

**ROBB EVANS &
ROBB EVANS & ASSOCIATES, LLC
Temporary Receiver of
Fortune Hi-Tech Marketing, Inc., et al.**

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**Federal Trade Commission, State of Illinois,
Commonwealth of Kentucky and State of North Carolina**

v.

Fortune Hi-Tech Marketing, Inc., et al.

CASE No. 5:13-CV-123 GFVT-REW

**Receiver's Motion for Approval and Authorization for Payment of
Receiver's and Professionals' Fees and Expenses for the
Period from August 1, 2015 Through December 31, 2015
Memorandum of Points and Authorities in Support Thereof
Declaration of Gary Owen Caris in Support Thereof
Declaration of Brick Kane in Support Thereof**

Filed March 30, 2016

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF KENTUCKY

FEDERAL TRADE COMMISSION,
STATE OF ILLINOIS,
COMMONWEALTH OF KENTUCKY, and
STATE OF NORTH CAROLINA,

Plaintiffs

v.

FORTUNE HI-TECH MARKETING, INC.,
a Kentucky corporation, *et al.*,

Defendants.

No. 5:13-cv-123-GFVT-REW

**RECEIVER'S MOTION FOR APPROVAL AND AUTHORIZATION FOR PAYMENT
OF RECEIVER'S AND PROFESSIONALS' FEES AND EXPENSES FOR THE PERIOD
FROM AUGUST 1, 2015 THROUGH DECEMBER 31, 2015; MEMORANDUM OF
POINTS AND AUTHORITIES IN SUPPORT THEREOF**

The Receiver, Robb Evans and Robb Evans & Associates LLC ("Receiver"), hereby moves the Court for an order approving and authorizing payment of the Receiver's and professionals' fees and expenses incurred in the six-month period from August 1, 2015 through and including December 31, 2015 ("Expense Period"), including the following:

- A. Receiver's fees of \$23,346.20 and Receiver's expenses of \$2,942.77, for a total of \$26,288.97;
- B. Attorneys' fees in the amount of \$45,885.60 and costs of \$489.37 incurred to the Receiver's lead counsel, Dentons US LLP, for a total of \$46,374.97; and
- C. Attorneys' fees in the sum of \$520.00 incurred to the Receiver's local counsel, Wyatt Tarrant & Combs, LLP.

The Receiver further moves the Court for an order approving notice of this Motion as sufficient based on (a) service of the Motion and all supporting papers on the parties to this action; (b) service of a Notice of Filing of the Motion on all known non-consumer, non-

employee creditors of the receivership estate with the Receiver offering to provide a complete copy of the Motion to any interested party upon written request; and (c) posting of the Motion and supporting pleadings, exclusive of time and billing records, on the Receiver's web site for this case.

This Motion is made pursuant to Local Civil Rule 7.1, the Stipulated Preliminary Injunction filed May 28, 2013 (Doc. No. 134) and the Stipulated Order for Permanent Injunction and Monetary Judgment entered on May 9, 2014 (Doc. No. 202) and is made and based on the separate Notice of Filing of the Motion, this Motion, the memorandum of points and authorities and declarations of Brick Kane and Gary Owen Caris and proposed order granting the Motion filed concurrently herewith, the other pleadings, records and files of the Court in this case of which the Receiver requests the Court take judicial notice, and on such further oral and documentary evidence and arguments of counsel as may be presented at any hearing on the Motion.

DATED: March 30, 2016

Respectfully submitted,

DENTONS US LLP

By: /s/ Gary Owen Caris
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DATED: March 30, 2016

WYATT, TARRANT & COMBS, LLP

By: /s/ Mary L. Fullington
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Attorneys for Permanent Receiver Robb Evans and
Robb Evans & Associates LLC

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

This action (the "FTC Action") is a civil enforcement action commenced by the Federal Trade Commission ("FTC"), the State of Illinois, the Commonwealth of Kentucky and the State of North Carolina (collectively "Plaintiffs") against defendants Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc., Fortune Network Marketing (UK) Limited, Paul C. Orberon and Thomas A. Mills (collectively "Defendants"). The FTC Action was originally filed in the United States District Court for the Northern District of Illinois ("Illinois District Court"). On January 24, 2013, the Illinois District Court issued a Temporary Restraining Order (Doc. No. 23) appointing the Receiver as Temporary Receiver over Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc., Fortune Network Marketing (UK) Limited "and their successors and assigns, as well as any subsidiaries, and any fictitious business entities or business names created or used by these entities" ("Receivership Defendants"). By stipulation of the parties, on February 7, 2013, the Court extended and made certain modifications to the Temporary Restraining Order and postponed the hearing on the Order to Show Cause Why A Preliminary Injunction Should Not Issue to March 13, 2013 (Doc. No. 28). At a hearing conducted on February 26, 2013, the Temporary Restraining Order was further extended and the preliminary injunction hearing postponed to May 1, 2013.

On motion by the Defendants to transfer venue of the FTC Action to this Court, the Illinois District Court issued an order transferring venue of the action and further extended the Temporary Restraining Order to provide an opportunity for the motion for the issuance of the Preliminary Injunction to be determined by this Court after the case was transferred. The Plaintiffs and Defendants subsequently stipulated to the Preliminary Injunction entered by this Court on May 28, 2013.

Under the Preliminary Injunction, the Receiver was appointed as permanent receiver over the Receivership Defendants. The Defendants entered into extensive settlement negotiations

with the Plaintiffs resulting in the filing and entry of judgment against the Defendants under the Stipulated Order for Permanent Injunction and Monetary Relief ("Final Judgment") (Doc. No. 202) which was entered by the Court on May 9, 2014. The Final Judgment continued the permanent receivership over the Receivership Defendants and, among other things, authorized the Receiver to liquidate assets turned over to the Receiver pursuant to the Final Judgment without further order of the Court.

During the five months comprising the current Expense Period, the Receiver's focus has been on the liquidation of the last remaining assets to be monetized and the Receiver's litigation claims against the Highly Compensated Independent Representatives. The Receiver completed and filed a motion for entry of default judgments against seven defendants in the Receiver's third party actions who failed to respond to the Receiver's complaint. The Receiver also addressed the litigating defendants' motions to stay the third party actions and to have issues raised in their motion to dismiss certified for interlocutory appeal before the Sixth Circuit.

The activities of the Receiver and its professionals have resulted in total recoveries for the receivership estate of \$3,562,316.70 from the inception of the receivership through the end of the current Expense Period, December 31, 2015. These sums are exclusive of the \$3.5 million paid by the defendants in settlement to the FTC pursuant to the Final Judgment. The services of the Receiver and its professionals and the fees and expenses incurred for which approval and authorization for payment are sought in this Motion are described in further detail below.

II. SUMMARY OF ACTIVITIES OF RECEIVER AND ITS PROFESSIONALS DURING EXPENSE PERIOD AND COMPENSATION REQUESTED

The Receivership Defendants include multiple entities which operated as a common enterprise whose business operations included an office location in Lexington, Kentucky and a warehouse in Danville, Kentucky. The Receivership Defendants also had business operations in Canada.

The Receiver has filed six prior fee motions. The Receiver's initial fee motion was filed by the Receiver as Temporary Receiver and covered the Temporary Receiver's fees and expense

for the period from the inception of the receivership through February 28, 2013 ("initial fee motion"). The Temporary Receiver's initial fee motion was transferred to this Court for determination when the FTC Action was transferred to this district. On August 20, 2013, this Court issued its Opinion and Order (Doc. No. 159) on the initial fee motion, granting the motion and approving the fees and expenses requested by the Temporary Receiver and all of its professionals with the exception of (a) the amount billed by the Temporary Receiver for the January 27, 2013 site inspection, which the Court reduced by 50% (\$1,228.95), and (b) the amount billed for travel time by the Temporary Receiver which was reduced by 50% (\$27,574.08), consistent with the Temporary Receiver's offer to charge only 50% of its travel time as set forth in its reply papers filed in the Illinois District Court.

The Receiver's subsequent five motions were each granted in their entirety, and the Receiver's and counsel's fees and expenses were awarded as requested. *See* Order Granting Receiver's Motion for Approval and Authorization for Payment of Receiver's and Professional's Fees and Expenses for the Period from March 1, 2013 Through August 31, 2013, Doc. No. 175; Order Granting Receiver's Motion for Approval and Authorization for Payment of Receiver's and Professional's Fees and Expenses for the Period from September 1, 2013 Through February 28, 2014, Doc. No. 211; Order Granting Receiver's Motion for Approval and Authorization for Payment of Receiver's and Professional's Fees and Expenses for the Period from March 1, 2014 Through August 31, 2014, Doc. No. 246; Order Granting Receiver's Motion for Approval and Authorization for Payment of Receiver's and Professional's Fees and Expenses for the Period from September 1, 2014 Through January 31, 2015, Doc. No. 263; Order Granting Receiver's Motion for Approval and Authorization for Payment of Receiver's and Professional's Fees and Expenses for the Period from February 1, 2015 Through July 31, 2015, Doc. No. 273.

A. Summary of Fees and Expenses Incurred

This is the Receiver's seventh fee motion and covers a five-month period from August 1, 2015 through December 31, 2015. The Motion is supported by the Receivership Administrative Expenses and Fund Balance from Inception (January 24, 2013) to December 31, 2015

("Financial Summary") attached as Exhibit 1 to the Declaration of Brick Kane ("Kane Declaration"). The Financial Summary sets forth the receipts and expenses of the receivership during the Expense Period and from the inception of the receivership through December 31, 2015. The fees and expenses of the Receiver's members and staff are detailed in the billing summaries attached to the Kane Declaration as Exhibits 2 through 6. During the Expense Period, the Receiver has incurred fees for the services of the Receiver of \$1,778.85, Senior Staff fees of \$21,378.15, and Support Staff fees of \$189.20, totaling \$23,346.20. The Receiver incurred expenses of \$2,942.77.

The Receiver also seeks approval and authorization for payment of the fees and expenses incurred during the Expense Period for the Receiver's attorneys, which are also set forth in the Financial Summary. The Receiver's primary receivership counsel is Dentons US LLP ("Dentons"),¹ to which the Receiver has incurred attorneys' fees of \$45,885.60 and costs of \$489.37, for a total of \$46,374.97 during the Expense Period. Dentons' fees and expenses are detailed in the billing records attached as Exhibits 1 through 10 to the Declaration of Gary Owen Caris ("Caris Declaration") filed in support of the Motion. After the Court authorized the Receiver to commence litigation against the highly compensated representatives (*see* Doc. No. 192), Dentons created a separate billing number under which services and expenses relating to the pursuit of these third party claims are billed, separate from other services rendered in connection with the receivership. Most of Dentons' fees and costs incurred during the current Expense Period pertain to the investigation and pursuit of the third party claims, as reflected in the Financial Summary.

The Receiver has also incurred attorneys' fees of \$520.00 for the services of the Receiver's local counsel, Wyatt, Tarrant & Combs, LLP ("Wyatt Firm"). Copies of the Wyatt Firm's billing records are attached as Exhibit 11 to the Caris Declaration.

¹ The Receiver engaged the firm of McKenna Long & Aldridge LLP as its lead counsel, and McKenna Long & Aldridge LLP changed its name to Dentons US LLP on July 1, 2015, as reflected in the Notice of Change of Firm Name filed on July 14, 2015. *See* Doc. No. 265.

B. Case Administration and Support for Receiver's Litigation Against Highly Compensated Independent Representatives

In August 2014, the Receiver filed two lawsuits against 36 highly compensated representatives, seeking total damages in excess of \$37 million (the "third party actions").² The lawsuits filed by the Receiver are lengthy and detailed. The third party actions involve numerous parties and theories of liability. Certain defendants in the actions filed motions to dismiss which were briefed in prior expense periods. Seven of the defendants in the *Armenta* action did not timely answer and their defaults were entered by the Clerk.

During this Expense period, the Receiver has provided support for its counsel concerning the Receiver's litigation of the third party actions. The Receiver has reviewed pleadings, investigated information and located and analyzed receivership records concerning the representatives sued in the lawsuits. Based on this work, after the end of the Expense Period, the Receiver filed a motion for entry of default judgment against the seven defendants in the third party actions who failed to respond to the Receiver's lawsuit.

To prepare for the filing of the default judgment motion, the Receiver reviewed extensive receivership records and provided documentation and information necessary for the default judgment motions. The Receiver reviewed and provided comments on the pleadings in support of the default judgment applications prior to their filing.

The Receiver also reviewed and located information and documents to support the Receiver's prosecution of claims against the numerous litigating defendants. During the Expense Period, the Court denied motions to dismiss filed by the litigating defendants. The Receiver worked with counsel to develop litigation strategies regarding the pursuit of its claims against the defendants who are defending the actions. The Receiver located, reviewed and prepared

² The two third party actions consist of *Robb Evans, etc., et al. v. Ramiro Armenta, etc., et al.*, Case No. 14cv00329-GFVT, and *Robb Evans, etc., et al. v. Anna Burrell, etc., et al.*, Case No. 14cv00330-GFVT.

information and documents for the Receiver's initial disclosures following the early meeting of counsel.

During the Expense Period, the Receiver and its counsel also addressed a number of other administrative issues during the Expense Period. The Receiver addressed tax return issues involving defendant the late Paul Orberson with the assistance of counsel. The Receiver maintains and regularly updates the list of creditors, prepares bank account reconciliations and engages in other similar administrative and accounting activities. The Receiver also prepared the receivership estate financial report for the fee motion filed during the Expense Period.

C. Summary of Additional Services of Attorneys for Receiver

Dentons has assisted and advised the Receiver throughout the Expense Period on contested proceedings in this case and on the prosecution of the Receiver's two lawsuits against the highly compensated independent representatives. After the end of the Expense Period, based on work done during this Expense Period, the Receiver's counsel completed and filed a motion for entry of default judgment against the seven defaulted defendants in the *Armenta* case. The Receiver's counsel worked with the Receiver to develop the necessary records to support entry of judgment and the amounts owed by each of the defendants. No response has been received from any of the defaulted defendants, and the motion is pending before the Court.

The remaining non-defaulted parties filed motions to dismiss the Receiver's actions. On September 30, 2015, the Court issued a memorandum opinion and order in both of the third party actions denying all the motions to dismiss. After the motions to dismiss were denied, the litigating defendants each filed answers to the complaints. Dentons conducted early meetings of counsel with all litigating defendants, prepared and filed Rule 26(f) Reports of those meetings with the Court, and prepared and served Initial Disclosures pursuant to F.R.Civ.P. 26(a). Dentons worked closely with the Receiver to obtain and review documents and information relevant to the Initial Disclosures.

In addition, all of the litigating defendants other than Dalia Molina filed motions to certify certain issues for interlocutory appeal and motions to stay the actions pending any

interlocutory appeal. Dentons filed detailed oppositions to those motions. After the end of the Expense Period, the Court denied the motion for stay in the Armenta action but granted in part the motion to certify the issue of whether the *in pari delicto* defense was a bar to the Receiver's pursuit of the third party claims for the benefit of the estate in that action. The motion for stay and motion to certify filed in the Burrell action have not been determined.

The Receiver's counsel also addressed claims filed by the Day Action plaintiffs in this case, seeking funds to pay counsel and to pay incentive fees to the Day Action plaintiffs from receivership assets. The Court granted the Day Action plaintiffs leave to intervene and counsel for the Receiver reviewed the complaint in intervention and along with the FTC obtained additional time to respond and filed a substantive response after the end of the Expense Period.

In the receivership case, the Receiver's counsel also prepared and filed the Receiver's sixth fee motion. The motion was granted, and fees and costs were awarded as requested. The Wyatt Firm has assisted the Receiver in filing the Receiver's prior fee motion and its other pleadings, ensuring the filings are made in compliance with the applicable Local Rules and procedures. In this Expense Period, the Wyatt Firm also assisted the Receiver in addressing the filings to be made by the Receiver in the Sixth Circuit Court of Appeals in response to the litigating defendants' motions. Dentons also has provided advice to the Receiver regarding certain tax return issues that arose relating to Paul Orbeson.

III. THE RECEIVER'S AND ITS PROFESSIONALS' FEES AND EXPENSES ARE REASONABLE AND SHOULD BE PAID

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

The obligations and expenses which the court creates in its administration of the property are necessarily burdens on the property taken possession of, and this, irrespective of the question

who may be the ultimate owner, or who may have the preferred lien, or who may invoke the receivership. The appointing court pledges its good faith that all duly authorized obligations incurred during the receivership shall be paid.

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

The Receiver is an officer of the Court charged with a myriad of duties under the Court's receivership order, many of which have no relationship to recovery of assets or increasing the funds available for distribution to creditors. The Court has broad discretion in determining the reasonableness of fees to be awarded a receiver. See *In re San Vicente Medical Partners Ltd.*, 962 F. 2d 1402, 1409-1410 (9th Cir. 1992). The Court may evaluate the time and effort expended by the Receiver with respect to specific projects and aspects of the administration of the estate, and may look to a number of different factors under the case law in approving receiver's and counsel's fees. *In re San Vicente Medical Partners Ltd.*, 962 F. 2d at 1409-1410. Because of the nature of the administrative and other services required in receiverships, the benefit a receiver confers on receivership property cannot be determined based solely on the increase or decrease in the value of property in the receiver's possession. As the Court explained in *Securities and Exchange Commission v. Elliott*, 953 F. 2d 1560, 1577 (11th Cir. 1992):

[I]t is sometimes difficult to ascertain what type of benefits a receiver has bestowed on receivership property. . . . [A] benefit to a secured party may take more subtle forms than a bare increase in monetary value. Even though a receiver may not have increased, or prevented a decrease in, the value of the collateral, if a receiver reasonably and diligently discharges his duties, he is entitled to compensation. [Citations omitted.]

Securities and Exchange Commission v. Elliott, 953 F. 2d at 1577.

The Receiver and its professionals have performed numerous and varied tasks during the five months comprising this Expense Period. The Receiver and its attorneys have continued to advance the administration of the receivership estate during this Expense Period as detailed above and have prosecuted litigation seeking in excess of \$37 million which the Receiver believes may generate significant recoveries for the estate.

This Motion establishes that the Receiver, its staff and its professionals rendered reasonable and necessary services for the receivership estate since the commencement of the receivership that were beneficial to the estate. *See Federal Trade Commission v. Capital Acquisitions & Management Corp.*, 2005 U.S. Dist. LEXIS 18504 (N.D. Ill. August 26, 2005). The Receiver submits the fees are reasonable in light of the services rendered, and that the fees and expenses requested should be awarded in their entirety. As set forth above and in Exhibit 1 to the Kane Declaration in support of the Motion, there are sufficient assets in the receivership estate to allow for payment of all fees and expenses requested.

The Receiver has provided notice of this Motion by serving the parties to the case or their counsel and all other parties who have filed appearances in the case. The Receiver also has caused a notice of the filing of this Motion to be served on the known non-consumer/non-employee creditors in the case. In addition, the Receiver will post a copy of the Motion and supporting declarations, without copies of the time/billing records, on the Receiver's web site for this case and will provide a complete copy of the Motion to any interested party who requests it, to the extent that party has not been served with the Motion.

IV. CONCLUSION

Based on this Motion, on the supporting declarations of Brick Kane and Gary Owen Caris filed and served concurrently herewith, and on the pleadings, records and files of the Court

of which the Receiver requests the Court take judicial notice pursuant to Rule 201 of the Federal Rules of Evidence, the Receiver respectfully requests that the Court grant relief as requested in the Motion.

DATED: March 30, 2016

Respectfully submitted,

DENTONS US LLP

By: /s/ Gary Owen Caris
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DATED: March 30, 2016

WYATT, TARRANT & COMBS, LLP

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Attorneys for Permanent Receiver Robb Evans and
Robb Evans & Associates LLC

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF KENTUCKY

FEDERAL TRADE COMMISSION,
STATE OF ILLINOIS,
COMMONWEALTH OF KENTUCKY, and
STATE OF NORTH CAROLINA,

Plaintiffs

v.

FORTUNE HI-TECH MARKETING, INC.,
a Kentucky corporation, *et al.*,

Defendants.

No. 5:13-cv-123-GFVT-REW

**DECLARATION OF GARY OWEN CARIS IN SUPPORT OF RECEIVER'S
MOTION FOR APPROVAL AND PAYMENT OF RECEIVER'S
AND PROFESSIONALS' FEES AND EXPENSES FOR THE PERIOD
FROM AUGUST 1, 2015 THROUGH DECEMBER 31, 2015**

I, Gary Owen Caris, declare:

1. I am an attorney at law duly admitted to practice before all courts of the State of California and I have been admitted to practice *pro hac vice* before the United States District Court for the Northern District of Illinois ("Illinois District Court") and before the United States District Court for the Eastern District of Kentucky in connection with the subject litigation. I am a partner in the firm of Dentons US LLP. My former firm McKenna Long & Aldridge LLP changed its name to Dentons US LLP ("Dentons") on July 1, 2015. I am lead counsel representing Robb Evans and Robb Evans & Associates LLC, the Receiver ("Receiver") for Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc., Fortune Network Marketing (UK) Limited "and their successors and assigns, as well as any subsidiaries, and any fictitious business entities or business names created or used by these

entities” (“Receivership Defendants”) in this matter. I have personal knowledge of the matters set forth in this declaration and if I were called upon to testify in these matters, I could and would competently testify thereto.

2. This declaration is submitted in support of the Receiver’s seventh fee motion (“Motion”). The Motion seeks, among other relief, approval and authorization for payment of the Receiver’s legal fees and expenses incurred for services of its counsel from August 1, 2015 through December 31, 2015 (the “Expense Period”). The Receiver’s legal fees and expenses incurred during the Expense Period include (a) fees of \$45,885.60 and costs of \$489.37 for the services of Dentons, the Receiver’s lead counsel, for a total sum of \$46,374.97; and (b) attorneys’ fees of \$520.00 for the services of the Receiver’s local counsel, Wyatt Tarrant & Combs, LLP (“Wyatt Firm”).

3. Dentons and the Wyatt Firm have coordinated their activities in order to undertake distinct tasks and have made every effort not to duplicate activities in the case. The Wyatt Firm provided assistance to the Receiver in Kentucky in handling court filings and in documenting and closing the sale of real property in Kentucky.

4. Attached hereto as Exhibits 1 through 10 are true and correct copies of the detailed, redacted time records of Dentons for the Expense Period. Attached hereto collectively as Exhibit 11 are the redacted billing records of the Wyatt Firm for the Expense Period. The time records, Exhibits 1 through 11, as well as the time records for the Receiver, its deputies, accountants, staff and other professionals, have been redacted by my firm where appropriate to prevent disclosure of descriptions containing confidential, sensitive, tactical, strategic, attorney-client privileged and/or attorney work-product information.

5. Dentons has assisted and advised the Receiver throughout the Expense Period on contested proceedings in this case and on the prosecution of the Receiver’s two lawsuits against the highly compensated independent representatives. During the current Expense Period, the primary focus of Dentons’ activities has been the prosecution of the Receiver’s two lawsuits against the highly compensated independent representatives. In August 2014, my firm on behalf

of the Receiver filed two lawsuits against 36 highly compensated representatives, seeking total damages in excess of \$37 million, *Robb Evans, etc., et al. v. Ramiro Armenta, etc., et al.*, Case No. 14cv00329-GFVT, and *Robb Evans, etc., et al. v. Anna Burrell, etc., et al.*, Case No. 14cv00330-GFVT (the "third party actions"). Seven of the defendants in the *Armenta* action have not responded to the complaint and were defaulted. My firm has worked with the Receiver to develop the necessary records to support entry of default judgments against the defaulted defendants.

6. After the end of the Expense Period, based on work done during this Expense Period, the Receiver's counsel completed and filed a motion for entry of default judgment against the seven defaulted defendants in the *Armenta* case. Dentons worked with the Receiver to develop the necessary records to support entry of judgment and the amounts owed by each of the defendants. No response has been received from any of the defaulted defendants, and the motion is pending before the Court.

7. The remaining non-defaulted parties filed motions to dismiss the Receiver's actions. On September 30, 2015, the Court issued a memorandum opinion and order in both of the third party actions denying all the motions to dismiss. After the motions to dismiss were denied, the litigating defendants each filed answers to the complaints. I conducted early meetings of counsel with all litigating defendants, prepared and filed Rule 26(f) Reports of those meetings with the Court, and prepared and served Initial Disclosures pursuant to F.R.Civ.P. 26(a). Dentons worked closely with the Receiver to obtain and review documents and information relevant to the Initial Disclosures.

8. In addition, all of the litigating defendants other than Dalia Molina filed motions to certify certain issues for interlocutory appeal and motions to stay the actions pending any interlocutory appeal. Dentons filed detailed oppositions to those motions. After the end of the Expense Period, the Court denied the motion for stay in the *Armenta* action but granted in part the motion to certify the issue of whether the *in pari delicto* defense was a bar to the Receiver's pursuit of the third party claims for the benefit of the estate in that action. The motion for stay

and motion to certify filed in the Burrell action have not been determined.

9. My firm also addressed claims filed by the Day Action plaintiffs in this case, seeking funds to pay counsel and to pay incentive fees to the Day Action plaintiffs from receivership assets. The Court granted the Day Action plaintiffs leave to intervene and counsel for the Receiver reviewed the complaint in intervention and along with the FTC obtained additional time to respond and filed a substantive response after the end of the Expense Period.

10. In the receivership case, Dentons also prepared and filed the Receiver's sixth fee motion. The motion was granted, and fees and costs were awarded as requested. The Wyatt Firm has assisted the Receiver in filing the Receiver's prior fee motion and its other pleadings, ensuring the filings are made in compliance with the applicable Local Rules and procedures. In this Expense Period, the Wyatt Firm also assisted the Receiver in addressing the filings to be made by the Receiver in the Sixth Circuit Court of Appeals in response to the litigating defendants' motions. Dentons has also provided advice to the Receiver regarding certain tax return issues that arose relating to the late Paul Orberon.

11. I am a partner of Dentons and am familiar with the methods and procedures used to create, record and maintain billing records for the firm's clients. The billing summaries attached hereto as Exhibits 1 through 10 are prepared from computerized time records prepared contemporaneously with the services rendered by each attorney and paralegal billing time to this matter. These computerized records are prepared in the ordinary course of business by the attorneys and paralegals employed by the firm who have a business duty to accurately record their time spent and services rendered on the matters on which they perform work. The time records are transferred into a computerized billing program that generates monthly invoices under the supervision of the firm's accounting department. Based upon my experience with Dentons, I believe its methods and procedures for recording and accounting for time and services for its clients are reliable and accurate.

12. I have over 35 years' experience as a business and commercial litigator and also have extensive experience as a bankruptcy attorney representing creditors in Chapter 11

and Chapter 7 bankruptcy cases. For more than fifteen years I have also specialized in representing receivers in federal equity receiverships. The rates charged and the amount incurred by the Receiver for the services rendered during the Expense Period are reasonable and appropriate based on the nature of the services rendered, the quality and amount of services provided, the complexity of the issues involved and other factors under the circumstances, including the results obtained.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed this 30th day of March 2016 at Los Angeles, California.

/s/Gary Owen Caris
GARY OWEN CARIS

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF KENTUCKY

FEDERAL TRADE COMMISSION,
STATE OF ILLINOIS,
COMMONWEALTH OF KENTUCKY, and
STATE OF NORTH CAROLINA,

Plaintiffs,

v.

FORTUNE HI-TECH MARKETING, INC.,
a Kentucky corporation, *et al.*,

Defendants.

No. 5:13-cv-123-GFVT-REW

**DECLARATION OF BRICK KANE IN SUPPORT OF RECEIVER'S MOTION FOR
APPROVAL AND PAYMENT OF RECEIVER'S AND PROFESSIONALS' FEES AND
EXPENSES FOR THE PERIOD FROM AUGUST 1, 2015 THROUGH
DECEMBER 31, 2015**

I, Brick Kane, declare:

1. I am the President and Chief Operating Officer of Robb Evans & Associates LLC, and I make this declaration on behalf of the Permanent Receiver Robb Evans and Robb Evans & Associates LLC ("Receiver") appointed pursuant to the Stipulated Preliminary Injunction filed May 28, 2013 (Doc. No. 134) ("Preliminary Injunction"). If called upon to testify as to the facts set forth in this declaration, I could and would testify competently thereto as the facts are personally known to me to be true.

2. The Federal Trade Commission, the State of Illinois, the Commonwealth of Kentucky and the State of North Carolina brought this action against defendants Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc., Fortune Network Marketing (UK) Limited, Paul C. Orberon and Thomas A. Mills ("FTC Action"). The FTC Action was originally filed in the United States District Court for the Northern District of

Illinois ("Illinois District Court"). On January 24, 2013, the Illinois District Court issued the Temporary Restraining Order appointing the Temporary Receiver as Temporary Receiver over Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc., Fortune Network Marketing (UK) Limited "and their successors and assigns, as well as any subsidiaries, and any fictitious business entities or business names created or used by these entities" ("Receivership Defendants"). The Temporary Restraining Order was extended from time to time by stipulation of the parties. The Illinois District Court granted the defendants' motion to transfer venue of the case to this Court, entering an order that further extended the Temporary Restraining Order to allow this Court to rule on the Plaintiffs' motion for a preliminary injunction. On May 28, 2013, this Court entered the Preliminary Injunction Order making the Receiver the permanent receiver of the Receivership Defendants.

3. I have been primarily responsible for the supervision and administration of the receivership estate and for the Receiver's review and investigation of assets and analysis of financial and business records relevant to the receivership and the Receiver's exercise of its powers and duties under the Temporary Restraining Order and the Preliminary Injunction. I personally participated in the Receiver's initial entry into the Receivership Defendants' offices in Lexington, Kentucky, helped secure the business records and physical assets of the Receivership Defendants, conducted meetings with and interviewed the Receivership Defendants' personnel and principals, and was involved in the Receiver's extensive review and detailed analysis of the Receivership Defendants' financial records and other business records and files. I was personally involved in the preparation and review of the Report of Temporary Receiver's Activities for the period from January 24, 2013 through February 19, 2013 ("Temporary Receiver's Report").

4. This declaration is submitted in support of the Receiver's seventh fee motion and covers fees and expenses incurred for the services of the Receiver, its staff and its professionals during the six-month period of August 1, 2015 through December 31, 2015 ("Expense Period"). The Receiver seeks approval and authorization for payment of the Receiver's fees and expenses

and those of its professionals described in the Receiver's financial report entitled Receivership Administrative Expenses and Fund Balance from Inception (January 24, 2013) to December 31, 2015 ("Financial Summary") attached hereto as Exhibit 1. During the Expense Period, the Receiver incurred fees for the services of the Receiver of \$1,778.85 Senior Staff fees of \$21,378.15, and Support Staff fees of \$189.20, totaling \$23,346.20, described in the billing records attached hereto as Exhibits 2 through 6. The Receiver incurred expenses of \$2,942.77. Therefore, a total of \$26,288.97 in Receiver's fees and expenses is sought in this Motion.

5. By the Receiver's Motion, the Receiver also seeks approval and authorization for payment of the fees and expenses incurred during the Expense Period for the Receiver's attorneys, which are also set forth in the Financial Summary. The Receiver's primary receivership counsel is Dentons US LLP ("Dentons"), to which the Receiver has incurred attorneys' fees of \$45,885.60 and costs of \$489.37 during the Expense Period. The Receiver has incurred attorneys' fees of \$520.00 for the services of the Receiver's local counsel, Wyatt, Tarrant & Combs, LLP ("Wyatt Firm"). Copies of the billing records of the Receiver's attorneys are attached to the Declaration of Gary Owen Caris filed in support of the Receiver's Motion. All of the billing records of the Receiver and the Receiver's attorneys included as exhibits to the declarations filed in support of the Motion have been redacted to prevent disclosure of descriptions containing confidential, tactical, strategic, attorney-client privileged and/or attorney work-product information.

6. The estate has had recoveries as of the end of the Expense Period of \$3,562,316.70. These recoveries do not include the \$3.5 million paid by the defendants directly to plaintiff Federal Trade Commission ("FTC") under the Final Judgment.

7. In August 2014, the Receiver filed two lawsuits against 36 highly compensated representatives, seeking total damages in excess of \$37 million (the "third party actions"). During this Expense Period, the Receiver has provided support for its counsel concerning the third party actions in investigating information and locating and analyzing receivership records concerning the representatives sued in the lawsuits.

8. Based on work done during this Expense Period, after the end of the Expense Period the Receiver filed a motion for entry of default judgment against the seven defendants in the third party actions who failed to respond to the Receiver's lawsuit. To prepare for the filing, the Receiver reviewed extensive receivership records and provided its counsel documentation and information necessary for the default judgment motions. The Receiver reviewed and provided comments on the pleadings in support of the default judgment applications prior to their filing.

9. The Receiver also reviewed and located information and documents to support the Receiver's prosecution of claims against the numerous litigating defendants. During the Expense Period, the Court denied motions to dismiss filed by the litigating defendants. The Receiver worked with counsel to develop litigation strategies regarding the pursuit of its claims against the defendants who are defending the actions. The Receiver located, reviewed and prepared information and documents for the Receiver's initial disclosures following the early meeting of counsel.

10. During the Expense Period, the Receiver and its counsel also addressed a number of other administrative issues during the Expense Period. The Receiver addressed tax return issues involving defendant the late Paul Orberon with the assistance of counsel. The Receiver maintains and regularly updates the list of creditors, prepares bank account reconciliations and engages in other similar administrative and accounting activities. The Receiver also prepared the receivership estate financial report for the fee motion filed during the Expense Period.

11. As a member of Robb Evans & Associates LLC, I am familiar with the methods and procedures used by the Receiver and its staff and employees to record the time spent rendering services to receivership estates over which Robb Evans and Robb Evans & Associates LLC have been appointed. The records attached hereto as Exhibits 2 through 6 are regularly prepared by the members, staff and employees of the Receiver at or about the time of the services rendered and each of whom has a business duty to accurately record the information regarding their services set forth in these records. The records are reviewed by the Receiver's

accounting staff and summarized in the Receiver's Financial Summary, Exhibit 1 attached hereto. As explained in the accompanying Declaration of Gary Owen Caris, the Receiver's time records and the records of its professionals have been redacted where appropriate to preserve descriptions containing confidential, tactical, strategic, attorney-client privileged and/or attorney work-product information. Based upon my experience with Robb Evans & Associates LLC, I believe the Receiver's methods and procedures for recording and accounting for time and services for the receivership estates over which Robb Evans and Robb Evans & Associates LLC have been appointed are reliable and accurate.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed this 29 day of March 2016 at Sun Valley, California.

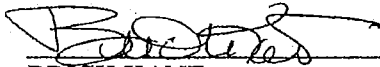

BRICK KANE

EXHIBIT 1

EXHIBIT 1

ROBB EVANS & ASSOCIATES, LLC
 ROBB EVANS & ASSOCIATES, LLC
 Receiver of

Fortune ER-Tech Marketing, Inc., et al.
Receivership Administrative Expenses and Fund Balance
 From Inception (January 24, 2013) to December 31, 2015

	Previously Reported and Approved	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15-12/31/15	TOTAL
Corporate Bank Accounts								
Branch Banking & Trust Co.	122,319.11	0.00	0.00	0.00	0.00	0.00	0.00	122,319.11
Fifth Third Bank	8,037.24	0.00	0.00	0.00	0.00	0.00	0.00	8,037.24
Fifth Third Bank International	77,614.88	0.00	0.00	0.00	0.00	0.00	0.00	77,614.88
JP Morgan Chase	416,730.90	0.00	0.00	0.00	0.00	0.00	0.00	416,730.90
JPMorgan Chase Canada	106,777.28	0.00	0.00	0.00	0.00	0.00	0.00	106,777.28
JPMorgan Chase U.K.	9,949.24	0.00	0.00	0.00	0.00	0.00	0.00	9,949.24
PaymentTech LLC	716,702.86	0.00	0.00	0.00	0.00	0.00	0.00	716,702.86
Total Corporate Bank Accounts	1,458,131.51	0.00	0.00	0.00	0.00	0.00	0.00	1,458,131.51
Proceeds from Sale of Assets								
Auction Proceeds	103,824.48	0.00	0.00	0.00	0.00	0.00	0.00	103,824.48
Sale of Coin & Bullion	27,460.30	0.00	0.00	0.00	0.00	0.00	0.00	27,460.30
Sale of Danville, KY Farm	157,754.94	0.00	0.00	0.00	0.00	0.00	0.00	157,754.94
Sale of Danville, KY Warehouse	413,262.40	0.00	0.00	0.00	0.00	0.00	0.00	413,262.40
Sale of Florida Condo	288,091.88	0.00	0.00	0.00	0.00	0.00	0.00	288,091.88
Sale of Product Inventory	35,789.93	0.00	0.00	0.00	0.00	0.00	0.00	35,789.93
Sale of S.C. Residence	812,724.54	0.00	0.00	0.00	0.00	0.00	0.00	812,724.54
Sale of T. Mills Cattle	155,550.81	0.00	0.00	0.00	0.00	0.00	0.00	155,550.81
Sale - True Essentials Trademark	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
Total Proceeds from Sale of Assets	2,004,459.28	0.00	0.00	0.00	0.00	0.00	0.00	2,004,459.28
Miscellaneous								
COBRA Payments	47.56	0.00	0.00	0.00	0.00	0.00	0.00	47.56
Commissions	3,263.78	0.00	0.00	0.00	0.00	0.00	0.00	3,263.78
Corporate Tax Refunds	26,225.58	0.00	0.00	0.00	0.00	0.00	0.00	26,225.58
Insurance Premium Refund	23,056.80	0.00	0.00	0.00	0.00	0.00	0.00	23,056.80
Isaacs Arbitration Settlement	21,975.00	0.00	0.00	0.00	0.00	0.00	0.00	21,975.00
Other	132.75	0.00	0.00	0.00	0.00	334.41	334.41	467.16
Payroll Tax Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Petty Cash Seized	666.69	0.00	0.00	0.00	0.00	0.00	0.00	666.69

ROBB EVANS & ASSOCIATES, LLC
 Receiver of
 Fortune HI-Tech Marketing, Inc., et al.

Receivership Administrative Expenses and Fund Balance

From Inception (January 24, 2013) to December 31, 2015

	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15~ 12/31/15	TOTAL
Previously Reported and Approved							
Pre Receiver Stale Dated Checks	554.17	0.00	0.00	0.00	0.00	0.00	554.17
Seminar Deposit Refund	21,863.86	0.00	0.00	0.00	0.00	0.00	21,863.86
Utility Refunds	521.48	0.00	0.00	0.00	0.00	0.00	521.48
Total Miscellaneous	98,307.67	0.00	0.00	0.00	334.41	334.41	98,642.08
Interest Income	882.72	40.47	41.82	39.00	38.00	201.11	1,083.83
Total Funds Collected	3,561,781.18	40.47	41.82	39.00	372.41	535.52	3,562,316.70

Expenses

Property & Asset Expenses

215 Ferryman Ln. Daniel Is., SC

Appraisal Fees	970.00	0.00	0.00	0.00	0.00	0.00	970.00
Boat Moorage	4,048.00	0.00	0.00	0.00	0.00	0.00	4,048.00
Boat Registration Taxes	422.49	0.00	0.00	0.00	0.00	0.00	422.49
Club Social Dues	1,720.72	0.00	0.00	0.00	0.00	0.00	1,720.72
Electricity	3,633.14	0.00	0.00	0.00	0.00	0.00	3,633.14
HOA Dues	1,051.28	0.00	0.00	0.00	0.00	0.00	1,051.28
Landscaping Maintenance	3,157.00	0.00	0.00	0.00	0.00	0.00	3,157.00
Maintenance & Repair	1,370.57	0.00	0.00	0.00	0.00	0.00	1,370.57
Pool Maintenance	4,358.15	0.00	0.00	0.00	0.00	0.00	4,358.15
Property Insurance Premium	9,262.86	0.00	0.00	0.00	0.00	0.00	9,262.86
Property Taxes	16,623.63	0.00	0.00	0.00	0.00	0.00	16,623.63
Water	661.40	0.00	0.00	0.00	0.00	0.00	661.40
Total 215 Ferryman Ln. Daniel Is., SC	47,279.24	0.00	0.00	0.00	0.00	0.00	47,279.24

7542 Palm Island Dr. FL

Annual Resort Service Fees	1,792.50	0.00	0.00	0.00	0.00	0.00	1,792.50
Appraisal Fees	850.00	0.00	0.00	0.00	0.00	0.00	850.00
Cable & Internet	571.44	0.00	0.00	0.00	0.00	0.00	571.44
HOA Fees	13,737.00	0.00	0.00	0.00	0.00	0.00	13,737.00
Property Insurance Premium	4,589.77	0.00	0.00	0.00	0.00	0.00	4,589.77

ROBB EVANS & ASSOCIATES, LLC
 Receiver of

Fortune EB-Tech Marketing, Inc., et al
Receivership Administrative Expenses and Fund Balance
 From Inception (January 24, 2013) to December 31, 2015

	Previously Reported and Approved	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15~12/31/15	TOTAL
Repairs & Maintenance	3,155.42	0.00	0.00	0.00	0.00	0.00	0.00	3,155.42
Utilities	789.88	165.79	0.00	0.00	0.00	0.00	165.79	955.67
Water & Sewer	1,162.88	0.00	0.00	0.00	0.00	0.00	0.00	1,162.88
Total 7542 Palm Island Dr. FL	26,648.89	165.79	0.00	0.00	0.00	0.00	165.79	26,814.68
Danville, KY Warehouse								
Appraisal Fees	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00	3,500.00
Electricity	17,931.65	0.00	0.00	0.00	0.00	0.00	0.00	17,931.65
Facility Management	20,563.40	0.00	0.00	0.00	0.00	0.00	0.00	20,563.40
Garbage & Waste Services	561.20	0.00	0.00	0.00	0.00	0.00	0.00	561.20
Gas & Propane	17,661.71	0.00	0.00	0.00	0.00	0.00	0.00	17,661.71
Hazard & Liability Insurance	45,293.51	0.00	0.00	0.00	0.00	0.00	0.00	45,293.51
Lawn & Landscape Maintenance	1,360.00	0.00	0.00	0.00	0.00	0.00	0.00	1,360.00
Property Taxes	2,849.70	0.00	0.00	0.00	0.00	0.00	0.00	2,849.70
Repairs & Maintenance	4,616.22	0.00	0.00	0.00	0.00	0.00	0.00	4,616.22
Security Patrol Services	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	2,100.00
Water & Sewer	3,825.92	0.00	0.00	0.00	0.00	0.00	0.00	3,825.92
Total Danville, KY Warehouse	120,263.31	0.00	0.00	0.00	0.00	0.00	0.00	120,263.31
Lebanon Rd. Danville, KY Farm								
Appraisal Fees	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00	4,400.00
Mortgage Payment	66,379.11	0.00	0.00	0.00	0.00	0.00	0.00	66,379.11
Property Insurance Premium	128.50	0.00	0.00	0.00	0.00	0.00	0.00	128.50
Total Lebanon Rd. Danville, KY Farm	70,907.61	0.00	0.00	0.00	0.00	0.00	0.00	70,907.61
Vehicle Registration	116.42	0.00	0.00	0.00	0.00	0.00	0.00	116.42
Total Property & Asset Expenses	265,215.47	165.79	0.00	0.00	0.00	0.00	165.79	265,381.26
Business Operation Expenses								
401K Plan Fees	1,980.19	0.00	0.00	0.00	0.00	0.00	0.00	1,980.19
Consulting Services	2,821.56	0.00	0.00	0.00	0.00	0.00	0.00	2,821.56

ROBB EVANS & ASSOCIATES, LLC
 ROBB EVANS & ASSOCIATES, LLC

Receiver of

Fortune Hi-Tech Marketing, Inc., et al

Receivership Administrative Expenses and Fund Balance

From Inception (January 24, 2015) to December 31, 2015

	Previously Reported and Approved	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15-12/31/15	TOTAL
Data Storage & Backup	10,002.45	0.00	0.00	0.00	0.00	0.00	0.00	10,002.45
Health Insurance Premiums	90,502.43	0.00	0.00	0.00	0.00	0.00	0.00	90,502.43
Legal Fees & Expenses								
Gardere Wynne Sewell LLP								
Insurance Claim Reimbursement	(14,075.50)	0.00	0.00	0.00	0.00	0.00	0.00	(14,075.50)
Legal Fees	15,199.00	0.00	0.00	0.00	0.00	0.00	0.00	15,199.00
Legal Costs	56.40	0.00	0.00	0.00	0.00	0.00	0.00	56.40
Total Gardere Wynne Sewell LLP	1,179.90	0.00	0.00	0.00	0.00	0.00	0.00	1,179.90
Pre-Receiver Fees/Expenses	23,408.60	0.00	0.00	0.00	0.00	0.00	0.00	23,408.60
Total Legal Fees & Expenses	24,588.50	0.00	0.00	0.00	0.00	0.00	0.00	24,588.50
Life Insurance Premiums	1,457.00	0.00	0.00	0.00	0.00	0.00	0.00	1,457.00
Office Moving Expenses	6,665.52	0.00	0.00	0.00	42.60	0.00	42.60	6,708.12
Payroll Expenses	171,323.18	0.00	0.00	0.00	0.00	0.00	0.00	171,323.18
Payroll Processing Fees	6,375.06	0.00	0.00	0.00	0.00	0.00	0.00	6,375.06
Permit & Fees	400.00	0.00	0.00	0.00	0.00	0.00	0.00	400.00
Phone & Internet Services	13,930.58	0.00	0.00	0.00	0.00	0.00	0.00	13,930.58
PO Box Rental	105.09	0.00	0.00	0.00	0.00	0.00	0.00	105.09
Postage & Delivery	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00
Records Transport & Storage	4,924.89	323.00	323.00	323.00	323.00	323.00	1,615.00	6,539.89
Rent/Lease Payments	143,328.00	0.00	0.00	0.00	0.00	0.00	0.00	143,328.00
Safe Deposit Box Rent	152.00	0.00	0.00	0.00	0.00	0.00	0.00	152.00
Workers Compensation Insurance	3,712.75	0.00	0.00	0.00	0.00	0.00	0.00	3,712.75
Total Business Operation Expenses	484,269.20	323.00	323.00	323.00	365.60	323.00	1,657.60	485,926.80
Receiver Fees & Expenses								
Receiver Fees								
Receiver								
R. Evans	306.00	0.00	0.00	0.00	0.00	0.00	0.00	306.00
B. Kane	61,446.95	0.00	0.00	301.50	603.00	60.30	964.80	62,411.75

ROBB EVANS & ASSOCIATES, LLC
 Receiver of

Fortune Hi-Tech Marketing, Inc., et al.
Receiver Administrative Expenses and Fund Balance
 From Inception (January 24, 2013) to December 31, 2015

	Previously Reported and Approved	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15-12/31/15	TOTAL
K. Johnson	20,773.35	0.00	0.00	0.00	0.00	0.00	0.00	20,773.35
V. Miller	33,677.55	0.00	0.00	0.00	0.00	0.00	0.00	33,677.55
A. Jen	49,265.10	30.15	391.95	391.95	0.00	0.00	814.05	50,079.15
Total Receiver	165,468.95	30.15	391.95	693.45	603.00	60.30	1,778.85	167,247.80
Senior Staff								
L. Lee	22,582.35	0.00	0.00	0.00	0.00	0.00	0.00	22,582.35
F. Jen	94,279.05	90.45	60.30	0.00	5,879.25	0.00	6,030.00	100,309.05
T. Chung	74,199.15	0.00	0.00	5,306.40	9,195.75	0.00	14,502.15	88,701.30
C. Callahan	67,342.50	0.00	0.00	0.00	0.00	0.00	0.00	67,342.50
B. Owings	8,257.50	0.00	0.00	0.00	0.00	0.00	0.00	8,257.50
C. DeCius	37,062.00	81.00	405.00	81.00	216.00	63.00	846.00	37,908.00
J. Dadbin	2,970.00	0.00	0.00	0.00	0.00	0.00	0.00	2,970.00
E. Roop	50,989.50	0.00	0.00	0.00	0.00	0.00	0.00	50,989.50
N. Wolf	684.00	0.00	0.00	0.00	0.00	0.00	0.00	684.00
Total Senior Staff	358,366.05	171.45	465.30	5,387.40	15,291.00	63.00	21,378.15	379,744.20
Adjustment/Discount	(32,520.03)	0.00	0.00	0.00	0.00	0.00	0.00	(32,520.03)
Support Staff	10,241.00	21.80	129.80	25.20	0.00	12.40	189.20	10,430.20
Total Receiver Fees	501,555.97	223.40	987.05	6,106.05	15,894.00	135.70	23,346.20	524,902.17
Receiver Expenses								
Appraisals & Surveys	8,100.00	0.00	0.00	0.00	0.00	0.00	0.00	8,100.00
Bank Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Database Consulting Services	307.10	0.00	0.00	0.00	0.00	0.00	0.00	307.10
External Hard Drives	535.04	0.00	0.00	0.00	0.00	0.00	0.00	535.04
Hays Financial Consulting, LLC	24,803.87	0.00	0.00	0.00	0.00	0.00	0.00	24,803.87
Information Search Costs	2,341.22	0.00	0.00	0.00	0.00	0.00	0.00	2,341.22
Locksmith Services	787.68	0.00	0.00	0.00	0.00	0.00	0.00	787.68
Miscellaneous	62.54	0.00	0.00	0.00	0.00	0.00	0.00	62.54
Office Telephone & Supplies	764.02	0.00	0.00	0.00	0.00	0.00	0.00	764.02

ROBB EVANS & ASSOCIATES, LLC
 Receiver of

Fortune Hi-Tech Marketing, Inc., et al
Receivership Administrative Expenses and Fund Balance

From Inception (January 24, 2013) to December 31, 2015

	Previously Reported and Approved	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15~12/31/15	TOTAL
Postage & Delivery	4,789.46	0.00	81.03	0.00	21.42	134.15	236.60	5,026.06
Tax Return Preparation	51,961.72	0.00	0.00	2,586.40	0.00	0.00	2,586.40	54,548.12
Travel & Lodging	35,744.23	0.00	0.00	0.00	0.00	0.00	0.00	35,744.23
Website Support & Information	2,536.17	0.00	0.00	53.23	66.54	0.00	119.77	2,655.94
Total Receiver Expenses	132,733.05	0.00	81.03	2,639.63	87.96	134.15	2,942.77	135,675.82
Legal Fees & Costs								
Barnes & Thornburg LLP	6,043.00	0.00	0.00	0.00	0.00	0.00	0.00	6,043.00
Legal Fees	972.95	0.00	0.00	0.00	0.00	0.00	0.00	972.95
Legal Costs	7,015.95	0.00	0.00	0.00	0.00	0.00	0.00	7,015.95
Total Barnes & Thornburg LLP								
Dentons US LLP	291,270.60	373.50	603.90	5,977.80	1,845.90	1,938.60	10,739.70	302,010.30
Legal Fees	5,260.47	1.44	0.00	312.75	24.62	3.00	341.81	5,602.28
Legal Costs	212,708.70	556.20	905.85	5,301.90	26,171.55	2,210.40	35,145.90	247,854.60
Third Party Claim Fees	21,887.30	15.06	13.80	0.00	73.85	44.85	147.56	22,034.86
Third Party Claim Costs	531,127.07	946.20	1,523.55	11,592.45	28,115.92	4,196.85	46,374.97	577,502.04
Total Dentons US LLP								
Howlings Lafleur Hanerson LLP	6,245.50	0.00	0.00	0.00	0.00	0.00	0.00	6,245.50
Legal Fees	4,264.08	0.00	0.00	0.00	0.00	0.00	0.00	4,264.08
Legal Costs	10,509.58	0.00	0.00	0.00	0.00	0.00	0.00	10,509.58
Total Howlings Lafleur Hanerson LLP								
McGuireWoods LLP	325.00	0.00	0.00	0.00	0.00	0.00	0.00	325.00
Legal Costs	325.00	0.00	0.00	0.00	0.00	0.00	0.00	325.00
Total McGuireWoods LLP								

ROBB EVANS & ASSOCIATES, LLC
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 Receiver of

Fortune Hi-Tech Marketing, Inc., et al.
Receivership Administrative Expenses and Fund Balance
 From Inception (January 24, 2013) to December 31, 2015

	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	8/1/15~ 12/31/15	TOTAL
Previously Reported and Approved							
Wyatt Tarrant & Combs LLP							
Legal Fees	19.50	0.00	364.00	136.50	0.00	520.00	108,480.00
Legal Costs	0.00	0.00	0.00	0.00	0.00	0.00	11,615.91
Total Wyatt Tarrant & Combs LLP	19.50	0.00	364.00	136.50	0.00	520.00	120,095.91
Total Legal Fees & Costs	965.70	1,523.55	11,956.45	28,252.42	4,196.85	46,894.97	715,448.48
Total Receiver Fees & Expenses	1,189.10	2,591.63	20,702.13	44,234.38	4,466.70	73,183.94	1,376,026.47
Total Expenses	1,677.89	2,914.63	21,025.13	44,599.98	4,789.70	75,007.33	2,127,334.53
Net Transactions	(1,636.07)	(2,874.16)	(20,983.31)	(44,560.98)	(4,417.29)	(74,471.81)	
Fund Balance							1,434,982.17