

ROBB EVANS & ASSOCIATES LLC

Receiver of

**High Park Investment Group, Inc. and
Harbor Financial Investment Group, Inc., et al.**

11450 Sheldon Street
Sun Valley, California 91352-1121
Telephone No.: (818) 768-8100
Facsimile No.: (818) 768-8802

**Securities and Exchange Commission v. High Park Investment Group, Inc., et al.
CASE No. SACV 05-1090 CJC (MLGx)**

Notice of Motion and Motion For Order:

- (A) Approving the Receiver's Final Report and Accounting;**
- (B) Approving Fees and Expenses of the Receiver and its Professionals and Authorizing Final Payment Thereof;**
- (C) Authorizing Abandonment and Destruction of Records;**
- (D) Discharging the Receiver and Relieving the Receiver of all Duties, Liabilities and Responsibilities;**
- (E) Exonerating the Receiver's Bond; and**
- (F) Related Relief;**

Memorandum of Points and Authorities; Declaration of Kenton Johnson in Support Thereof

Filed February 2, 2007

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 ROBB EVANS & ASSOCIATES LLC

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

12 SECURITIES AND EXCHANGE
 COMMISSION,

13 Plaintiff,

14 v.

15 HIGH PARK INVESTMENT GROUP,
 16 INC., a Nevada corporation, HARBOR
 FINANCIAL INVESTMENT GROUP,
 17 INC., a Nevada corporation, EDWARD
 R. SHOWALTER,

18 Defendants.

CASE NO. SACV 05-1090 CJC
 (MLGx)

**NOTICE OF MOTION AND
 MOTION FOR ORDER: (A)
 APPROVING THE RECEIVER'S
 FINAL REPORT AND
 ACCOUNTING; (B) APPROVING
 FEES AND EXPENSES OF THE
 RECEIVER AND ITS
 PROFESSIONALS AND
 AUTHORIZING FINAL PAYMENT
 THEREOF; (C) AUTHORIZING
 ABANDONMENT AND
 DESTRUCTION OF RECORDS; (D)
 DISCHARGING THE RECEIVER
 AND RELIEVING THE RECEIVER
 OF ALL DUTIES, LIABILITIES
 AND RESPONSIBILITIES; (E)
 EXONERATING THE
 RECEIVER'S BOND; AND (F)
 RELATED RELIEF;
 MEMORANDUM OF POINTS AND
 AUTHORITIES AND
 DECLARATION OF KENTON
 JOHNSON IN SUPPORT THEREOF**

**DATE: FEBRUARY 26, 2007
 TIME: 1:30 P.M.
 PLACE: COURTROOM 9B**

1 PLEASE TAKE NOTICE that on February 26, 2007 commencing at 1:30
2 p.m. or as soon thereafter as the parties may be heard in Courtroom 9B of the
3 above-entitled court located at 411 West Fourth Street, Santa Ana, California, Robb
4 Evans & Associates LLC as Permanent Receiver (“Receiver”) of High Park
5 Investment Group, Inc. (“High Park”), Harbor Financial Investment Group, Inc.
6 (“Harbor Financial”) and their subsidiaries and affiliates (individually and
7 collectively, “Receivership Defendants”) will and does hereby move the Court for
8 orders for the following relief:

9 1. An order approving the Receiver’s Final Report and Accounting
10 attached hereto as Exhibits 1 and 2, respectively (individually and collectively
11 “Final Report”), and in connection therewith confirming and approving that the
12 receivership estate be closed without the Receiver implementing a distribution or
13 claims procedure pertaining to the receivership estate of the Receivership
14 Defendants, and without payment of pre-receivership claims;

15 2. An order approving and confirming all actions and activities taken by
16 or on behalf of the Receiver and all payments made by the Receiver in connection
17 with the administration of the receivership estate of the Receivership Defendants;

18 3. An order approving all receivership administrative expenses, including
19 the Receiver’s fees and expenses and those of its professionals, incurred in
20 connection with the receivership proceeding, previously paid by the Receiver and
21 authorizing payment of all administrative expenses and Receiver’s and
22 professionals’ fees and expenses incurred through the conclusion of this
23 proceeding, as reflected in the Final Report, to the extent any such administrative
24 expenses and Receiver’s and professionals’ fees and expenses remain unpaid, and
25 providing for the Receiver to remit surplus funds in the receivership estate, if any,
26 to the Chapter 7 Trustee of the High Park bankruptcy estate upon discharge of the
27 Receiver;

1 4. An order authorizing the Receiver to abandon records of the
2 Receivership Defendants and their subsidiaries and affiliates, and to destroy all
3 records of the Receivership Defendants and any other corporations or businesses
4 under the control of any of the Receivership Defendants if, within 30 days after
5 service of written notice to the Chapter 7 Trustee of the bankruptcy estate of High
6 Park, the Chapter 7 Trustee does not take custody of such records;

7 5. An order discharging the Receiver, its agents, employees, members,
8 officers, independent contractors, attorneys and representatives and relieving the
9 Receiver, its agents, employees, members, officers, independent contractors,
10 attorneys and representatives of all duties, liabilities and responsibilities pertaining
11 to the receivership previously established in this action;

12 6. An order exonerating the Receiver's bond;

13 7. An order for any other and further relief as may be reasonable or
14 appropriate in connection with the wind up and closure of the receivership estate;
15 and

16 8. An order finding that notice of the hearing on this motion was
17 sufficient and appropriate under the circumstances and pursuant to Local Civil Rule
18 66-7 based on notice of the hearing having been served by mail on the parties to
19 this action and the known creditors of the receivership estate as reflected in the
20 proofs of service on file with the Court and by the posting of notice of hearing and
21 motion, memorandum of points and authorities and supporting declarations on the
22 Receiver's website in this case.

23 The Receiver seeks the foregoing relief on the ground that it is necessary and
24 appropriate to fully wind up the receivership estate in that the net assets of the
25 receivership estate after payment of or reserve for receivership expenses have been
26 turned over to the Chapter 7 Trustee of the bankruptcy estate of High Park and no
27 further activities or services are required by the Receiver in light of the Chapter 7
28 bankruptcy by High Park and the turnover of assets to the bankruptcy estate, and

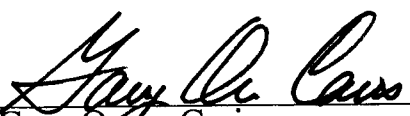
1 the absence of any assets available for distribution to creditors of the other
2 Receivership Defendants.

3 This motion is made and based on this notice of motion and motion, the
4 separate notice of hearing on the motion filed and served on the interested parties,
5 on the memorandum of points and authorities and declaration of Kenton Johnson in
6 support hereof, on the pleadings, records and files of this action, and on such further
7 oral and documentary evidence and arguments of counsel as may be presented by
8 the Receiver prior to or at the hearing.

9 Copies this motion and supporting pleadings are also available on the
10 Receiver's website for this case at <http://www.robbevans.com/html/highpark.html>.

11 Dated: February 2, 2007

McKenna Long & Aldridge LLP
Gary Owen Caris
Lesley Anne Hawes

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14 By: 
15 Gary Owen Caris
16 Attorneys for Permanent Receiver,
17 ROBB EVANS & ASSOCIATES
18 LLC

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1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. RECEIVERSHIP CASE SUMMARY

3 This civil enforcement action was commenced by the Securities and
4 Exchange Commission ("SEC") in November 2005. On November 9, 2005, the
5 Court issued its Temporary Restraining Order and Orders: (1) Freezing Assets; (2)
6 Appointing A Temporary Receiver; (3) Requiring Accountings; (4) Repatriating
7 Assets; (5) Prohibiting the Destruction of Documents; (6) Granting Expedited
8 Discovery pursuant to which Robb Evans & Associates LLC was appointed as
9 Temporary Receiver of defendants High Park Investment Group, Inc. ("High Park")
10 and Harbor Financial Group, Inc. ("Harbor") and their subsidiaries and affiliates
11 ("Temporary Restraining Order"). On November 18, 2005, the Court issued an
12 Amended Temporary Restraining Order which imposed a stay on actions by
13 creditors against the receivership entities and their assets.

14 On November 22, 2005, the Receiver filed its Temporary Receiver's Report
15 for the Period from November 9, 2005 through November 14, 2005 ("Receiver's
16 Report"). Thereafter, the SEC and the defendants stipulated to the imposition of a
17 preliminary injunction and permanent receivership over High Park, Harbor and
18 their subsidiaries and affiliates (individually and collectively "Receivership
19 Entities") pursuant to the Stipulation and Order re Preliminary Injunction and
20 Permanent Receiver ("Receivership Order") filed December 13, 2005.

21 In accordance with the Receivership Order, the Receiver took possession,
22 custody and control of the receivership assets commencing on November 9, 2005.
23 In June 2006, the Receiver filed its Motion for Order for: (A) Approval and
24 Payment of Pre-Bankruptcy Receiver's and Attorneys' Fees and Expenses; and (B)
25 for Approval of Temporary Receiver's Report and Pre-Bankruptcy Report and
26 Accounting ("Pre-Bankruptcy Motion"). The Receiver's Pre-Bankruptcy Motion
27 describes in detail the High Park real estate investment scheme, the Receiver's
28 activities during the receivership, including contested law and motion proceedings

1 filed by the Receiver seeking to address the investors' claimed liens and the
2 Receiver's other activities in the case. The Receiver's Pre-Bankruptcy Motion also
3 sought approval of two reports of the Receiver concerning the Receiver's activities
4 in the case. The Pre-Bankruptcy Motion also sought approval of the fees and costs
5 incurred by the Receiver and its attorneys, including a request for a reserve for
6 payment of fees and expenses associated with the Receiver's placing High Park in a
7 Chapter 7 bankruptcy proceeding from which such fees and expenses could be paid
8 and the balance of funds in the estate remitted to the Chapter 7 Trustee of the High
9 Park bankruptcy.

10 The Court granted all relief sought in the Receiver's Pre-Bankruptcy Motion
11 by a detailed minute order entered July 26, 2006. The Court's July 26, 2006 Order
12 also directed the Receiver to file a petition under Chapter 7 of the Bankruptcy Code
13 on behalf of High Park and provided for further proceedings concerning the
14 administration of assets and claims to be conducted through the bankruptcy process.

15 The Receiver filed a voluntary petition under Chapter 7 of the Bankruptcy
16 Code on behalf of High Park on July 31, 2006. The Receiver and counsel thereafter
17 prepared the extensive bankruptcy schedules, statement of affairs and other required
18 filings in bankruptcy. The Receiver's representative and its counsel appeared at the
19 first meeting of creditors under Bankruptcy Code §341(a) to be questioned by the
20 Chapter 7 Trustee, and the Receiver and counsel have monitored the bankruptcy
21 case, receiving and briefly reviewing filings in the bankruptcy from creditors and
22 others and responding to inquiries from the Chapter 7 Trustee and creditors.

23 The Receiver also filed and pursued recovery of receivership assets being
24 held by the District Court for the District of Columbia and by the Securities and
25 Exchange Commission in a separate action pending against defendant Edward R.
26 Showalter in that Court in the action SEC v. Hollywood Trenez, Inc., et al.,
27 U.S.D.C., Dist. of Col. Case No. 98-1106 (RMU) (the "DC Action"). The District
28 Court for the District of Columbia issued an order for turnover of the funds to the

1 Receiver on October 12, 2006 in the DC Action. Pursuant to this Court's July 26,
2 2006 Order, the Receiver paid the allowed receivership expenses of this estate from
3 those funds, including funds retained for payment of bankruptcy-related fees and
4 expenses of the Receiver and its counsel and sums retained to pay the remaining
5 estimated receivership expenses to wind up the case, and turned over the balance of
6 funds to the Chapter 7 Trustee of High Park, as reflected in the Receiver's Final
7 Report attached hereto as Exhibits 1 and 2.

8 **II. RELIEF SOUGHT BY THE RECEIVER**

9 This motion seeks various orders necessary and appropriate to wind up the
10 receivership estate in light of the entry of stipulated judgments against all
11 defendants in favor of plaintiff Securities and Exchange Commission.

12 A. Approval of Final Report and Receiver's Activities

13 The Receiver seeks approval of the Receiver's Final Report and related
14 relief, including orders approving and confirming that the estate will be wound up
15 and closed by the Receiver without any claims filing, allowance or distribution
16 process or payment of pre-receivership claims in light of the absence of assets of
17 the Receivership Defendants, other than those being administered through the
18 Chapter 7 bankruptcy of High Park. The Receiver further seeks an order approving
19 and confirming all activities and actions taken by or on behalf of the Receiver
20 during the receivership.

21 B. Approval of Fees and Expenses

22 This motion seeks approval and confirmation of the Receiver's payment of
23 all administrative expenses of the estate, the Receiver's fees and costs and those of
24 its attorneys. The motion seeks approval and authorization for payment of the
25 remaining unpaid administrative expenses of the estate, including the Receiver's
26 fees and costs and its attorneys' fees and costs which have been incurred and
27 remain unpaid since payment from the bankruptcy reserve, including the estimated
28 fees and expenses of the Receiver and its counsel necessary to close the estate.

1 These administrative expenses, fees and costs are set forth in the Final Report and
2 consist in the aggregate of \$15,000.00, which is being held by the Receiver pending
3 the Court's determination of this motion.

4 The unpaid Receiver's fees and expenses from October 1, 2006 through
5 December 31, 2006 total \$2,998.86, and the Receiver estimates an additional
6 \$3,570.00 will be incurred from January 1, 2007 through the closing of the estate,
7 including services to prepare and complete the Final Report, to review, organize
8 and prepare for turnover or destruction the Receivership Defendants' records, and
9 to take other administrative steps to close the case.

10 The unpaid attorneys' fees and costs incurred to the Receiver's attorneys for
11 the period from October 1, 2006 through December 31, 2006 total \$5,304.52. The
12 Receiver estimates that the fees and costs incurred by the Receiver's counsel from
13 January 1, 2007 through the conclusion of the case, including fees and expenses
14 pertaining to the preparation, filing and appearance on this motion, will be
15 approximately \$3,126.62. The actual and estimated fees and costs are set forth in
16 the Final Report, and aggregate \$15,000. If the actual fees and costs from January
17 1, 2007 to closing are less, the Receiver will turn over any surplus funds to the
18 Chapter 7 Trustee of the High Park estate. The Receiver and counsel will not seek
19 fees and costs in excess of \$15,000.00 as set forth in the Final Report to close the
20 estate.¹

21 C. Destruction of Records

22 The Receiver seeks other relief related to the wind up of the receivership
23 estate. There are extensive business and other records from the Receivership
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26 ¹ The Receiver has not attached the detailed time records supporting the remaining
27 unpaid fees in the interests of minimizing copying and service expense, given the
28 dollar amounts at issue and given that certain of the fees requested are estimated
fees for services through the closing of the receivership estate. Copies of the
detailed time records will be provided to the Court if requested at or before the
hearing on the motion.

1 Defendants that are being warehoused by the Receiver. The Chapter 7 Trustee thus
2 far has not elected to take custody and possession of the records. The Receivership
3 Defendants' businesses have been closed for almost 15 months and they are
4 prohibited from renewing business operations under the stipulated judgment. The
5 Receiver therefore seeks an order authorizing the Receiver to notify the Chapter 7
6 Trustee of High Park that he must take possession and custody of the records within
7 30 days of the Receiver's written notice and that the Receiver be authorized to
8 destroy the records if the Trustee does not take possession of the records within that
9 time frame.

10 D. Discharge and Exoneration of Receiver's Bond

11 In connection with the wind up of the estate, the Receiver further seeks an
12 order discharging the Receiver and its members, agents and others acting on its
13 behalf as set forth in the prayer for relief and relieving them of all duties,
14 obligations and liabilities pertaining to this receivership. The Receiver further
15 requests that the Court enter an order exonerating the Receiver's bond posted in this
16 case.

17 E. Notice of Hearing

18 The Receiver seeks an order finding notice of the hearing on the motion to be
19 sufficient and appropriate under the circumstances. The Receiver has caused a
20 notice of hearing on the motion to be served on all parties to the action, the Chapter
21 7 Trustee of High Park, and all known creditors based on the records of the
22 receivership, as reflected in proofs of service which will be filed with the Court.
23 The Receiver has also posted the notice of hearing and the motion pleadings on the
24 Receiver's website for this case where they are available to any interested party.
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1 **III. THE RELIEF SOUGHT IS APPROPRIATE TO ALLOW THE**
2 **RECEIVER TO WIND UP THE ESTATE FORTHWITH**

3 Court approval of the Receiver's actions and requests is consistent with
4 federal receivership practice as required by Federal Rule of Civil Procedure,
5 Rule 66. *See*, 2 Clark on Receivers, § 383.1 (3d ed. 1959). The Court has wide
6 latitude in supervising the Receiver and may provide for the administration of the
7 receivership as it deems appropriate. 13 *Moore's Federal Practice*, § 66.06[4][a]
8 (Matthew Bender 3d ed. 2002).

9 The relief sought in this motion will promote the orderly and prompt wind up
10 the receivership estate in an expeditious and cost-effective manner. The relief
11 sought is customary and appropriate in closing a receivership estate, discharging the
12 receiver and exonerating the Receiver's bond. The fees and expenses sought by the
13 Receiver, both those previously authorized and paid and those remaining unpaid,
14 are reasonable under the circumstances given the services rendered, the complexity
15 of the case and the Receiver's duties under the Preliminary Injunction Order.

16 **IV. CONCLUSION**

17 Based upon the foregoing and the pleadings filed in support hereof, and such
18 additional arguments and evidence as may be presented prior to or at the hearing,
19 the Receiver respectfully requests that the Court grant relief as requested in this
20 motion, including all of the following:

21 1. An order approving the Receiver's Final Report and Accounting
22 attached hereto as Exhibits 1 and 2, respectively (individually and collectively
23 "Final Report"), and in connection therewith confirming and approving that the
24 receivership estate be closed without the Receiver implementing a distribution or
25 claims procedure pertaining to the receivership estate of the Receivership
26 Defendants, and without payment of pre-receivership claims;

1 2. An order approving and confirming all actions and activities taken by
2 or on behalf of the Receiver and all payments made by the Receiver in connection
3 with the administration of the receivership estate of the Receivership Defendants;

4 3. An order approving all receivership administrative expenses, including
5 the Receiver's fees and expenses and those of its professionals, incurred in
6 connection with the receivership proceeding, previously paid by the Receiver and
7 authorizing payment of all administrative expenses and Receiver's and
8 professionals' fees and expenses incurred through the conclusion of this
9 proceeding, as reflected in the Final Report, to the extent any such administrative
10 expenses and Receiver's and professionals' fees and expenses remain unpaid, and
11 providing for the Receiver to remit surplus funds in the receivership estate, if any,
12 to the Chapter 7 Trustee of the High Park bankruptcy estate upon discharge of the
13 Receiver;

14 4. An order authorizing the Receiver to abandon records of the
15 Receivership Defendants and their subsidiaries and affiliates, and to destroy all
16 records of the Receivership Defendants and any other corporations or businesses
17 under the control of any of the Receivership Defendants if, within 30 days after
18 service of written notice to the Chapter 7 Trustee of the bankruptcy estate of High
19 Park, the Chapter 7 Trustee does not take custody of such records;

20 5. An order discharging the Receiver, its agents, employees, members,
21 officers, independent contractors, attorneys and representatives and relieving the
22 Receiver, its agents, employees, members, officers, independent contractors,
23 attorneys and representatives of all duties, liabilities and responsibilities pertaining
24 to the receivership previously established in this action;


25 6. An order exonerating the Receiver's bond;

26 7. An order for any other and further relief as may be reasonable or
27 appropriate in connection with the wind up and closure of the receivership estate;
28 and

1 8. An order finding that notice of the hearing on this motion was
2 sufficient and appropriate under the circumstances and pursuant to Local Civil Rule
3 66-7 based on notice of the hearing having been served by mail on the parties to
4 this action and the known creditors of the receivership estate as reflected in the
5 proofs of service on file with the Court and by the posting of notice of hearing and
6 motion, memorandum of points and authorities and supporting declaration on the
7 Receiver's website in this case.

8
9 Dated: February 2, 2007

McKenna Long & Aldridge LLP
Gary Owen Caris
Lesley Anne Hawes

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12 By: 
13 Gary Owen Caris
14 Attorneys for Permanent Receiver,
15 ROBB EVANS & ASSOCIATES
16 LLC
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1 **DECLARATION OF KENTON JOHNSON**

2 I, Kenton Johnson, declare:

3 1. I am a member of Robb Evans & Associates LLC, the duly appointed
4 Permanent Receiver (“Receiver”) of High Park Investment Group, Inc. (“High
5 Park”) and Harbor Financial Group, Inc. (“Harbor”) and their subsidiaries and
6 affiliates (“Receivership Entities”). If called upon to testify as to the facts set forth
7 in this declaration, I could and would testify competently thereto as the facts are
8 true and within my personal knowledge.

9 2. On November 9, 2005, the Court issued its Temporary Restraining
10 Order and Orders: (1) Freezing Assets; (2) Appointing A Temporary Receiver; (3)
11 Requiring Accountings; (4) Repatriating Assets; (5) Prohibiting the Destruction of
12 Documents; (6) Granting Expedited Discovery pursuant to which Robb Evans &
13 Associates LLC was appointed as Temporary Receiver of defendants High Park
14 Investment Group, Inc. (“High Park”) and Harbor Financial Group, Inc. (“Harbor”)
15 and their subsidiaries and affiliates (“Temporary Restraining Order”). On
16 November 18, 2005, the Court issued an Amended Temporary Restraining Order
17 which imposed a stay on actions by creditors against the receivership entities and
18 their assets.

19 3. On November 22, 2005, the Receiver filed its Temporary Receiver’s
20 Report for the Period from November 9, 2005 through November 14, 2005
21 (“Temporary Receiver’s Report”). Thereafter, the SEC and the defendants
22 stipulated to the imposition of a preliminary injunction and permanent receivership
23 over High Park, Harbor and their subsidiaries and affiliates (individually and
24 collectively “Receivership Entities”) pursuant to the Stipulation and Order re
25 Preliminary Injunction and Permanent Receiver (“Receivership Order”) filed
26 December 13, 2005.

27 4. I am also one of the members of the Receiver primarily responsible for
28 the review and investigation of the Receivership Entities, including their business

1 activities and the business, banking, escrow and other records of the Receivership
2 Entities and records obtained by the Receiver through its investigation. I am one of
3 the members of the Receiver who prepared the Temporary Receiver's Report and
4 exhibits thereto and the Receiver's Pre-Bankruptcy Report and Accounting attached
5 as Exhibit 1 to the Receiver's Motion for Approval and Payment and for other relief
6 filed in June 2006 ("Second Report"). I also prepared the Receiver's Final Report
7 and Accounting ("Final Report"), the originals of which are attached to this
8 Declaration as Exhibits 1 and 2.

9 5. The Receiver worked with the SEC to seek recovery of funds paid
10 from High Park toward the satisfaction of a judgment against defendant Edward
11 Showalter in a separate civil enforcement action filed by the SEC in the District of
12 Columbia. The Receiver's counsel filed motions for limited intervention and for
13 turnover of the funds in the case SEC v. Hollywood Trenz, Inc., et al., U.S.D.C.,
14 Dist. of Col. Case No. 98-1106 (RMU) (the "DC Action"). The District Court for
15 the District of Columbia issued an order for turnover of the funds to the Receiver on
16 October 12, 2006 in the DC Action. The funds from the action in the District of
17 Columbia have been turned over to the Receiver. Pursuant to this Court's July 26,
18 2006 Order, the Receiver paid the allowed receivership expenses of this estate from
19 those funds, including funds retained for payment of bankruptcy-related fees and
20 expenses of the Receiver and its counsel and sums retained to pay the remaining
21 estimated receivership expenses to wind up the case, and turned over the balance of
22 funds to the Chapter 7 Trustee of High Park, as reflected in the Receiver's Final
23 Report attached hereto as Exhibits 1 and 2.

24 6. The Receiver filed a voluntary petition under Chapter 7 of the
25 Bankruptcy Code on behalf of High Park on July 31, 2006 in accordance with this
26 Court's July 26, 2006 Order. The Receiver's counsel, other members of the
27 Receiver's staff and I thereafter prepared the extensive bankruptcy schedules,
28 statement of affairs and other required filings in bankruptcy. With the Receiver's

1 counsel, I appeared at the first meeting of creditors under Bankruptcy Code §341(a)
2 to be questioned by the Chapter 7 Trustee, and the Receiver's counsel and I have
3 monitored the bankruptcy case, receiving and briefly reviewing filings in the
4 bankruptcy from creditors and others and responding to inquiries from the Chapter
5 7 Trustee and creditors.

6 7. In addition to other relief, the Receiver's motion seeks approval and
7 authorization for payment of the remaining unpaid administrative expenses of the
8 estate, including the Receiver's fees and costs and its attorneys' fees and costs
9 which have been incurred and remain unpaid since payment from the bankruptcy
10 reserve, including the estimated fees and expenses of the Receiver and its counsel
11 necessary to close the estate. These administrative expenses, fees and costs are set
12 forth in the Final Report and consist in the aggregate of \$15,000.00, which is being
13 held by the Receiver pending the Court's determination of this motion.

14 8. The unpaid Receiver's fees and expenses from October 1, 2006
15 through December 31, 2006 total \$2,998.86, and the Receiver estimates an
16 additional \$3,570.00 will be incurred from January 1, 2007 through the closing of
17 the estate, including services to prepare and complete the Final Report, to review,
18 organize and prepare for turnover or destruction the Receivership Defendants'
19 records, and to take other administrative steps to close the case.

20 9. The unpaid attorneys' fees and costs incurred to the Receiver's
21 attorneys for the period from October 1, 2006 through December 31, 2006 total
22 \$5,304.52. The Receiver estimates that the fees and costs incurred by the
23 Receiver's counsel from January 1, 2007 through the conclusion of the case,
24 including fees and expenses pertaining to the preparation, filing and appearance on
25 this motion, will be approximately \$3,126.62. This estimate represents less than 10
26 hours at an hourly rate of \$346.50, which is the rate charged to the Receiver by its
27 lead counsel Gary Owen Caris in this matter.

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1 10. The actual and estimated fees and costs are set forth in the Final
2 Report, and aggregate \$15,000. If the actual fees and costs from January 1, 2007 to
3 closing are less, the Receiver will turn over any surplus funds to the Chapter 7
4 Trustee of the High Park estate. The Receiver and counsel will not seek fees and
5 costs in excess of \$15,000.00 as set forth in the Final Report to close the estate.

6 11. There are extensive business and other records from the Receivership
7 Defendants that are being warehoused by the Receiver. The Chapter 7 Trustee thus
8 far has not elected to take custody and possession of the records. The Receivership
9 Defendants' businesses have been closed for almost 15 months and they are
10 prohibited from renewing business operations under the stipulated judgment. The
11 Receiver therefore seeks an order authorizing the Receiver to notify the Chapter 7
12 Trustee of High Park that he must take possession and custody of the records within
13 30 days of the Receiver's written notice and that the Receiver be authorized to
14 destroy the records if the Trustee does not take possession of the records within that
15 time frame.

16 12. In addition to other relief, the Receiver seeks an order finding notice of
17 the hearing on the motion to be sufficient and appropriate under the circumstances.
18 The Receiver has caused a notice of hearing on the motion to be served on all
19 parties to the action, the Chapter 7 Trustee of High Park, and all known creditors
20 based on the records of the receivership, as reflected in proofs of service which will
21 be filed with the Court. The Receiver will also post the notice of hearing and the
22 motion pleadings on the Receiver's website for this case where they are available to
23 be reviewed by any interested party.

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I declare under penalty of perjury that the foregoing is true and correct and
this declaration was executed this 1st day of ~~January~~ February 2007 at ~~Sun Valley~~ Pasadena,
California.

Kenton Johnson
KENTON JOHNSON