

1 Gary Owen Caris (SBN 088918)
gcaris@btlaw.com
2 **BARNES & THORNBURG LLP**
2029 Century Park East, Suite 300
3 Los Angeles, California 90067
Telephone: (310) 284-3880
4 Facsimile: (310) 284-3894

5 Attorneys for Receiver
ROBB EVANS and ROBB EVANS &
6 ASSOCIATES LLC

7
8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION

11
12 FEDERAL TRADE COMMISSION,
13 Plaintiff,
14 v.
15 J.K. PUBLICATIONS, INC., et al.,
16 Defendants.

Case No. 2:99-CV-00044-JFW-AJWx

**NOTICE OF MOTION AND
MOTION FOR ORDER: (1)
APPROVING FINAL REPORT OF
RECEIVER'S ACTIVITIES FOR THE
PERIOD ENDING AUGUST 31, 2020;
(2) GRANTING FINAL REQUEST
FOR APPROVAL AND PAYMENT
OF FEES AND COSTS OF THE
RECEIVER AND RECEIVER'S
COUNSEL FOR THE PERIOD
FROM NOVEMBER 1, 2019
THROUGH CLOSING; (3)
DISTRIBUTING NET ASSETS OF
THE RECEIVERSHIP ESTATE TO
THE FTC; AND (4) DISCHARGING
AND EXONERATING BOND AND
GRANTING RELATED RELIEF;
MEMORANDUM OF POINTS AND
AUTHORITIES; DECLARATION OF
GARY OWEN CARIS IN SUPPORT
THEREOF**

**[NO HEARING SET PURSUANT TO
"ORDER AMENDING
PRELIMINARY INJUNCTION AS
TO DEFENDANTS J.K.
PUBLICATIONS, INC., MJD
SERVICE CORP., HERBAL CARE,
INC., KENNETH H. TAVES AND
TERESA CALLEI TAVES"]**

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ENTERED ON AUGUST 19, 1999]
**[DECLARATION OF BRICK KANE
FILED UNDER SEPARATE COVER]**

**TO: ALL DEFENDANTS AND THEIR ATTORNEYS OF RECORD
AND TO PLAINTIFF FEDERAL TRADE COMMISSION:**

PLEASE TAKE NOTICE that permanent receiver Robb Evans and Robb Evans & Associates LLC (“Receiver”) hereby moves this Court for an order:

1. Approving the Receiver’s Final Report of Receiver’s Activities for the Period Ending August 31, 2020 (“Final Report”), which is served and filed concurrently herewith and approving the Receiver’s final accounting, which is attached to the accompanying Declaration of Brick Kane as Exhibit 1, served and filed concurrently herewith;

2. Authorizing and approving the Receiver’s wind up of the receivership estate pursuant to Section XVII of the Final Order and Permanent Injunction as to Defendants J.K. Publications, Inc., MJD Service Corp., Herbal Care, Inc., Kenneth H. Taves and Teresa Callei Taves entered August 30, 2000 (“Final Order”);

3. Approving and confirming all actions and activities taken by or on behalf of the Receiver and all proposed actions to be taken, and all payments made by the Receiver and all proposed payments to be made in connection with the administration of the receivership estate;

4. Approving and authorizing for payment the receivership fees and costs incurred for the period from November 1, 2019 through the closing of the receivership estate (“Final Expense Period”). The Receiver specifically moves the Court for an order: (1) approving in full and authorizing for payment the fees of the Receiver and its staff, comprised of (a) Receiver’s fees, including the Receiver’s staff, of \$1,950.00 for the period from November 1, 2019 through June 30, 2020,

1 plus actual and estimated fees of the Receiver and its staff of \$5,060.00, for the
2 period from July 1, 2020 through closing of the estate, **for a total of \$7,010.00**; and
3 (b) Receiver’s counsel Barnes & Thornburg LLP’s (“Barnes & Thornburg”) fees
4 and costs of \$5,195.35 for the period from November 1, 2019 through June 30,
5 2020, plus actual and estimated legal fees and costs of \$7,693.00, for the period
6 from July 1, 2020 through closing of the estate, **for a total of \$12,888.35**, as set
7 forth in the final accounting, Exhibit 1 to the Declaration of Brick Kane, provided
8 that only fees and costs actually incurred shall be paid to the Receiver and its
9 counsel and provided further that *de minimis* amounts incurred above the estimated
10 amounts shall be paid only with the approval of the plaintiff Federal Trade
11 Commission (“FTC”) and without further Court order;

12 5. Authorizing the Receiver to distribute the remaining assets of the
13 receivership estate held by the Receiver after the payment of administrative
14 expenses to the FTC, in accordance with Section VIII of the Final Order, in the
15 estimated amount of \$3,003,735.21, for potential consumer redress;

16 6. Authorizing the Receiver to destroy all records of the receivership
17 estate, including all records of the Taves Defendants and Corporate Defendants, as
18 those terms are defined in the Final Order, in the Receiver’s possession, custody or
19 control;

20 7. Effective upon the completion of the administration of the receivership
21 estate and the distribution of the remaining funds in the Receiver’s possession and
22 custody to the FTC, for an order (a) providing that neither the Receiver nor any
23 agent, employee, member, officer, independent contractor, attorney, accountant or
24 representative of the Receiver shall have any liability to any person or entity for any
25 action taken or not taken in connection with carrying out the Receiver’s
26 administration of the receivership estate, and the exercise of any powers, duties and
27 responsibilities in connection therewith; and (b) directing that the Receiver, its
28 agents, employees, members, officers, independent contractors, attorneys,

1 accountants and representatives are discharged, released from all claims and
2 liabilities arising out of and/or pertaining to the receivership, and relieved of all
3 duties and responsibilities pertaining to the receivership;

4 8. Exonerating the bond posted by the Receiver in this case, effective
5 upon completion of the administration of the receivership estate and distribution of
6 the remaining funds in the Receiver's possession and custody to the FTC; and

7 9. Granting such additional relief in connection with the wind up and
8 closing of the receivership estate as the Court may determine to be just and proper
9 under the circumstances.

10 This motion is made pursuant to that Order Amending Preliminary Injunction
11 as to Defendants J.K. Publications, Inc., MJD Service Corp., Kenneth H. Taves,
12 and Teresa Callei Taves entered August 19, 1999 ("Order Amending Preliminary
13 Injunction"), which provides that actions by the Receiver described in Local Civil
14 Rule 25.7 (now Local Rule 66-7), including an application for discharge, motion to
15 approve a Receiver's report and an application for fees and expenses of the
16 Receiver and counsel for the Receiver, may be brought on not less than ten (10)
17 days' notice by mail to plaintiff and defendants, through their counsel of record,
18 and those parties requesting special notice, and that orders on such motions may be
19 obtained by the Receiver without a hearing unless a party or entity specifically files
20 and serves on the Receiver through his counsel a written opposition and request for
21 a hearing within ten (10) days from the date the motion is served. Therefore:

22 **PLEASE TAKE FURTHER NOTICE** that if no opposition and request for
23 hearing is received by counsel for the Receiver within ten days from the date this
24 motion is served upon you, the Receiver shall request the Court to sign the
25 proposed order, which has been lodged and served concurrently herewith. If an
26 opposition or request for hearing is timely filed and served, the Receiver shall
27 promptly schedule a hearing and give not less than ten (10) days' notice of the
28 hearing to the opposing party.

1 This motion is based on this notice and motion, the memorandum of points
2 and authorities, the Final Report, declaration of Gary Owen Caris (“Caris
3 Declaration”) attached hereto, the declaration of Brick Kane (“Kane Declaration”)
4 filed concurrently herewith, and upon all documents, records and files in this action,
5 and such oral and documentary evidence as may be presented at or before the time
6 of any hearing that may be scheduled on this motion, in the event opposition is
7 timely filed.

8
9 Dated: September 9, 2020 BARNES & THORNBURG LLP

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11 By: /s/ Gary Owen Caris
12 Gary Owen Caris
13 Attorneys for Receiver
14 ROBB EVANS and ROBB EVANS &
15 ASSOCIATES LLC
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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 The Receiver was originally appointed temporary receiver, with the full
4 powers of an equity receiver, for J.K. Publications, Inc. (“J.K. Publications”) and
5 MJD Service Corp. (“MJD Service”) and each of their affiliates and subsidiaries,
6 upon application of the Federal Trade Commission (“FTC”) by this Court pursuant
7 to a Temporary Restraining Order issued on January 6, 1999. The Receiver was
8 subsequently confirmed as permanent receiver, with the full powers of an equity
9 receiver, for J.K. Publications, MJD Service and each of its affiliates and
10 subsidiaries, and over the assets of Kenneth H. Taves and Teresa Callei Taves,
11 pursuant to the Order of Preliminary Injunction as to Defendants J.K. Publications,
12 Inc., MJD Service Corp., Kenneth H. Taves, and Teresa Callei Taves entered
13 March 16, 1999 (“Receivership Order”). The Receiver was ordered to remain as
14 permanent receiver, retaining the powers established under the Receivership Order,
15 pursuant to Section XVII of this Court’s Final Order and Permanent Injunction as
16 to Defendants J.K. Publications, Inc., MJD Service Corp., Herbal Care, Inc.,
17 Kenneth H. Taves, and Teresa Callei Taves entered August 30, 2000 (“Final
18 Order”).

19 The Receiver files concurrently herewith the Receiver’s thirtieth post-
20 judgment report to the Court which describes the status of the receivership estate as
21 of August 31, 2020. The Receiver’s prior report to the Court preceding the Final
22 Report was the Report of Receiver’s Activities for the Period Ending December 10,
23 2019 (the “December 2019 Report”) filed on December 18, 2019 (Doc. 737). The
24 December 2019 Report was approved by the Court by Order entered January 3,
25 2020 (Doc. 740).

26 As previously reported, the Receiver was able to recover \$5,052,811.81 from
27 European Bank Limited (“European Bank”) in the Republic of Vanuatu on
28 December 9, 2014 in connection with an account there held in the name of a

1 receivership entity, Benford Limited (“Benford”). The Receiver’s activities since
2 December 2014 have focused on attempts to recover the remaining funds from the
3 Benford account that the Receiver contends was owed to the estate and to evaluate
4 alternatives available to the Receiver to address those funds and complete the
5 administration of the receivership. The Final Report describes the trial held in
6 February 2020 in Vanuatu, resulting in two favorable judgments issued by the
7 Supreme Court there, leading to two additional payments to the Receiver by
8 Wanfuteng Bank Limited (“Wanfuteng Bank”), the acquiring and successor entity
9 to European Bank: \$1,071,026.66 on April 29, 2020 and \$1,720,000 on July 22,
10 2020. Including these payments, the Receiver collected from European Bank and
11 its successor entity a total of \$7,843,838.47 in connection with the Benford account.
12 There is no more pending litigation in Vanuatu, all appellate rights there have been
13 waived by Wanfuteng Bank and the Receiver has concluded the recovery of
14 receivership assets, thereby paving the way for the wind up of the receivership
15 estate, as provided by Section XVII of the Final Order. As set forth in the final
16 accounting attached to the Kane Declaration, nearly \$36.6 million was collected by
17 the Receiver. The FTC’s monetary judgment, reflecting the amount of consumer
18 harm attributable to Defendants’ misconduct, was approximately \$37.5 million.
19 Therefore, the Receiver’s collections exceeded 97% of the consumer harm.

20 **II. THE RECEIVER SEEKS AUTHORIZATION TO PAY FEES AND**
21 **EXPENSES OF THE RECEIVER AND HIS COUNSEL**

22 A final accounting for the period from November 1, 2019 through closing of
23 the estate is attached as Exhibit 1 to the Kane Declaration filed concurrently
24 herewith in support of this Motion. Paragraphs VII.H and IX.D of the Receivership
25 Order provide that the Receiver file with the Court periodic requests for his
26 reasonable compensation. Paragraph XI of the Receivership Order also provides
27 that the Receiver file with the Court requests for payment of reasonable
28 compensation for counsel hired by the Receiver. The Court has previously

1 authorized the payment of the Receiver’s fees and costs, as well as those of his
2 counsel, through October 31, 2019 by its Order entered January 3, 2020 (Doc. 740).
3 By this Motion, the Receiver requests the Court’s approval to pay his fees and costs
4 and his counsel’s fees and costs that have been incurred for the period from
5 November 1, 2019 through June 30, 2020 as reflected in Exhibit 1 attached to the
6 Kane Declaration, together with the actual and estimated fees and costs incurred
7 from July 1, 2020 through closing of the estate (the period from November 1, 2019
8 through closing is referred to as the “Final Expense Period”).

9 During the period from November 1, 2019 through June 30, 2020, the fees of
10 the Receiver and its staff total \$1,950.00 and the actual and estimated fees of the
11 Receiver and its staff from July 1, 2020 through closing total \$5,060.00. Therefore,
12 the total fees of the Receiver and its staff during the Final Expense Period is
13 estimated to be \$7,010.00. The invoices for the Receiver for the period from
14 November 1, 2019 through June 30, 2020 are attached as Exhibit 2 to the Kane
15 Declaration.

16 During the period from November 1, 2019 through June 30, 2020, the fees
17 and costs of the Receiver’s counsel, Barnes & Thornburg, LLP (“Barnes &
18 Thornburg”) total \$5,195.35 and the actual and estimated fees and costs of Barnes
19 & Thornburg from July 1, 2020 through closing total \$7,693.00. Therefore, the total
20 fees and costs of Barnes & Thornburg during the Final Expense Period is estimated
21 to be \$12,888.35. The invoices for Barnes & Thornburg for the period from
22 November 1, 2019 through June 30, 2020 are attached as Exhibit 1 to the Caris
23 Declaration.

24 **III. IT IS APPROPRIATE THAT THE NET ASSETS IN THE**
25 **RECEIVERSHIP ESTATE BE DISBURSED TO THE FTC**

26 The Final Order always contemplated that assets recovered by the Receiver
27 in discharging its duties under the Preliminary Injunction and Final Order would be
28 turned over to the FTC for consumer redress. See, Final Order at Section VIII.C.

1 The Court has already approved two prior distributions to the FTC totaling
2 \$20,485,474.90 which were used for consumer redress (Docs. 634 and 707). Along
3 with this third and final payment, the total turned over by the Receiver to the FTC
4 for consumer redress will be nearly \$23.5 million.

5 This is in accord with Ninth Circuit authority. In *Securities and Exchange*
6 *Commission v. Hardy*, 803 F.2d 1034 (9th Cir. 1986), the Court identified two key
7 principals applicable in federal equity receiverships:

8 First, a district court's power to supervise an equity
9 receivership and to determine the appropriate
10 action to be taken in the administration of the
11 receivership is extremely broad. . . . The basis for
12 broad deference to the district court's supervisory
13 role in equity receiverships arises out of the fact
14 that most receiverships involve multiple parties
15 and complex transactions.

16 . . .

17 Secondly, we have acknowledged that a primary purpose
18 of equity receiverships is to promote orderly and efficient
19 administration of the estate by the district court for the
20 benefit of creditors. [Citations omitted.] Accordingly, we
21 generally uphold reasonable procedures instituted by the
22 district court that serve this purpose. [Citations omitted.]

23 *Securities and Exchange Commission v. Hardy*, 803 F.2d at 1037-38.

24 It is appropriate for the Court to allow the Receiver to turn over all net
25 remaining assets to the FTC to complete its consumer redress in this matter.
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1 **IV. THE CLOSING OF THE ESTATE SHOULD BE APPROVED AS**
2 **REQUESTED**

3 The Receiver's request to wind up the receivership estate is consistent with
4 Section XVII of the Final Order. A Final Report is filed concurrently herewith and
5 a final accounting is attached to the Kane Declaration as Exhibit 1. The related
6 relief sought in connection with the wind up of the receivership estate, including the
7 approval of all actions by or on behalf of the Receiver, the destruction of records,
8 discharge of the Receiver and exoneration of its bond, are all ordinary and
9 customary in connection with the wind up of a receivership and within the Court's
10 broad supervisory authority over federal equity receiverships. See *Securities and*
11 *Exchange Commission v. Hardy, supra.*

12 **V. NOTICE IS APPROPRIATE PURSUANT TO THIS COURT'S**
13 **ORDER AMENDING PRELIMINARY INJUNCTION**

14 Pursuant to this Court's Order Amending Preliminary Injunction, the instant
15 motion may be brought on ten (10) days' notice to counsel for the plaintiff, the
16 defendants and parties requesting special notice. Pursuant to the Order Amending
17 Preliminary Injunction, if no opposition and request for a hearing is timely filed and
18 served, the Receiver may obtain an order granting the motion, provided the
19 Receiver submits a declaration attesting to the absence of opposition. The Receiver
20 has concurrently lodged and served a proposed order which the Receiver requests
21 the Court to sign if no opposition is timely filed and served. If an opposition and a
22 request for hearing are timely filed, the Receiver shall promptly schedule a hearing
23 and give the opposing party not less than ten (10) days' notice thereof.

24 **VI. CONCLUSION**

25 The Receiver respectfully requests that the Court grant this motion and:

- 26 1. Approve the Receiver's Final Report;
27 2. Authorize and approve the Receiver's wind up of the receivership
28 estate pursuant to Section XVII of the Final Order;

1 3. Approve and confirm all actions and activities taken by or on behalf of
2 the Receiver and all proposed actions to be taken, and all payments made by the
3 Receiver and all proposed payments to be made in connection with the
4 administration of the receivership estate;

5 4. Approve and authorize for payment the receivership fees and costs
6 incurred during the Final Expense Period;

7 5. Authorize the Receiver to distribute the remaining assets of the
8 receivership estate held by the Receiver after the payment of administrative
9 expenses, to the FTC, in accordance with Section VIII of the Final Order, for
10 potential consumer redress;

11 6. Authorize the Receiver to destroy all records of the receivership estate,
12 including all records of the Taves Defendants and Corporate Defendants, as those
13 terms are defined in the Final Order, in the Receiver's possession, custody or
14 control;

15 7. Effective upon the completion of the administration of the receivership
16 estate and the distribution of the remaining funds in the Receiver's possession and
17 custody to the FTC, issue an order which (a) provides that neither the Receiver nor
18 any agent, employee, member, officer, independent contractor, attorney, accountant
19 or representative of the Receiver shall have any liability to any person or entity for
20 any action taken or not taken in connection with carrying out the Receiver's
21 administration of the receivership estate, and the exercise of any powers, duties and
22 responsibilities in connection therewith; and (b) directs that the Receiver, its agents,
23 employees, members, officers, independent contractors, attorneys, accountants and
24 representatives are discharged, released from all claims and liabilities arising out of
25 and/or pertaining to the receivership, and relieved of all duties and responsibilities
26 pertaining to the receivership; and

27 8. Exonerate the bond posted by the Receiver in this case, effective upon
28 completion of the administration of the receivership estate and distribution of the

1 remaining funds in the Receiver’s possession and custody to the FTC.

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Dated: September 9, 2020

BARNES & THORNBURG LLP

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

1 Gary Owen Caris (SBN 088918)
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2 **BARNES & THORNBURG LLP**
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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION

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12 FEDERAL TRADE COMMISSION,
13 Plaintiff,
14 v.
15 J.K. PUBLICATIONS, INC., et al.,
16 Defendants.

Case No. 2:99-CV-00044-JFW-AJWx

**DECLARATION OF BRICK KANE
IN SUPPORT OF MOTION FOR
ORDER: (1) APPROVING FINAL
REPORT OF RECEIVER'S
ACTIVITIES FOR THE PERIOD
ENDING AUGUST 31, 2020; (2)
GRANTING FINAL REQUEST FOR
APPROVAL AND PAYMENT OF
FEES AND COSTS OF THE
RECEIVER AND RECEIVER'S
COUNSEL FOR THE PERIOD
FROM NOVEMBER 1, 2019
THROUGH CLOSING; (3)
DISTRIBUTING NET ASSETS OF
THE RECEIVERSHIP ESTATE TO
THE FTC; AND (4) DISCHARGING
AND EXONERATING BOND AND
GRANTING RELATED RELIEF**

**[NO HEARING SET PURSUANT TO
"ORDER AMENDING
PRELIMINARY INJUNCTION AS
TO DEFENDANTS J.K.
PUBLICATIONS, INC., MJD
SERVICE CORP., KENNETH H.
TAVES, AND TERESA CALLEI
TAVES" ENTERED ON AUGUST 19,
1999]**

1 I, Brick Kane, declare:

2 1. I am the President and Chief Operating Officer and a member of Robb
3 Evans & Associates LLC, which entity along with Robb Evans is the Receiver in
4 the above-referenced action. I am one of the members of Robb Evans & Associates
5 LLC primarily responsible for handling the administration and management of this
6 receivership estate since the Receiver's appointment on January 6, 1999 pursuant to
7 the Court's Temporary Restraining Order. I have personal knowledge of the
8 matters set forth in this declaration, and if I were called upon to testify as to these
9 matters, I could and would competently testify based upon my own personal
10 knowledge.

11 2. Attached hereto as Exhibit 1 is the Receiver's final accounting for the
12 period from November 1, 2019 through closing of the receivership. This final
13 accounting includes the actual costs incurred through June 30, 2020 together with
14 actual and estimated costs from July 1, 2020 through closing. The Receiver
15 requests that the Court approve for payment the fees and costs of the Receiver, the
16 Receiver's staff and the Receiver's counsel which have been actually incurred
17 during this period of time and estimated to be incurred through the closing of the
18 receivership estate. Only fees actually incurred will be paid to the Receiver, its
19 staff and counsel.

20 3. Attached hereto collectively as Exhibit 2 are true and correct copies of
21 the detailed, redacted time records of the Receiver for the period from November 1,
22 2019 through June 30, 2020. As disclosed in the time records, the Receiver's
23 services during this period principally relate to monitoring, supervising and
24 consulting with the Receiver's Vanuatu counsel in connection with its efforts to
25 recover funds from Wanfuteng Bank Limited in Vanuatu and performing routine
26 receivership accounting services. The total amount of fees incurred by the Receiver
27 and its staff from November 1, 2019 through June 30, 2020 is \$1,950.00. The
28 actual and estimated fees incurred and to be incurred by the Receiver and its staff

1 from July 1, 2020 through closing is \$5,060.00, including fees relating to
2 monitoring and consulting with Vanuatu counsel to bring the Receiver's actions
3 there to a successful conclusion, preparing the final accounting attached hereto as
4 Exhibit 1 and performing administrative work necessary to wind up and close the
5 receivership estate. As set forth in the final accounting, Exhibit 1, the Receiver
6 estimates that, net of all fees and expenses of the receivership estate, including
7 those for which Court approval is now sought, the Receiver will have the sum of
8 \$3,003,735.21 on hand for turnover to the Federal Trade Commission ("FTC") at
9 the close of the case for consumer redress. Along with \$20,485,474.90 previously
10 turned over to the FTC for consumer redress, this additional sum will result in a
11 total of nearly \$23.5 million having been turned over to the FTC in this case.

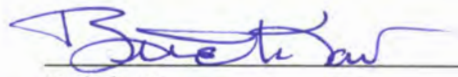
12 4. As a member of Robb Evans & Associates LLC, I am familiar with the
13 methods and procedures used by the Receiver and its staff and employees to record
14 the time spent rendering services to receivership estates over which Robb Evans or
15 Robb Evans & Associates LLC have been appointed. The billing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

26 5. The Final Report of Receiver's Activities for the Period Ending
27 August 31, 2020 ("August 2020 Report") is being filed concurrently with the

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1 motion to wind up the receivership estate which this declaration supports.

2 I declare under penalty of perjury that the foregoing is true and correct and
3 that this declaration was executed on September 8, 2020 at Alhambra, California.

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6 Brick Kane

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EXHIBIT 1

Robb Evans, Receiver of JFC Publications, Inc. et al.

Administrative Fees & Costs & Fund Balance

From Inception (January 7, 1999) to Closing

	Jan '99 - Oct 19	11/1/19~ 6/30/20	Estimate to Close	TOTAL
Funds Collected From				
Charter Pacific Bank	510,618.41	0.00	0.00	510,618.41
Euro Bank Corp.	10,879,498.17	0.00	0.00	10,879,498.17
Heartland Bank	1,554,463.08	0.00	0.00	1,554,463.08
Coastal Holding	20,897.59	0.00	0.00	20,897.59
Fried, Frank, Harris, Shriver & Jacobson	227,617.72	0.00	0.00	227,617.72
Adult Banc	150,117.17	0.00	0.00	150,117.17
Discreet Bill	96,117.13	0.00	0.00	96,117.13
JK Pub	566,869.02	0.00	0.00	566,869.02
Ken Taves	2,165,915.98	0.00	0.00	2,165,915.98
Lee Sacks	0.00	0.00	0.00	0.00
MJD	205,560.22	0.00	0.00	205,560.22
Netfill	8,710.22	0.00	0.00	8,710.22
TAL	482,547.12	0.00	0.00	482,547.12
Ray Creed	575,000.00	0.00	0.00	575,000.00
Mel & Colleen Taves	1,939,488.11	0.00	0.00	1,939,488.11
Auction Proceeds	4,840.90	0.00	0.00	4,840.90
Dividend Income	7,058.03	0.00	0.00	7,058.03
Funds turned over from Vanuatu	5,052,811.81	1,071,026.66	1,720,000.00	7,843,838.47
Interest Income	2,596,791.48	107.71	47.12	2,596,946.31
Miscellaneous Income	110.10	0.00	0.00	110.10
Restitution-K. Taves	6,026.23	3,451.88	1,767.42	11,245.53
Sale of Airplane	135,850.00	0.00	0.00	135,850.00
Sale of Malibu House	1,161,039.91	0.00	0.00	1,161,039.91
Sale of Motorcycle	5,066.00	0.00	0.00	5,066.00
Sale of Porsche	10,500.00	0.00	0.00	10,500.00
Sale of S. Jared Property	339,767.52	0.00	0.00	339,767.52
Sale of Websites	1,460.00	0.00	0.00	1,460.00
Settlement-Est of William Pann	793,196.00	0.00	0.00	793,196.00
Settlement - Charter Pacific	907,867.70	0.00	0.00	907,867.70
Zumirez Income	3,396,531.23	0.00	0.00	3,396,531.23
Total Funds Collected	33,802,336.85	1,074,586.25	1,721,814.54	36,598,737.64
Expenses				
Allowed Claim	9,187.21	0.00	0.00	9,187.21
Defendant's Expenses				
Adult Banc	128,500.00	0.00	0.00	128,500.00
Legal Fees-Defendants	520,840.78	0.00	0.00	520,840.78
Living Expenses	272,947.07	0.00	0.00	272,947.07
Total Defendant's Expenses	922,287.85	0.00	0.00	922,287.85
Receiver's Expenses				
Administrative Expenses				
Aircraft Storage, Maintenance & Insurance	24,485.83	0.00	0.00	24,485.83
Asset Protection	3,690.22	0.00		3,690.22
Asset Search, Verification & Preservation	4,551,695.24	60,949.75	16,569.14	4,629,214.13
ATS Programming Fees	3,500.00	0.00	0.00	3,500.00
Insurance	16,536.00	0.00	0.00	16,536.00
Legal Fees & Costs	1,600,393.98	5,195.35	7,693.00	1,613,282.33

Robb Evans, Receiver of JFC Publications, Inc. et al.

Administrative Fees & Costs & Fund Balance

From Inception (January 7, 1999) to Closing

	<u>Jan '99 - Oct 19</u>	<u>11/1/19~ 6/30/20</u>	<u>Estimate to Close</u>	<u>TOTAL</u>
Malibu Rent	11,125.54	0.00	0.00	11,125.54
Miscellaneous	18,619.24	0.00	1,221.80	19,841.04
Occupancy and Equipment Rental	148,831.82	615.00	720.00	150,166.82
Office Supplies and Telephone	35,763.31	0.00	0.00	35,763.31
Outside Bookkeeping	5,921.40	0.00	0.00	5,921.40
Pacific Coast Expenses	240,205.02	0.00	0.00	240,205.02
Postage and Delivery	20,388.90	55.02	150.00	20,593.92
Printing and Reproduction	5,397.95	0.00	0.00	5,397.95
Security Service	3,295.12	0.00	0.00	3,295.12
State Tax	66,841.90	0.00	1,760.00	68,601.90
Tax Return Preparation	94,300.00	0.00	9,600.00	103,900.00
Technical Consulting	99,430.98	0.00	0.00	99,430.98
Telecommunications	26,442.46	0.00	0.00	26,442.46
Website Preservation	20,536.11	0.00	100.00	20,636.11
Zumirez - Malibu House Expenses	20,771.47	0.00	0.00	20,771.47
Total Administrative Expenses	<u>7,018,172.49</u>	<u>66,815.12</u>	<u>37,813.94</u>	<u>7,122,801.55</u>
Receiver's Fees and Expenses				
Receiver's Fees	216,702.00	160.00	200.00	217,062.00
Receiver's Out of Pocket Exp	7,629.44	0.00	0.00	7,629.44
Total Receiver's Fees and Expenses	<u>224,331.44</u>	<u>160.00</u>	<u>200.00</u>	<u>224,691.44</u>
Staff Expense				
Project Coordinators/Management	442,967.93	1,340.00	2,000.00	446,307.93
Accounting & Support	514,564.63	450.00	2,860.00	517,874.63
Out of Pocket Expenses	15,025.81	0.00	0.00	15,025.81
Total Staff Expense	<u>972,558.37</u>	<u>1,790.00</u>	<u>4,860.00</u>	<u>979,208.37</u>
Total Receiver's Expenses	<u>8,215,062.30</u>	<u>68,765.12</u>	<u>42,873.94</u>	<u>8,326,701.36</u>
Heartland Payment Systems Settlement	1,200,000.00	0.00	0.00	1,200,000.00
Payments to Cayman Islands Government	2,651,351.11	0.00	0.00	2,651,351.11
Funds Transferred to FTC for Consumer Redress	20,485,474.90	0.00	0.00	20,485,474.90
Total Expenses	<u>33,483,363.37</u>	<u>68,765.12</u>	<u>42,873.94</u>	<u>33,595,002.43</u>
Fund Balance	<u>318,973.48</u>	<u>1,005,821.13</u>	<u>1,678,940.60</u>	<u>3,003,735.21</u>