

ROBB EVANS & ASSOCIATES LLC

Receiver of

**Global Marketing Group, Inc.; Global Business Solutions, LLC;
Globalpay, Inc.; Globalpay, LLC; Globalpay BV;
Synergy Consulting Services, LLC; and First Processing Corporation**

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**Federal Trade Commission v. Global Marketing Group, Inc., et al.
CASE No. 8:06 CV-2272-T-30TGW**

Unopposed Motion for Order:

- (1) Approving the Receiver's Final Report and Accounting, Including Approval and Ratification of the Receiver's Activities from Inception of the Receivership Estate;**
- (2) Authorizing Payment of the Receiver's and the Receiver's Counsel's Fees and Expenses for the Period Since April 1, 2010;**
- (3) Authorizing Destruction of Records of the Receivership Defendants;**
- (4) Exoneration the Receiver's Bond;**
- (5) Discharging the Receiver; and**
- (6) Authorizing the Receiver to Turn Over Surplus Funds to the Federal Trade Commission**

**Memorandum of Law in Support Thereof
Declaration of Kenton Johnson in Support Thereof
Declaration of Hal D. Goldflam in Support Thereof
Declaration of John A. Anthony in Support Thereof**

Filed February 14, 2012

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Case No. 8:06-cv-2272-T-33AEP

**GLOBAL MARKETING GROUP,
INC., et al.,**

Defendants.

**UNOPPOSED MOTION FOR ORDER: (1) APPROVING THE RECEIVER'S
FINAL REPORT AND ACCOUNTING, INCLUDING APPROVAL AND
RATIFICATION OF THE RECEIVER'S ACTIVITIES FROM INCEPTION OF
THE RECEIVERSHIP ESTATE; (2) AUTHORIZING PAYMENT OF THE
RECEIVER'S AND THE RECEIVER'S COUNSELS' FEES AND EXPENSES
FOR THE PERIOD SINCE APRIL 1, 2010; (3) AUTHORIZING DESTRUCTION
OF RECORDS OF THE RECEIVERSHIP DEFENDANTS; (4) EXONERATING
THE RECEIVER'S BOND; (5) DISCHARGING THE RECEIVER; AND (6)
AUTHORIZING THE RECEIVER TO TURN OVER SURPLUS FUNDS TO THE
FEDERAL TRADE COMMISSION
(and Memorandum of Law in Support)**

Robb Evans & Associates LLC, the Permanent Receiver in this matter ("Receiver"), by and through its undersigned counsel, hereby files this Motion for Order (1) Approving the Receiver's Final Report and Accounting, including Approval and Ratification of The Receiver's Activities from Inception of the Receivership Estate; (2) Authorizing Payment of the Receiver's and the Receiver's Counsels' Fees and Expenses for the Period Since April 1, 2010; (3) Authorizing Destruction of Records of the Receivership Defendants; (4) Exonerating the Receiver's Bond [Dkt. No. 17.]; (5)

Discharging the Receiver; and (6) Authorizing the Receiver to Turn Over Surplus Funds to the Federal Trade Commission.

Chronological Facts

1. On December 11, 2006, the Federal Trade Commission (“FTC”) initiated this case against Global Marketing Group, Inc., Global Business Solutions, LLC, Globalpay, Inc., Globalpay, LLC, Globalpay BV, Synergy Consulting Services, LLC, First Processing Corporation, Ira N. Rubin and Phoelicia Daniels.

2. On December 12, 2006, the Court entered its *Ex Parte* Temporary Restraining Order with Asset Freeze, Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“Temporary Restraining Order”), whereby the Court appointed Robb Evans & Associates LLC as the Temporary Equity Receiver for Global Marketing Group, Inc., Global Business Solutions, LLC, Globalpay, Inc., Globalpay, LLC, Globalpay BV, Synergy Consulting Services, LLC, First Processing Corporation, and any of their affiliates, subsidiaries, divisions, or telephone sales operations, wherever located, with the full power of an equity receiver.

3. On January 11, 2007, the Court entered its Stipulated Preliminary Injunction Order, whereby the Court appointed Robb Evans & Associates LLC as the Permanent Equity Receiver. [Dkt. No. 36.]

4. On June 19, 2007, the Court entered a second Preliminary Injunction, pursuant to which a number of related entities were added as “Receivership Defendants,” under the control of the Receiver. These entities include Elite Funding Group, Inc., One World Group, LLC, One World Corporation, EFT Commerce, LLC, Celsius International, LLC, Celsius, LLC, Gemini Trading Group, LLC, Gemini Trading Group,

Inc., Kwikbill.Com, Ltd., Ewallet Express, Inc., One Pharm Services, Inc., Marketing Services LLC, 17407 LLP, 555018, LLC, Merchant Provider Solutions, LLC, Merchant Provider Solutions, Ltd., and Unitrade Business, LLC, all doing business as “Global Processing”, “Global Processing, Inc.”, “Gembill”, “Med-Cost”, and “MPS, Ltd.” (The Preliminary Injunction Order and Second Preliminary Injunction Order are collectively referred to herein as the “Preliminary Injunction Order”.) The Preliminary Injunction Order authorizes the Receiver to choose, engage, and employ attorneys and other professionals as the Receiver deems advisable or necessary in the performance of its duties and responsibilities under the authority granted by the Preliminary Injunction Order. [Dkt. No. 108.]

5. On March 31, 2008, the Court entered its Amended Preliminary Injunction as to defendant Ira Rubin (“Rubin”), pursuant to which the Court modified the Stipulated Preliminary Injunction Order entered January 11, 2007 to include Rubin in the definition of “Receivership Defendants.”

6. On December 18, 2008, the Court entered its Final Judgment and Order for Permanent Injunction against All Corporate Defendants (“Final Judgment – Corporate Defendants”). [Dkt. No. 197.]

7. Pursuant to the Final Judgment – Corporate Defendants at Section II (Monetary Relief), the Court entered a monetary judgment against the Corporate Defendants in the amount of \$8,615,185 for which the Corporate Defendants are jointly and severally liable. In addition, pursuant to Section II of the Final Judgment – Corporate Defendants, the monetary judgment shall become immediately due and payable by the Corporate Defendants upon entry of same, less any amount recovered by

the FTC from other defendants named in the action who are not subject to the Final Judgment – Corporate Defendants (e.g., Order for Permanent Injunction and Final Judgment as to Defendant Kevin D. Astl, entered February 13, 2009 (although monetary relief suspended until further Order of the Court per Section II.A.) [Dkt. No. 214]).

8. Pursuant to Section III (Asset Freeze) of the Final Judgment – Corporate Defendants, the assets of the Corporate Defendants shall remain frozen pursuant to Section III of the Preliminary Injunctions entered by the Court on January 11, 2007 and June 19, 2007, *except* for funds necessary for the payment of the monetary judgment required by Section II of the Final Judgment – Corporate Defendants.

9. On December 18, 2008, the Court entered its Final Judgment and Order for Permanent Injunction against Defendant Ira Rubin (“Final Judgment – Rubin”). [Dkt No. 204.]

10. Pursuant to the Final Judgment – Rubin at Section II (Monetary Relief), the Court entered a monetary judgment against Rubin in the amount of \$8,615,185. In addition, pursuant to Section II of the Final Judgment – Rubin, the monetary judgment shall become immediately due and payable by Rubin upon entry of same.

11. Pursuant to Section III (Asset Freeze) of the Final Judgment – Rubin, Rubin’s assets shall remain frozen pursuant to Section III of the Amended Preliminary Injunction entered by the Court on March 31, 2008, *except* for funds necessary for the payment of the monetary judgment required by Section II of the Final Judgment – Rubin.

12. On April 11, 2011, the Court entered an order authorizing the Receiver to immediately distribute \$900,000 of the receivership estate funds to the FTC for partial

satisfaction of the final judgments [Dkt. No. 260], and the Receiver completed the distribution in April 2011. The Receiver did not seek authority at that time to disburse to the FTC the entire surplus balance of the receivership estate in order for the Receiver to have minimal funds available to cover its expenses and fees (and those of its professionals) related to the handling of final receivership issues.

The Reports of Receiver's Activities

13. On February 14, 2012, the Receiver filed the Final Report and Accounting, October 31, 2011 ("Final Report") [Dkt. No. 261]. Before filing the Final Report, the Receiver filed five Reports of Receiver's Activities as follows: Report of Temporary Receiver's Activities, December 12, 2006 through January 5, 2007 [Dkt. No. 33]; Report of Receiver's Activities, January 5, 2007 through December 31, 2007 [Dkt. No. 136]; Report of Receiver's Activities, January 1, 2008 through February 29, 2008 [Dkt. No. 144]; Report of Receivers Activities, March 1, through August 31, 2008 [Dkt. No. 199]; and Report of Receivers Activities, September 1, 2008 through March 31, 2010 [Dkt. No. 254] (collectively, "Interim Reports").

The Receiver's Retention of Counsel and Its Prior Fee Motions

14. The Preliminary Injunction Order authorizes the Receiver to choose, engage, and employ attorneys and other professionals as the Receiver deems advisable or necessary in the performance of its duties and responsibilities under the authority granted by the Preliminary Injunction Order.

15. On December 12, 2007, the Receiver retained the law firm of Frandzel Robins Bloom & Csato, L.C. ("FRBC"), 6500 Wilshire Boulevard, Los Angeles, California, to serve as the Receiver's lead counsel in connection with its performance of

its duties and responsibilities under the authority granted by the Preliminary Injunction Order.

16. On December 14, 2007, the Receiver retained the law firm of GrayRobinson, P.A., 201 North Franklin Street, Tampa, Florida, to serve as the Receiver's local counsel in connection with the performance of its duties and responsibilities under the authority granted by the Preliminary Injunction Order. In mid-May 2009, John Anthony, a shareholder with GrayRobinson, primarily responsible for the local representation of REA in this action, formed Anthony & Partners, LLC ("A&P"), 201 North Franklin Street, Suite 2400, Tampa, Florida with two of his partners from GrayRobinson. A&P was subsequently substituted as local counsel for REA in this action.

17. In August 2007, the Receiver retained the law firm of Kaseke & Company Ltd., The Malta Building, Gaol Lane, Belize, to serve as the Receiver's local counsel in connection with the Receiver's efforts to obtain possession and control of approximately \$319,000 located in the Belize that the Receiver believes constitutes property of the receivership estate.

18. In October 2007, the Receiver retained the law firm of Bernas Law Offices, 8/F Raha Sulayman Building, 108 Benavidez Street, Legaspi Village, Makati City, Republic of the Philippines, to serve as the Receiver's local counsel in connection with the Receiver's efforts to obtain possession and control of more than \$950,000 located in the Philippines that the Receiver believes constitutes property of the receivership estate.

19. On June 20, 2007, the Court entered its Order granting in part and denying in part the Receiver's First Expense Period Fee Motion. [Dkt. No. 110.] While the Court authorized payment of certain fees and expenses to the Receiver and its outside counsel, the court denied the Receiver's request for payment of travel expenses and fees without prejudice, agreeing to reconsider its Order if the Receiver and/or the Federal Trade Commission could demonstrate why a local receiver could not be appointed in this case.

20. On October 18, 2007, the Court entered its Order granting in part and denying in part the Receiver's Motion for Reconsideration of Order Granting in Part and Denying in Part the First Expense Fee Motion. [Dkt. No. 125.]

21. On April 22, 2008, the Receiver filed its Unopposed Motion for Order Authorizing the Payment of the Receiver's and the Receiver's Counsels' Fees and Expenses for the Period from February 1, 2007, through February 29, 2008 ("Second Expense Period Fee Motion"). [Dkt. No. 146.]

22. On June 17, 2008, the Court entered its Order granting in part and denying in part the Receiver's Second Expense Period Fee Motion. [Dkt. No. 148.]

23. On June 30, 2008, the Court entered its Order granting the Receiver's Motion for Reconsideration of Order Granting in Part and Denying in Part the Second Expense Fee Motion. [Dkt. No. 151.]

24. On June 11, 2010, the Court entered its Order granting the Receiver's Unopposed Motion for Order Authorizing the Payment of the Receiver's and the Receiver's Counsels' Fees and Expenses for the Period from March 1, 2008, through March 31, 2010 ("Third Expense Period Fee Motion"). [Dkt. No. 256.]

The Receiver Requests Approval of the Final Report and Confirmation of Receiver's Activities described therein and the Interim Reports, and Requests Authority to Pay Its and Its Counsels' Unpaid Fees and Expenses Incurred Since April 1, 2010, through Closing of the Receivership Estate.

25. A receiver is appointed pursuant to a district court's equitable powers. *See Federal Trade Commission v. U.S. Oil & Gas Corp.*, 748 F.2d 1431 (11th Cir. 1984). The power of a district court to terminate a receivership that is no longer needed is a necessary incident to the power to appoint. When the reason or necessity for continuing a receivership has ceased, it should be terminated and the property discharged. *See, e.g., Jones v. Village of Proctorville, Ohio*, 290 F.2d 49, 50 (6th Cir. 1961) (a judge who has found it necessary to appoint a receiver should see that the business is liquidated as economically and speedily as possible unless continuance is demonstrably beneficial to the creditors.).

26. Pursuant to a court's equitable powers, the appointing court may authorize payment of the receiver's fees and expenses. *See e.g., SEC v. Elliot*, 953 F.2d 1560 (11th Cir. 1576), and *Federal Trade Commission v. Ashley*, 1994 U.S. Dist. Lexis 7577 (S.D. Fla. 1994). In this action, the Preliminary Injunction Order provides that the Receiver shall file with the Court and serve on the parties periodic requests for the payment of the reasonable compensation and out-of-pocket expenses of the Receiver and of all personnel hired by the Receiver, including counsel to the Receiver.

27. This Court's approval of the Final Report and the Receiver's actions and requests is consistent with federal receivership practice as required by Rule 66 of the Federal Rules of Civil Procedure. *See 2 Clark On Receivers*, § 383.1 (3d ed. 1959).

This Court has wide latitude in supervising the Receiver and may provide for the administration of the receivership as it deems appropriate. *See* 13 *Moore's Federal Practice*, §66.06[4][a] (Matthew Bender 3d ed. 2002).

28. During the period covered by the Final Report (April 1, 2010 through October 31, 2011), the Receiver's fees totaled \$23,873.38, and its expenses, excluding its attorneys' fees and costs, totaled \$9,103.74 (totaling \$32,977.12). *See* Declaration of Kenton Johnson ("Johnson Decl.") and Exhs. 2 and 8 hereto.

29. During the Fourth Expense Period, Bernas Law Offices billed the Receiver \$9,818.76. *See* Kane Decl. and Exh. 6 hereto.

30. During the Fourth Expense Period, FRBC's fees totaled \$30,264.00 and its allowable expenses¹ totaled \$1,370.33 (totaling \$31,634.33). *See* Declaration of Hal D. Goldflam and Exhs. 8 and 9 hereto.

31. During the Fourth Expense Period, A&P's fees and allowable costs totaled \$21,960.45 and its allowable expenses totaled \$3,050.55 (totaling \$25,011.00). *See* Declaration of John A. Anthony and Exhs. 10 and 11 hereto.

32. Kaseke & Company did not incur any fees or costs during the Fourth Expense Period.

33. In sum, the total of receivership fees and expenses incurred during the Fourth Expense Period is \$99,441.21. In addition, as specified in the Final Report, the Receiver has estimated expenses to close the receivership estate will be \$32,689.73, primarily tax preparation fees, record destruction costs and legal fees. The Receiver

¹ As part of the June 20, 2007 Order granting in part and denying in part the Receiver's First Expense Period Fee Motion, the Court ruled that it will not authorize payment for "support staff fees, computer research, unidentified miscellaneous expenses, overnight delivery charges, cell phone charges, or long distance telephone calls." [Dkt. No. 110.]

seeks an order authorizing payment of these sums without further involvement of the Court.

34. The Receiver will turn over the projected remaining funds of \$30,942.75, plus any unused amounts of the projected closing costs, to the FTC. This final distribution will be an additional payment in partial satisfaction of the final judgments discussed above.

35. The Receiver respectfully submits that in light of the work performed, the fees and costs of the Receiver and its professionals specified herein and in the Final Report are reasonable and should be approved and authorized for payment in their entirety.

Conclusion

36. Accordingly, for the reasons stated above, in the Final Report and Interim Reports, and in the accompanying declarations, the Receiver respectfully requests that the Court (i) approve the Final Report and otherwise confirm the actions of the Receiver described therein and from inception of the receivership estate, (ii) authorize the Receiver to pay its fees and expenses along with the fees and expenses of the Receiver's outside counsel as specified in accompanying declarations and in the Final Report, including the fees and expenses necessary to wind up the receivership estate (iii) authorize the Receiver to shred the records of the Receivership Defendants, (iv) exonerate the Receiver's Bond, (v) discharge Receiver Robb Evans & Associates LLC, and release the Receiver, its deputies, members, officers, agents, employees, representatives, and auctioneers from any and all duties, responsibilities, and liabilities in connection with the receivership estate and this action, including any and all claims and

liabilities that were asserted and/or could have been asserted in the receivership estate and in connection with their administration of the receivership estate, and (vi) authorize the Receiver to turn over all remaining funds in the receivership estate to the FTC, which sums shall be applied towards partial satisfaction of the judgments entered in this action.

37. For the Court's convenience and consideration, a proposed order granting this Motion is attached hereto as Exhibit 1.

Respectfully submitted,

/s/ Craig A. Welin

CRAIG A. WELIN, ESQUIRE

California State Bar No. 138418

HAL D. GOLDFLAM, ESQUIRE

California State Bar No. 179689

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/s/ John A. Anthony

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Co-Counsel for Permanent Receiver

Robb Evans & Associates LLC

DECLARATION OF KENTON JOHNSON

I, Kenton Johnson, declare:

1. My name is Kenton Johnson
2. I am over eighteen (18) years of age.
3. This declaration is made upon my personal knowledge.
4. Everything in this declaration is true and correct.
5. I am the Executive Vice President of Robb Evans & Associates LLC

(“REA”), the Permanent Receiver in this matter. I am one of the individuals with REA that has primary responsibility for the day-to-day supervision and management of the receivership estate in this case since REA first began to act as the Temporary Receiver in December 2006.

6. The activities undertaken by the Receiver’s members and staff are described in the Final Report and Accounting (“Final Report”) [Dkt. No. 261]; the Temporary Receiver’s Report of Activities, December 12, 2006 through January 7, 2007 [Dkt. No. 33]; the Report of Receiver’s Activities, January 5, 2007 through December 31, 2007 [Dkt. No. 136]; the Report of Receiver’s Activities, January 1, 2008 through February 29, 2008 [Dkt. No. 144]; the Report of Receivers Activities, March 1, through August 31, 2008 [Dkt. No. 199]; and the Report of Receivers Activities, September 1, 2008 through March 31, 2010 [Dkt. No. 254]. Attached hereto as Exhibits 2, 3, 4, 5, 6 and 7 are true and correct copies of these reports.

7. During the period covered by the Final Report (April 1, 2010 through October 31, 2011), the Receiver’s fees totaled \$23,873.38, and its expenses, excluding its attorneys’ fees and costs, totaled \$9,103.74 (totaling \$32,977.12). The legal fees and

allowable costs of the Receiver's various counsel totaled \$66,464.09. The total of receivership fees and expenses incurred during the Fourth Expenses Period which the Receiver seeks an order authorizing payment is \$99,441.21. In addition, the Receiver has estimated expenses to close the receivership estate will be \$32,690, primarily tax preparation fees, record destruction costs and legal fees and costs. The Receiver seeks an order authorizing payment of these sums without further involvement of the Court.

7. The Receiver's fees and costs for which approval is requested, including the estimate to close the estate, are identified in the summary which the Receiver's office has prepared and is captioned as "Receivership Administrative Expenses & Fund Balance From Inception ("December 12, 2006) to October 31, 2011," which is attached as Exhibit A to the Final Report (Exh. 2 hereto). The fees are further detailed in the attached Exhibit 8, with the descriptions redacted where appropriate to preserve the attorney-client privilege and attorney work product privileges or to otherwise protect the Receiver and the receivership estate from inappropriate disclosures. Specifically, Exhibit 8 is comprised of monthly billing summaries reflecting the services rendered and time spent by REA's members, staff, accounting and reconstruction staff, and IT staff.

8. During the Fourth Expense Period, the Receiver's lead outside counsel and local counsel performed various work for the Receiver. That work is summarized in the accompanying declarations of Hal D. Goldflam and John A. Anthony, including Exhibits 9 through 12 hereto.


10. In October 2007, the Receiver retained the law firm of Bernas Law Offices, 8/F Raha Sulayman Building, 108 Benavidez Street, Legaspi Village, Makati City, Republic of the Philippines, to serve as the Receiver's local counsel in connection

with the Receiver's efforts to obtain possession and control of more than \$950,000 located in the Philippines that the Receiver believes constitutes property of the receivership estate. For the reasons described in detail in the Final Report, the Receiver determined it would not be cost-effective to pursue any further litigation to recover the funds. The fees and costs for the work Bernas Law Offices performed during the Fourth Expense Period totaled \$9,818.76, which work is summarized in the invoices attached as Exhibit 13 hereto.

15. I believe that in light of the work performed during the Fourth Expenses Period, the fees and costs of the Receiver and its professionals are reasonable and should be approved and authorized for payment in their entirety.

16. I also believe that the Receiver has complied with the orders of the Court appointing the Receiver, and has satisfactorily completed all of its duties except such matters as will be concluded after the hearing on the Motion.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration was executed on January 25, 2012, at Sun Valley, California.



KENTON JOHNSON

DECLARATION OF HAL D. GOLDFLAM

I, Hal D. Goldflam, declare:

1. My name is Hal D. Goldflam.
2. I am over eighteen (18) years of age.
3. This declaration is made upon my personal knowledge.
4. Everything in this declaration is true and correct.
5. Since 1995, I have continuously been an attorney at law, licensed to practice my profession in the State of California.
6. I am licensed to practice all courts of the State of California, the federal courts of the State of California and the Ninth Circuit Court of Appeals, and am admitted *pro hac vice* in this Court in connection with this action.
7. I am an attorney with the law firm of Frandzel Robins Bloom & Csato, L.C. ("FRBC"), lead counsel for Robb Evans & Associates LLC, the Permanent Receiver in this action. As specified in my declaration submitted in support of the Receiver's First Expense Period Fee Motion [Dkt No. 57], I am one of the attorneys primarily responsible for the representation of REA in this case, along with Thomas M. Robins, III, and Craig A. Welin, who are shareholders of FRBC.
8. During the Fourth Expense Period (April 1, 2010 through October, 2011), FRBC's fees totaled \$30,264.00 (after providing the Receiver a \$321.00 credit on our May 2011 invoice for the reasons specified in paragraph 11 of my declaration in support of the Receiver's Third Expense Period Fee Motion), and its allowable expenses totaled \$1,370.33 (totaling \$31,634.33).

9. Attached hereto as Exhibit 9 are summaries of each person's hourly rate multiplied by the total hours worked for each month in the Fourth Expense Period, including a summary of the total allowable expenses incurred. While the billing summaries attached as Exhibit 9 hereto contain entries for costs not authorized for payment pursuant to the Court's June 20, 2007 Order granting in part and denying in part the Receiver's First Expense Period Fee Motion [Dkt No. 110], which is done for internal accounting and "write-off" procedures, FRBC only seeks payment of the types of allowable expenses following the June 20, 2007 Order.

10. Attached hereto as Exhibit 10 are monthly billing summaries reflecting the services rendered, time spent and costs incurred by FRBC pertaining to this matter for the Fourth Expense Period, with the descriptions redacted where appropriate to preserve the attorney-client privilege and attorney work product privileges or to otherwise protect the Receiver and the receivership estate from inappropriate disclosures, although unredacted copies of the billing summaries will be submitted directly to chambers.

12. I am familiar with the methods and procedures used to create, record and maintain billing records for FRBC's clients. The billing summaries attached hereto as Exhibit 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 FRBC 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 which generates monthly invoices under the supervision of the firm's accounting department. Based upon

my experience with FRBC, I believe the firm's methods and procedures for recording and accounting for time and services for its clients is reliable and accurate.

13. Legal services rendered by FRBC during the Fourth Expense Period, either at the direction of the Receiver or responsible attorneys with this firm, included, among other things: (a) continued analysis of claims and issues following death of relief defendant Pholecia Daniel; (b) assisting the Receiver and its local counsel re with regard to the multiple claims and issues arising in the Florida state probate proceedings, and otherwise assisting local counsel with and advising the Receiver on all tasks concerning protecting and preserving the Receiver's rights, claims and interest in the probate estate, including wind up of the probate estate; (c) preparing of the Receiver's Third Expense Period Fee Motion; (d) coordinating with and advising local counsel in the Republic of the Philippines concerning the Receiver's investigation and pursuit of funds held by Receivership Defendants in this jurisdiction; (e) preparing the Receiver's motion for motion for authority to distribute \$900,000 of receivership estate assets to Plaintiff Federal Trade Commission for partial satisfaction of the judgments entered in this action; (f) working with the Receiver when requested in responding to administrative and other issues as may have arisen; and (l) advising the Receiver on matters otherwise summarized in the Final Report.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration was executed on January 30, 2012, at Los Angeles, California.



HAL D. GOLDFLAM

DECLARATION OF JOHN A. ANTHONY

I, John A. Anthony, declare:

1. My name is John A. Anthony.
2. I am over eighteen (18) years of age.
3. This declaration is made upon my personal knowledge.
4. Everything in this declaration is true and correct.
5. Since during 1987, I have continuously been an attorney at law, licensed to practice my profession in the State of Florida.
6. I am licensed to practice in the United States District Court for the Middle District of Florida.
7. I was a shareholder at all times relevant through mid-May 2009, with the firm of GrayRobinson, P.A. ("GrayRobinson"), original local counsel for Robb Evans & Associates LLC ("REA"), in this action.
8. On December 14, 2006, REA retained GrayRobinson to serve as its local counsel in Florida.
9. In mid-May 2009, I formed Anthony & Partners, LLC ("A&P") with two of my partners from GrayRobinson and A&P was subsequently substituted as counsel for REA in this action.
10. I am the attorney primarily responsible for the local representation of REA in this action, and I have maintained direct involvement and oversight in GrayRobinson's and A&P's representation of REA in this action since GrayRobinson was engaged and A&P was substituted for GrayRobinson.

11. During the Fourth Expense Period (April 1, 2010 through October 31, 2011), A&P's fees totaled \$21,960.45, and its allowable expenses totaled \$3,050.55 (totaling \$25,011.00).

12. Attached hereto as Exhibit 11 are summaries of each person's hourly rate multiplied by the total hours worked for each month in the Fourth Expense Period, including a summary of the total allowable expenses incurred. While the billing summaries attached as Exhibit 12 hereto contain entries for costs not authorized for payment pursuant to the Court's June 20, 2007 Order granting in part and denying in part the Receiver's First Expense Period Fee Motion [Dkt No. 110], which is done for internal accounting and "write-off" procedures, A&P only seeks payment of the types of allowable expenses following the June 20, 2007 Order. The entry on the Final Report for Legal Fees and Cost for A&P is \$47.36 while our billing summary for October 2011 (Exh. 12) totals \$170.00. The difference accounts for a credit to the Receiver for non-allowable costs appearing on the billing summaries.

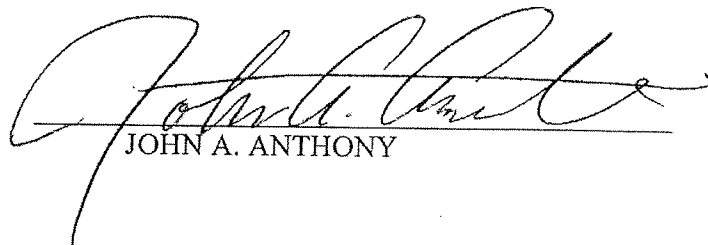
13. Attached hereto as Exhibit 12 are monthly billing summaries reflecting the services rendered, time spent and costs incurred by A&P pertaining to this matter for the Fourth Expense Period, with the descriptions redacted where appropriate to preserve the attorney-client privilege and attorney work product privileges or to otherwise protect the Receiver and the receivership estate from inappropriate disclosures, although unredacted copies of the billing summaries will be submitted directly to chambers.

14. I am familiar with the methods and procedures used to create, record and maintain billing records for A&P's clients. The billing summaries attached hereto as Exhibit 12 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 A&P 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 which generates monthly invoices under the supervision of A&P's accounting department. Based upon my experience with A&P, I believe the firm's methods and procedures for recording and accounting for time and services for their clients is reliable and accurate.

15. Legal services rendered by A&P during the Fourth Expense Period, either at the direction of the Receiver, lead counsel Frandzel Robins Bloom & Csato, L.C., or responsible attorneys with A&P, included, among other things: (a) coordinating with the Receiver's lead counsel in the handling of the matters summarized in the Receiver's Final Report and in the accompanying declaration of Hal D. Goldflam; and (b) performing all tasks related to protecting and preserving the Receiver's rights, claims and interests in the probate estate of Pholecia Daniels resulting in the distributions to the receivership estate specified in the Final Report.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration was executed on January 25, 2012, at Tampa, Florida.


JOHN A. ANTHONY