authorized to employ my firm as Receiver's counsel,
25 I have been the attorney at Barnes & Thornburg LLP ("Barnes & Thornburg") primarily
26 responsible for representing the Receiver, Robb Evans & Associates LLC in connection with this
27 matter and its lead counsel. I have personal knowledge of the facts set forth in this declaration
28

1 and if I were called upon to testify as to these facts I could and would competently testify thereto.

2 2. Attached as part of Exhibits 1 through 3 to the accompanying declaration of Brick
3 Kane (“Kane Declaration”) are true and correct copies of the billing records for Barnes &
4 Thornburg for the period from May 1, 2018, through June 30, 2020 (“Second Expense Period”).
5 My firm’s billing records for the period from May 1, 2018 through April 30, 2019 are part of
6 Exhibit 1 to the Kane Declaration. My firm’s billing records for the period from May 1, 2019
7 through April 30, 2020 are part of Exhibit 2 to the Kane Declaration. My firm’s billing records
8 for May 2020 and June 2020 are part of Exhibit 3 to the Kane Declaration.

9 3. During the Second Expense Period, the Receiver incurred attorneys’ fees to Barnes
10 & Thornburg of \$172,412.07 and costs of \$6,098.44, for a total of \$178,510.51. As summarized
11 in this declaration and described in the invoices attached to the Kane Declaration, Barnes &
12 Thornburg performed an extensive amount of work during the Second Expense Period. My
13 firm’s and the Receiver’s time records attached to the Kane Declaration have been redacted by
14 Mr. Kane or me where appropriate to preserve descriptions containing confidential, sensitive,
15 tactical, strategic, attorney-client privileged and/or work-product information. It is important for
16 the Receiver not to disclose sensitive and strategic information concerning its work on matters
17 involving financial fraud. Barnes & Thornburg’s costs are also detailed in these time records.

18 4. Barnes & Thornburg prepared numerous pleadings, legal documents and
19 agreements throughout the Second Expense Period. When the Receiver was having initial
20 difficulty gaining access to the Hermosa Beach Property (as defined in the Motion) for the
21 purpose of evaluating its condition and value after obtaining an order allowing it to be marketed
22 for sale, and believed it to be abandoned, my firm drafted an ex parte application authorizing the
23 Receiver to take possession and control of the property. It ultimately was not needed when the
24 Receiver was able to establish communications with the occupants who eventually granted
25 access.

26 5. Barnes & Thornburg prepared a subpoena to the FBI to enable it to obtain
27 documents which the FBI had gotten from Pedersen during its criminal investigation but which
28 Carol Pedersen (“Pedersen”) refused to turn over to the Receiver. These records were needed to

1 further refine the Receiver's forensic analysis. Counsel prepared a protective order required by
2 the FBI before it would produce the subpoenaed documents and brought a successful ex parte
3 application for entry of the protective order.

4 6. Counsel prepared a 30-day notice to vacate the Hermosa Beach property, but did
5 not need to initiate an unlawful detainer proceeding when the occupants timely moved out. It also
6 prepared a successful ex parte application for order granting the Receiver access to the Long
7 Beach Property and Lakewood Property (as those terms are defined in the Motion) for the
8 purpose of inspection and evaluation, required because Pedersen refused to grant access to the
9 Long Beach Property and because Andrew Pedersen had resisted the Receiver's efforts to provide
10 documents evidencing his one-half interest in the Lakewood Property. Barnes & Thornburg also
11 prepared a successful motion to confirm the sale of the Hermosa Beach Property during the
12 Second Expense Period.

13 7. During the Second Expense Period, Receiver's counsel also brought a motion to
14 authorize the marketing and sale of the Long Beach Property and Lakewood Property. It was
15 granted as to the Long Beach Property, but denied without prejudice as to the Lakewood Property
16 because Andrew Pedersen had been dismissed as a defendant and the Court determined that it did
17 not have jurisdiction over him. Subsequently, the Receiver's counsel negotiated and documented
18 an agreement with Andrew Pedersen with respect to the marketing and sale of the Lakewood
19 Property and the allocation of sale proceeds, which was approved by the Court. Consequently,
20 the Receiver was able to market and locate buyers for both the Long Beach Property and
21 Lakewood Property. Once purchase contracts were entered into for both properties, Barnes &
22 Thornburg filed a successful motion to confirm the sales. To expedite entry of the order granting
23 that motion, it prepared a declaration requesting prompt entry of the sale confirmation motion
24 after the objection period passed, in light of the COVID-19 pandemic and the uncertainty
25 surrounding whether either or both properties would fall out of escrow.

26 8. The Receiver's counsel also prepared the initial motion for approval of fees and
27 costs incurred by the Receiver and its counsel through April 30, 2018, which was granted in full.
28 It also prepared a motion to destroy paper records, set for hearing concurrently with the hearing

1 on this fee motion. Barnes & Thornburg also prepared the agreement which will entitle the
2 receivership estate to share in 20% of the fees recovered by Loren and Carol Wall's counsel in the
3 FINRA action against E*Trade Securities, LLC. Counsel also prepared, with the assistance of the
4 Receiver, three semi-annual Receiver reports for the Court.

5 9. During the Second Expense Period, the Receiver's counsel made numerous Court
6 appearances on this matter, including seven in-person Court appearances and four telephonic
7 Court appearances. These included hearings on: a successful motion to market the Hermosa
8 Beach property for sale; a Case Management Conference (appearing telephonically); a motion to
9 set aside defaults (appearing telephonically); a successful ex parte application for a protective
10 order to enable documents to be obtained from the FBI (set in conjunction with a continued status
11 conference and continued motion to set aside defaults); a successful ex parte application to
12 inspect the Long Beach Property and Lakewood Property; a successful motion to confirm the sale
13 of the Hermosa Beach property; a status conference on one of the Receiver's reports together with
14 a Case Management Conference; a motion to market and sell the Long Beach Property and
15 Lakewood Property, which was granted as to the Long Beach Property and which led to the
16 stipulation with Andrew Pedersen to sell the Lakewood Property; a successful fee motion for the
17 Initial Expense Period; and two continued status conferences (appearing telephonically).

18 10. Barnes & Thornburg played an active role in helping to facilitate the successful
19 consummation of the sales of all three of the Properties. It had extensive communication with
20 various lienholders in the frequently successful effort to reduce the payoff amounts. It regularly
21 communicated with the Receiver's title company to resolve concerns it had concerning title
22 exceptions and other unique receivership issues. It communicated with counsel for Pedersen and
23 with counsel for her two sons regarding various issues concerning the Properties, including access
24 to the Properties. The Receiver's counsel negotiated and drafted a comprehensive agreement
25 with Andrew Pedersen's counsel concerning how sale proceeds would be divided between him
26 and the Receiver from the sale of the Lakewood Property.

27 11. In addition to the foregoing services, Barnes & Thornburg had extensive
28 communications both orally and in writing with numerous parties in interest in this matter.

1 Counsel regularly spoke to Steven Nunez and Jon Furgison both prior to and after they were
2 retained in the First Bank and E-Trade litigation proceedings. These communications followed a
3 detailed analysis of potential litigation claims and whether such claims more properly resided
4 with one or more investors directly or with the Receiver. Counsel also communicated with
5 various persons from the SEC, FBI and United States Attorney's Office concerning many of the
6 matters described in the fee motion, including subpoenas and other information requests, the Plea
7 Agreement which Pedersen entered in her criminal case, and various receivership issues. It
8 followed up with First Bank and E-Trade to obtain the remainder of the documents which the
9 Receiver subpoenaed from those entities in the First Expense Period, but for which production
10 had not yet been completed. Barnes & Thornburg also responded to Mark Hawkins, who had
11 lived with Pedersen and who made several unfounded allegations against the Receiver.

12 12. I have reduced my rate as required by the Order Appointing a Receiver from my
13 normal hourly rate of \$665 as of 2017 to \$525, a discount of over 20% from my 2017 rate and a
14 discount of over 25% from my 2020 rate, which is \$710.

15 13. As a partner at Barnes & Thornburg, I am familiar with the methods and
16 procedures used to create, record and maintain billing records for clients of the firm. The Barnes
17 & Thornburg billing records attached as part of Exhibits 1 through 3 of the Kane Declaration are
18 prepared from computerized time records prepared contemporaneously with the services rendered
19 by each attorney and paralegal billing time to the matter. These computerized records are
20 prepared in the ordinary course of business by the attorneys and paralegals employed by the firm
21 who have a business duty to accurately record their time spent and services rendered on the
22 matters on which they perform work. The time records are transferred into computerized billing
23 programs that generate monthly invoices under the supervision of the accounting department of
24 the firm. Based on my experience at Barnes & Thornburg, I believe the methods and procedures
25 used for recording and accounting for time and services for our clients are reliable and accurate.

26 14. I have more than 40 years' experience as a business and commercial litigator.
27 For more than 20 years, I have also specialized in representing receivers in equity receiverships,
28 often times involving financial fraud or deceptive marketing practices. I believe that the rates

1 charged and amounts incurred by the Receiver to Barnes & Thornburg for the services rendered
2 during the Second Expense Period are reasonable and appropriate based on the nature and breadth
3 of services provided, the quality of those services, the complexity of issues, and the difficulties
4 which were faced by the Receiver and counsel in this matter.

5 I declare under penalty of perjury that the foregoing is true and correct and that this
6 declaration is executed on August 11, 2020 at Solvang, California.

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10 GARY OWEN CARIS

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