

1 Michael Gerard Fletcher (State Bar No. 070849)
mletcher@frandzel.com
2 Craig A. Welin (State Bar No. 138418)
cwelin@frandzel.com
3 Hal D. Goldflam (State Bar No. 179689)
hgoldflam@frandzel.com
4 FRANDZEL ROBINS BLOOM & CSATO, L.C.
1000 Wilshire Boulevard, Nineteenth Floor
5 Los Angeles, California 90017-2427
Telephone: (323) 852-1000
6 Facsimile: (323) 651-2577

7 Attorneys for Receiver ROBB EVANS
AND ASSOCIATES LLC
8

9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **WESTERN DIVISION**

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13 FEDERAL TRADE COMMISSION,

14 Plaintiff,

15 v.

16 JASON CARDIFF, etc., et al.,

17 Defendants.
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Case No. 5:18-cv-02104-DMG-PLA

**NOTICE OF FIFTH APPLICATION
AND FIFTH APPLICATION FOR
ORDER APPROVING AND
AUTHORIZING PAYMENT OF
RECEIVER’S AND RECEIVER’S
COUNSEL’S FEES AND
EXPENSES FOR THE PERIOD
FROM JULY 1, 2020 THROUGH
OCTOBER 31, 2020;
MEMORANDUM OF POINTS AND
AUTHORITIES**

[Fifth Fee Application; Local Rule
66-7(f)]

Date: February 5, 2021
Time: 9:30 a.m.
Place: Courtroom 8C, 350 West 1st St.
Judge: Hon. Dolly M. Gee

FRANZEL ROBINS BLOOM & CSATO, L.C.
1000 WILSHIRE BOULEVARD, NINETEENTH FLOOR
LOS ANGELES, CALIFORNIA 90017-2427
(323) 852-1000

1 TO: THE HONORABLE DOLLY M. GEE, UNITED STATES DISTRICT
2 JUDGE, THE PARTIES TO THIS ACTION, AND TO ALL KNOWN
3 CREDITORS AND OTHER PARTIES IN INTEREST:

4 PLEASE TAKE NOTICE that on February 5, 2021, at 9:30 a.m., or as soon
5 thereafter as the parties may be heard in Courtroom 8C of the above-entitled court
6 located at 350 West 1st Street, 8th Floor, Los Angeles, California 90012, Robb
7 Evans & Associates LLC, as Receiver of Redwood Scientific Technologies, Inc.
8 (California), Redwood Scientific Technologies, Inc. (Nevada), Redwood Scientific
9 Technologies, Inc. (Delaware), Identify, LLC, Advance Men’s Institute Prolongz
10 LLC, Run Away Productions, LLC, Carols Place Limited Partnership, and each of
11 their subsidiaries, affiliates, successors, and assigns, and of assets of Jason Cardiff
12 and Eunjung Cardiff (collectively, the “Receivership Defendants”), and as Receiver
13 of as Receiver of VPL Medical, Inc., will and hereby does apply to the Court for an
14 order approving the payment of the fees and expenses of the Receiver, the
15 Receiver’s staff, and the Receiver’s outside counsel, Frandzel Robins Bloom &
16 Csato, L.C., for the period from July 1, 2020 through October 31, 2020 (“Fifth
17 Reporting Period”). During the Fifth Reporting Period (a) the fees and costs of the
18 Receiver and its staff totaled \$160,032.79 (consisting of \$156,166.20 in fees and
19 \$3,866.59 in costs), and (b) the fees and costs of FRBC totaled \$348,969.76
20 (consisting of \$344,648.50 in fees and \$4,321.26 in costs), for a total of
21 \$509,002.55.

22 PLEASE TAKE FURTHER NOTICE that this Application is made pursuant
23 to Local Rule 66-7(f) and in accordance with the Court’s preliminary injunctions
24 issued in this action, namely Preliminary Injunction with Asset Freeze, Receiver,
25 and Other Equitable Relief against Jason Cardiff and Eunjung Cardiff [Doc. No. 59,
26 filed on November 8, 2018], which requires the Receiver to file with the Court and
27 serve on the parties periodic requests for the payment of reasonable compensation
28 for the Receiver’s and the Receiver’s hired personnel, including counsel to the

FRANZEL ROBINS BLOOM & CSATO, L.C.
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1 Receiver, and for actual out-of-pocket expenses incurred by them.

2 Further, to the extent L.R. 7-3 applies to this Application, please see the
3 discussion in the concurrently filed Declaration of Michael Gerard Fletcher
4 regarding the Receiver’s compliance with this local rule.

5 This Application is based upon this Notice and the attached Memorandum of
6 Points and Authorities; the concurrently filed Declarations of Brick Kane and
7 Michael Gerard Fletcher and Exhibits thereto; upon the pleadings, records and files
8 of this case of which the Receiver requests the Court take judicial notice, and upon
9 all other further pleadings, oral and documentary evidence and argument of counsel
10 as may be presented by the Receiver at or before the time of the hearing on this
11 Application.

12 PLEASE TAKE FURTHER NOTICE that a copy of this Application and
13 supporting declarations and exhibits are posted on the Receiver’s website at
14 <https://www.robbevans.com/find-a-case/redwood-scientific-technologies-inc-et-al/>
15 where they may be reviewed in their entirety. This Application, the attached
16 Memorandum of Points and Authorities, and the concurrently filed declarations and
17 exhibits are being served on all parties herein. While a copy of this Application and
18 the attached Memorandum of Points and Authorities is being served on all known
19 creditors and interested parties (see attached Creditors Service List), these third-
20 parties may obtain copies of the supporting declarations and exhibits by accessing
21 the Receiver’s website or by sending a written request to: Robb Evans & Associates
22 LLC, 11450 Sheldon Street, Sun Valley, California 91352-1121; Telephone (818)
23 768-8100; Facsimile: (818) 768-8802.

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Dated: January 8, 2021

FRANDZEL ROBINS BLOOM & CSATO, L.C.
MICHAEL GERARD FLETCHER
CRAIG A. WELIN
HAL D. GOLDFLAM

By: /s/ Michael Gerard Fletcher
MICHAEL GERARD FLETCHER
Attorneys for Receiver ROBB EVANS &
ASSOCIATES LLC

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MEMORANDUM OF POINTS AND AUTHORITIES

I. CHRONOLOGICAL FACTS THROUGH OCTOBER 31, 2020

1
2
3 1. On October 10, 2018, the Federal Trade Commission (“FTC”) initiated
4 this action alleging violations of the Federal Trade Commission Act, 15 U.S.C. §
5 45(a), among other alleged violations of federal laws and regulations.

6 2. On October 10, 2018, the Court issued its *Ex Parte* Temporary
7 Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and
8 Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction
9 Should Not Issue (“Temporary Restraining Order”), whereby the Court appointed
10 Robb Evans & Associates LLC (“REA”) the Temporary Receiver of the
11 Receivership Entities and of the assets of Jason Cardiff and Eunjung Cardiff as more
12 particularized therein. [Doc. No. 1.]

13 3. On October 24, 2018, the Court entered its Preliminary Injunction with
14 Asset Freeze, Receiver, and Other Equitable Relief Against Redwood Scientific
15 Technologies, Inc. (CA), etc. Appointment of a Receiver, and Other Equitable
16 Relief, whereby the Court ordered that Robb Evans & Associates LLC shall
17 continue to serve as the Receiver of the Receivership Entities with full powers of an
18 equity receiver. [Doc. No. 46.]

19 4. On October 24, 2018, the Court entered its Order Extending Temporary
20 Restraining Order and Granting Continuance of Preliminary Injunction Hearing for
21 Defendant Danielle Cadiz. [Doc. No. 47.]

22 5. On October 24, 2018, the Court entered its Order Extending Temporary
23 Restraining Order and Granting Continuance of Preliminary Injunction Hearing for
24 Defendants Jason Cardiff and Eunjung Cardiff and Ordering them to Return Assets.
25 [Doc. No. 48.]

26 6. On November 1, 2018, the Receiver filed its Report of Activities for
27 the period from October 10, 2018 through October 31, 2018 (“First Report of
28 Activities”). [Doc. No. 52; *see also* Doc. 53 Notice of Errata – whereby a readable

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1 copy of page 9 of the First Report of Activities was filed.]

2 7. On November 7, 2018, the Court entered its Stipulated Preliminary
3 Injunction as to Defendant Danielle Cadiz, whereby the Court ordered that Robb
4 Evans & Associates LLC shall continue to serve as the Receiver of the Receivership
5 Entities with full powers of an equity receiver [Doc. No. 55.]

6 8. On November 8, 2018, the Court entered its Preliminary Injunction
7 with Asset Freeze, Receiver, and Other Equitable Relief Against Jason Cardiff and
8 Eunjung Cardiff (“Preliminary Injunction”), whereby the Court ordered that Robb
9 Evans & Associates LLC shall continue to serve as the Receiver of the Receivership
10 Entities and of the Assets of Defendants Jason Cardiff and Eunjung Cardiff, as more
11 particularized therein, with full powers of an equity receiver. [Doc. No. 59.]

12 9. Pursuant to Section XXII of the Preliminary Injunction, the Court
13 ordered that:

14 “the Receiver and all personnel hired by the Receiver as
15 herein authorized, including counsel to the Receiver and
16 accountants, are entitled to reasonable compensation for
17 the performance of duties pursuant to this Order and for
18 the cost of actual out-of-pocket expenses incurred by
19 them, from the assets now held by, or in the possession or
20 control of, or which may be received by the Receivership
21 Defendants. The Receiver shall file with the Court and
22 serve on the parties periodic requests for the payment of
23 such reasonable compensation, with the first such request
24 filed no more than sixty (60) days after the date of this
25 Order.”

26 10. On September 27, 2019, the Court entered an Order Approving and
27 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
28 Period from Inception of the Receivership Estate through November 30, 2018

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1 (“First Fee Application”). [Doc. 223.]

2 11. On September 27, 2019, the Court entered its Order Approving and
3 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
4 Period from December 1, 2018 through June 30, 2019 (“Second Fee Application”).
5 [Doc. 224.]

6 12. On March 10, 2020, the Court entered its Order Approving Settlement
7 Between Receiver and Third-Party Inter/Media Time Buying Corporation. [Doc.
8 306.]

9 13. March 10, 2020, the entered its Order Authorizing the Receiver to Sell,
10 Subject to the Court’s Final Confirmation, Defendants Cardiffs’ Residence Located
11 at 700 West 25th Street, Upland, California. [Doc. 306, 309 (formal order).]

12 14. On March 10, 2020, the Court entered its Order Approving and
13 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
14 Period from July 1, 2019 through September 30, 2019 (“Third Fee Application”).
15 [Doc. 307.]

16 15. On June 24, 2020, the Court entered its Temporary Restraining Order
17 With Asset Freeze and Other Equitable Relief and Order to Show Cause Why A
18 Preliminary Injunction Should Not Issue Under Seal and In Camera temporarily
19 appointing the Receiver over VPL Medical, Inc., which the Court extended for the
20 duration of this case by entering its Preliminary Injunction with Asset Freeze and
21 Receiver on July 7, 2020 [Doc. 389], giving the Receiver the powers of an equity
22 receiver as to VPL (collectively, the “VPL Preliminary Injunction”).

23 15. On June 29, 2020, the Receiver filed the Report of Receiver’s
24 Immediate Access to the Premises of VPL Medical, Inc (“Initial VPL Report”).
25 [Doc. 365.]

26 16. On July 6, 2020, the Receiver file its Supplemental Report Regarding
27 VPL Medical, Inc., Jason Cardiff, and Materially Altered Bank Account Statements
28 (“Supplemental VPL Report”). [Doc. 380.]

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1 17. On August 31, 2020, the Receiver filed the Declaration of Brick Kane
2 including the Receiver’s Report of VPL Medical, Inc. Conducting Operations Going
3 Forward dated August 18, 2020, attached as Exhibit 1 to the Declaration (“August
4 18, 2020 VPL Report”). (Filed under seal [Doc. 472] pursuant to the Court’s Order
5 entered on August 29, 2020 [Doc. 470]). In addition to the ongoing operational
6 expenses in the VPL Cash Flow Projections included with the August 18, 2020 VPL
7 Report is a weekly reserve for the Receiver’s fees and costs, including the
8 Receiver’s counsel. The parties stipulated to the Court approving the August 18,
9 2020 VPL Report, including the Cash Flow Projections, and for the Court to instruct
10 the Receiver to conduct VPL operations going forward in accordance therewith
11 [Doc. 467-1]. On August 29, 2020, the Court entered its Order approving the
12 August 18, 2020 Report including the VPL Cash Flow Projections, and instructed
13 the Receiver to conduct VPL Operations going forward in accordance with the VPL
14 Cash Flow Projections. [Doc. 470.]

15 18. On October 1, 2020, the Receiver filed its VPL Operating Report.
16 [Doc. 503] pursuant to the Court’s September 9, 2020, Order [Doc. 486] directing
17 the Receiver to “provide updates on VPL’s business, operations, income/expenses,
18 and earnings projections”, among other things, every 60 days (“October 1, 2020
19 VPL Report”).

20 19. On October 13, 2020, the Court entered its Order Re Receiver’s Fourth
21 Application for Fees and Expenses granting the Receiver’s Fourth Fee Application
22 and authorizing payment of the Receiver’s and its counsel’s fees and expenses the
23 Fourth Fee Period (October 1, 2019 through June 30, 2020) (“Fourth Fee
24 Application). [Doc. 514.]

25 20. By July 16, 2020, the Receiver filed a total of six Affidavits of Non-
26 Compliance with the TRO and Preliminary Injunction (October 23, 2018 [Doc.
27 206], July 2, 2019 [Doc. 144], August 22, 2019 [Docs. 200, 201], January 29, 2020
28 [Doc. 273], April 30, 2020 [Doc. 331], and July 16, 2020 [Doc. 442]).

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1 **II. THE RECEIVER’S AND RECEIVER’S COUNSEL’S FEES,**
2 **EXPENSES, AND ACTIVITIES DURING THE FIFTH REPORTING**
3 **PERIOD**

4 During the Fifth Reporting Period (July 1, 2020 through October 31, 2020),
5 the fees and costs of the Receiver, the Receiver’s deputies, and staff totaled
6 \$160,032.79, consisting of \$156,166.20 in fees and \$3,866.59 in costs. The legal
7 fees and costs of the Receiver’s counsel, Frandzel Robins Bloom & Csato, L.C.
8 (“FRBC”), which the Receiver hired pursuant to the authority given to the Receiver
9 in the Court’s Temporary Restraining Order at § XVI.G., and the Preliminary
10 Injunction at § XVI.G., totaled 348,969.76, consisting of \$344,648.50 in fees and
11 \$4,321.26 in costs. Accordingly, the total of receivership fees and expenses
12 incurred during the Fifth Reporting Period which the Receiver seeks an order
13 authorizing payment is \$509,002.55. (*See* Declaration of Brick Kane.)

14 The activities undertaken by the Receiver, the Receiver’s duties, and staff
15 during the Fifth Reporting Period are summarized the accompanying Declaration of
16 Brick Kane and are further detailed in the Receiver’s monthly billing summaries
17 reflecting the services rendered and time spent by the Receiver. (*See* Declaration of
18 Brick Kane and Exh. 2.) The activities described in the First Report of Activities, in
19 my declarations submitted in support of the Receiver’s Second Fee Application,
20 Third Fee Application, and Fourth Fee Application, the Initial VPL Report, the
21 Supplemental VPL Report, the August 31, 2020 VPL Report, and the October 1,
22 2020 VPL Report generally have continued during the Fifth Reporting Period in the
23 context of the Receiver’s efforts to identify, obtain, safeguard and preserve assets of
24 the receivership estate and otherwise to perform its duties and responsibilities under
25 the authority granted by the Temporary Restraining Order and Preliminary
26 Injunction, and the VPL Preliminary Injunction, generally have continued during the
27 Fifth Reporting Period in the context of the Receiver’s efforts to identify, obtain,
28 safeguard and preserve assets of the receivership estate and otherwise to perform its

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1 duties and responsibilities under the authority granted by the Temporary Restraining
2 Order, Preliminary Injunction, and VPL Preliminary Injunction. FRBC assisted the
3 Receiver during the Fifth Reporting Period in the manner summarized in the
4 concurrently filed Declaration of Michael Gerard Fletcher and FRBC’s activities are
5 further detailed in FRBC’s monthly billing summaries reflecting the services
6 rendered. (See Declaration of Michael Gerard Fletcher and Exh. 4.)

7 The Receiver respectfully submits that in light of the work performed during
8 the Fifth Reporting Period, the fees and costs of the Receiver and its professionals
9 are reasonable and should be approved and authorized for payment in their entirety.

10 **III. CONCLUSION**

11 Based on the foregoing and the concurrently filed Declarations of Brick Kane
12 and Michael Gerard Fletcher (and exhibits thereto), the Receiver respectfully
13 requests that the Court grant the Application and that it issue an order deeming that,
14 in light of the work performed during the Fifth Reporting Period, the fees and costs
15 of the Receiver and its professionals are reasonable and should be approved and
16 authorized for payment in their entirety.

17
18 Dated: January 8, 2021

FRANDZEL ROBINS BLOOM & CSATO, L.C.
MICHAEL GERARD FLETCHER
CRAIG A. WELIN
HAL D. GOLDFLAM

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22 By: /s/ Michael Gerard Fletcher
23 MICHAEL GERARD FLETCHER
24 Attorneys for Receiver ROBB EVANS &
25 ASSOCIATES LLC
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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **WESTERN DIVISION**

13 FEDERAL TRADE COMMISSION,

14 Plaintiff,

15 v.

16 JASON CARDIFF, etc., et al.,

17 Defendants.
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Case No. 5:18-cv-02104-DMG-PLA

**DECLARATIONS OF BRICK
KANE AND MICHAEL GERARD
FLETCHER IN SUPPORT OF
APPLICATION FOR ORDER
APPROVING AND AUTHORIZING
PAYMENT OF RECEIVER’S AND
RECEIVER’S COUNSEL’S FEES
AND EXPENSES FOR THE
PERIOD FROM JULY 1, 2020
THROUGH OCTOBER 31, 2020**

[Fifth Fee Application; Local Rule
66-7(f)]

Date: February 5, 2021
Time: 9:30 a.m.
Place: Courtroom 8C, 350 West 1st St.
Judge: Hon. Dolly M. Gee

DECLARATION OF BRICK KANE

I, Brick Kane, declare as follows:

1. I am the President & Chief Operating Officer of Robb Evans & Associates LLC (“REA”), initially the Temporary Receiver and subsequently the Receiver in this matter. I have personal knowledge of the matters set forth in this declaration and, if I were called upon to testify as to those matters, I could and would competently testify thereto based upon my personal knowledge.

2. 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 on October 10, 2018, pursuant the its *Ex Parte* Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“Temporary Restraining Order”).

3. On October 24, 2018, the Court entered its Preliminary Injunction with Asset Freeze, Receiver, and Other Equitable Relief Against Redwood Scientific Technologies, Inc. (CA), etc. Appointment of a Receiver, and Other Equitable Relief, whereby the Court ordered that Robb Evans & Associates LLC shall continue to serve as the Receiver of the Receivership Entities with full powers of an equity receiver. [Doc. No. 46.]

4. On October 24, 2018, the Court entered its Order Extending Temporary Restraining Order and Granting Continuance of Preliminary Injunction Hearing for Defendant Danielle Cadiz. [Doc. No. 47.]

5. On October 24, 2018, the Court entered its Order Extending Temporary Restraining Order and Granting Continuance of Preliminary Injunction Hearing for Defendants Jason Cardiff and Eunjung Cardiff and Ordering them to Return Assets. [Doc. No. 48.]

6. On November 1, 2018, the Receiver filed its Report of Activities for

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1000 WILSHIRE BOULEVARD, NINETEENTH FLOOR
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1 the period from October 10, 2018 through October 31, 2018 (“First Report of
2 Activities”). [Doc. No. 52; *see also* Doc. 53 Notice of Errata – whereby a readable
3 copy of page 9 of the First Report of Activities was filed.]

4 6. On November 7, 2018, the Court entered its Stipulated Preliminary
5 Injunction as to Defendant Danielle Cadiz, whereby the Court ordered that Robb
6 Evans & Associates LLC shall continue to serve as the Receiver of the Receivership
7 Entities with full powers of an equity receiver [Doc. No. 55.]

8 7. On November 8, 2018, the Court entered its Preliminary Injunction
9 with Asset Freeze, Receiver, and Other Equitable Relief Against Jason Cardiff and
10 Eunjung Cardiff (“Preliminary Injunction”), whereby the Court ordered that Robb
11 Evans & Associates LLC shall continue to serve as the Receiver of the Receivership
12 Entities and of the Assets of Defendants Jason Cardiff and Eunjung Cardiff, as more
13 particularized therein, with full powers of an equity receiver. [Doc. No. 59.]

14 8. On September 27, 2019, the Court entered an Order Approving and
15 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
16 Period from Inception of the Receivership Estate Through November 30, 2018.
17 [Doc. 223.]

18 9. On September 27, 2019, the Court entered an Order Approving and
19 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
20 Period from Inception of the Receivership Estate through November 30, 2018
21 (“First Fee Application”). [Doc. 223.]

22 10. On September 27, 2019, the Court entered its Order Approving and
23 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
24 Period from December 1, 2018 through June 30, 2019 (“Second Fee Application”).
25 [Doc. 224.]

26 11. On March 10, 2020, the Court entered its Order Approving Settlement
27 Between Receiver and Third-Party Inter/Media Time Buying Corporation
28 (“Inter/Media”). [Doc. 306.]

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1 12. March 10, 2020, the entered its Order Authorizing the Receiver to Sell,
2 Subject to the Court’s Final Confirmation, Defendants Cardiffs’ Residence Located
3 at 700 West 25th Street, Upland, California. [Doc. 306, 309 (formal order).]

4 13. On March 10, 2020, the Court entered its Order Approving and
5 Authorizing Payment of the Receiver’s and Its Counsel’s Fees and Expenses for the
6 Period from July 1, 2019 through September 30, 2019 (“Third Fee Application”).
7 [Doc. 307.]

8 14. On June 24, 2020, the Court entered its Temporary Restraining Order
9 With Asset Freeze and Other Equitable Relief and Order to Show Cause Why A
10 Preliminary Injunction Should Not Issue Under Seal and In Camera temporarily
11 appointing the Receiver over VPL Medical, Inc., which the Court extended for the
12 duration of this case by entering its Preliminary Injunction with Asset Freeze and
13 Receiver on July 7, 2020 [Doc. 389], giving the Receiver the powers of an equity
14 receiver as to VPL (collectively, the “VPL Preliminary Injunction”).

15 15. On June 29, 2020, the Receiver filed the Report of Receiver’s
16 Immediate Access to the Premises of VPL Medical, Inc (“Initial VPL Report”).
17 [Doc. 365.]

18 16. On July 6, 2020, the Receiver file its Supplemental Report Regarding
19 VPL Medical, Inc., Jason Cardiff, and Materially Altered Bank Account Statements
20 (“Supplemental VPL Report”). [Doc. 380.]

21 17. On August 31, 2020, the Receiver filed the Declaration of Brick Kane
22 including the Receiver’s Report of VPL Medical, Inc. Conducting Operations Going
23 Forward dated August 18, 2020, attached as Exhibit 1 to the Declaration (“August
24 18, 2020 VPL Report”). (Filed under seal [Doc. 472] pursuant to the Court’s Order
25 entered on August 29, 2020 [Doc. 470]). In addition to the ongoing operational
26 expenses in the VPL Cash Flow Projections included with the August 18, 2020 VPL
27 Report is a weekly reserve for the Receiver’s fees and costs, including the
28 Receiver’s counsel. The parties stipulated to the Court approving the August 18,

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1 2020 VPL Report, including the Cash Flow Projections, and for the Court to instruct
2 the Receiver to conduct VPL operations going forward in accordance therewith
3 [Doc. 467-1]. On August 29, 2020, the Court entered its Order approving the
4 August 18, 2020 Report including the VPL Cash Flow Projections, and instructed
5 the Receiver to conduct VPL Operations going forward in accordance with the VPL
6 Cash Flow Projections. [Doc. 470.]

7 18. On October 1, 2020, the Receiver filed its VPL Operating Report.
8 [Doc. 503] pursuant to the Court’s September 9, 2020, Order [Doc. 486] directing
9 the Receiver to “provide updates on VPL’s business, operations, income/expenses,
10 and earnings projections”, among other things, every 60 days (“October 1, 2020
11 VPL Report”).

12 19. On October 13, 2020, the Court entered its Order Re Receiver’s Fourth
13 Application for Fees and Expenses granting the Receiver’s Fourth Fee Application
14 and authorizing payment of the Receiver’s and its counsel’s fees and expenses the
15 Fourth Fee Period (October 1, 2019 through June 30, 2020) (“Fourth Fee
16 Application). [Doc. 514.]

17 20. By July 16, 2020, the Receiver filed a total of six Affidavits of Non-
18 Compliance with the TRO and Preliminary Injunction (October 23, 2018 [Doc.
19 206], July 2, 2019 [Doc. 144], August 22, 2019 [Docs. 200, 201], January 29, 2020
20 [Doc. 273], April 30, 2020 [Doc. 331], and July 16, 2020 [Doc. 442]).

21 **Fees, Expenses, and Activities During the Fifth Reporting Period**

22 21. During the Fifth Reporting Period (July 1, 2020 through October 31,
23 2020), the fees and costs of the Receiver, the Receiver’s deputies, and staff totaled
24 \$160,032.79, consisting of \$156,166.20 in fees and \$3,866.59 in costs. The legal
25 fees and costs of the Receiver’s counsel, Frandzel Robins Bloom & Csato, L.C.
26 (“FRBC”), which the Receiver hired pursuant to the authority given to the Receiver
27 in the Court’s Temporary Restraining Order at § XVI.G., and the Preliminary
28 Injunction at § XVI.G., totaled 348,969.76, consisting of \$344,648.50 in fees and

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1 \$4,321.26 in costs. Accordingly, the total of receivership fees and expenses
2 incurred during the Fifth Reporting Period which the Receiver seeks an order
3 authorizing payment is \$509,002.55.

4 22. The Receiver’s fees and costs for which approval is requested are
5 identified in the summary which the Receiver’s office has prepared and titled as
6 “Receivership Administrative Expense Report by Month and Fund Balance From
7 Inception (October 10, 2018) to October 31, 2020,” a true and correct copy of which
8 I attach hereto as Exhibit 1. The fees are further detailed Exhibit 2 hereto.
9 Specifically, Exhibit 2 is comprised of monthly billing summaries reflecting the
10 services rendered and time spent by REA’s members, accountants, staff, and support
11 staff during the Fifth Reporting Period (with the work descriptions redacted where
12 appropriate to preserve information protected from disclosure by the attorney-client
13 privilege or otherwise to protect the Receiver and the receivership estate from
14 inappropriate disclosures).

15 23. I am familiar with the methods and procedures used to create, record,
16 and maintain the Receiver’s billing records. The billing records attached hereto as
17 Exhibit 2 are prepared from computerized time records prepared contemporaneously
18 with the services rendered by each professional billing time to this matter. These
19 computerized records are prepared in the ordinary course of business by the
20 Receiver’s professionals who have a business duty to accurately record their time
21 spent and services rendered on the matters on which they perform work. The time
22 records are transferred into a computerized billing program which generates
23 monthly invoices. In my experience, the Receiver’s methods and procedures for
24 recording and accounting for time and services have proven to be reliable and
25 accurate.

26 24. The activities described in the First Report of Activities, in my
27 declarations submitted in support of the Receiver’s Second Fee Application, Third
28 Fee Application, and Fourth Fee Application, the Initial VPL Report, the

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1 Supplemental VPL Report, the August 31, 2020 VPL Report, and the October 1,
2 2020 VPL Report generally have continued during the Fifth Reporting Period in the
3 context of the Receiver's efforts to identify, obtain, safeguard and preserve assets of
4 the receivership estate and otherwise to perform its duties and responsibilities under
5 the authority granted by the Temporary Restraining Order and Preliminary
6 Injunction, and the VPL Preliminary Injunction. Moreover, while the services
7 rendered and time spent by REA's members, accountants, staff, and support staff
8 during the Fifth Reporting Period are summarized in the Receiver's billing
9 summaries (Exhibit 2), such services included, without limitation: (a) regularly
10 communicating with the Receiver's counsel on various legal and fact issues related
11 to the Receiver's administration of the receivership estate, including asset
12 identification and recovery issues; (b) regularly communicating with the FTC's
13 counsel regarding receivership assets, including asset identification and preservation
14 issues; (c) preparing the Receiver's sixth affidavit of non-compliance; (d) evaluating
15 the Receiver's duties and obligations under the VPL Preliminary Injunction; (e)
16 regularly visiting VPL's production, including in connection with VPL's principals,
17 Bobbi Bedi and Jason Cardiff working on getting the production machines
18 operational; (f) engaging in extensive discussions and exchange of information with
19 Messrs. Bedi and Cardiff, the attorneys for VPL and Messrs. Bedi and Cardiff, and
20 third parties, regarding VPL manufacturing issues; (g) preparing the VPL cash flow
21 projections and continuously working on VPL cash flow issues; (h) negotiating
22 salaries and job descriptions for Messrs. Bedi and Cardiff; (i) regularly participating
23 in discussions with the parties and their counsel regarding VPL operational issues;
24 (j) conducting regular meetings with VPL's principals re VPL operational issues; (k)
25 monitoring of the status of the instant litigation including review of motions and
26 other documents filed by the parties, and working with the Receiver's counsel in
27 connection therewith; (l) handling of various VPL related issues, including sales tax
28 issues, vendor payment requests and payments, updating cash flow projections,

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1 payroll, and working with the Receiver’s counsel re employment agreement terms
2 for line workers; (m) preparing the Receiver’s reports filed with the Court; (n)
3 working on multiple matters relating to the Cardiffs’ residence.

4 21. During the Fifth Reporting Period, FRBC performed certain work for
5 the Receiver. That work is summarized in the accompanying Declaration of
6 Michael Gerard Fletcher and evidenced by FRBC’s invoices to the Receiver
7 (Exhibit 4 thereto), which I have reviewed and approved for payment subject to the
8 Court granting this Application.

9 22. I believe that in light of the work performed during the Fifth Reporting
10 Period, the fees and costs of the Receiver and FRBC are reasonable and should be
11 approved and authorized for payment in their entirety.

12 23. In connection with the Application, the Receiver will comply with the
13 notice requirements of Local Rule 66-7(f) concerning applications for approval of a
14 receiver’s administrative fees and expenses by serving a copy of the Notice of
15 Application and Application, the supporting Memorandum of Points and
16 Authorities, and the declarations and all exhibits on the parties to this action, and by
17 serving a copy of the Notice of Application and Application and the supporting
18 Memorandum of Points and Authorities on known creditors who are identified on
19 the Proof of Service attached to the Notice of Application and Application. In
20 addition, the Receiver will provide an entire copy of the Application, including the
21 declarations, to anyone who requests a copy of the Application in writing directed to
22 Robb Evans & Associates LLC, 11450 Sheldon Street, Sun Valley, California
23 91352-1121. The Receiver also will post a copy of the entire Application and
24 supporting declarations on the Receiver’s website for this case at
25 <https://www.robbevans.com/find-a-case/redwood-scientific-technologies-inc-et-al/>.

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1 24. Accordingly, the Receiver has complied with Local Rule 66-7
2 regarding notice to creditors of the Application.

3 I declare under penalty of perjury under the laws of the United States of
4 America that the foregoing is true and correct and that this declaration was executed
5 on January 5, 2021, at Alhambra, California.

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8 BRICK KANE

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LOS ANGELES, CALIFORNIA 90017-2427
(323) 852-1000

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DECLARATION OF MICHAEL GERARD FLETCHER

I, Michael Gerard Fletcher, declare as follows:

1. I am an attorney at law duly admitted to practice before the courts of the State of California, the federal courts of the State of California, including the United States District Court for the Central District of California, and the Ninth Circuit Court of Appeals, and am a shareholder of Frandzel Robins Bloom & Csato, L.C. (“FRBC”), attorneys for the Receiver in this matter, Robb Evans & Associates LLC.

2. I am one of the attorneys primarily responsible for the representation of the Receiver in this case in addition to Craig A. Welin, who also is a shareholder of FRBC.

3. During the period of July 1, 2020 through October 31, 2020 (“Fifth Reporting Period”), FRBC incurred \$348,969.76, consisting of \$344,648.50 in fees and \$4,321.26 in costs.

4. I attach hereto as Exhibit 3 a table that summarizes the hours worked by each attorney and paralegal during the Fifth Reporting Period, and their respective hourly billing rates. This table also shows the percentage of the total fees incurred by each timekeeper. As the table indicates, the work I performed during the Fourth Reporting period accounts for nearly 56% of all of the fees.

5. I attach hereto as Exhibit 4 the billing records for FRBC reflecting the services rendered, time spent and costs incurred by FRBC pertaining to this matter during the Fifth Reporting Period, with the work descriptions redacted where appropriate to preserve information protected from disclosure by the attorney-client privilege and/or attorney work product doctrine or otherwise to protect the Receiver and the receivership estate from inappropriate disclosures (and FRBC and I otherwise preserve the attorney-client privilege regarding our communications with the Receiver as well as documents and information protected from disclosure under the attorney work product doctrine). These billing summaries are organized in the

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1 following manner: (a) by the following ABA Uniform Task-Based Management
2 System Bankruptcy Code Tasks (which are most applicable to billings conducted in
3 a federal receivership matter) – e.g., Case Administration, Asset Analysis and
4 Recovery, Meetings of and Communications with Creditors, Litigation, Asset
5 Analysis and Recovery, and Asset Disposition; and (b) by each attorney and
6 paralegal under each of the referenced task codes. In addition, at the end of all
7 timekeeper entries under each task code is a table that includes the hours worked by
8 each attorney and paralegal.

9 6. I am familiar with the methods and procedures used to create, record
10 and maintain billing records for FRBC’s clients. The billing records attached hereto
11 as Exhibit 4 are prepared from computerized time records prepared
12 contemporaneously with the services rendered by each attorney and paralegal billing
13 time to this matter. These computerized records are prepared in the ordinary course
14 of business by the attorneys and paralegals employed by FRBC who have a business
15 duty to accurately record their time spent and services rendered on the matters on
16 which they perform work. The time records are transferred into a computerized
17 billing program which generates monthly invoices under the supervision of the
18 firm’s accounting department. Based upon my experience with FRBC, I believe the
19 firm’s methods and procedures for recording and accounting for time and services
20 for its clients is reliable and accurate.

21 7. While the legal services rendered by FRBC during the Fifth Reporting
22 Period, either at the direction of the Receiver or responsible attorneys with this firm,
23 are contained in the specific work entries in Exhibit 4, such services included,
24 without limitation: (a) regularly communicating with and advising the Receiver on
25 various legal issues related to the Receiver’s administration of the receivership
26 estate; (b) assisting the Receiver with legal issues as needed; (c) regularly
27 communicating with the FTC’s counsel and the Cardiffs’ counsel related to various
28 receivership administration issues; (d) continuing conducting initial legal work

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1 related to the Court appointing the Receiver as temporary receiver of VPL,
2 including legal review of VPL's operations, pursuant to terms of the Court's
3 temporary restraining order issued June 24, 2020; (e) attending the July 7, 2020
4 hearing on the OSC why the Court should enter an order for a preliminary injunction
5 re VPL; (f) reviewing the VPL Preliminary Injunction; (g) analyzing Jason Cardiff's
6 and VPL's ex parte application (and supporting declarations) to remove the
7 Receiver or to direct the receiver to continue VPL's operations, etc., preparing the
8 Receiver's opposition and supporting declaration, reviewing the FTC's opposition
9 and supporting declarations, reviewing the applicants' reply, and reviewing the
10 order denying the application; (h) preparing the Receiver's sixth affidavit of non-
11 compliance; (i) reviewing documents and evidence filed by the parties regarding the
12 FTC's motion for contempt sanctions against the Cardiffs, attending the July 24,
13 2020 hearing, and reviewing the Court's order provisionally granting the FTC's
14 motion in part; (j) analyzing third-party Inter/Media Time Buying Corporation's
15 motion to compel the Receiver to cure mortgage arrearages for the Cardiffs'
16 residence and supporting declarations, preparing the Receiver's opposition,
17 including supporting declarations and evidence, reviewing the oppositions of the
18 FTC, the Cardiffs, and third-party True Pharmastrip to the motion, reviewing the
19 reply, and reviewing the order denying the motion; (k) reviewing VPL's application
20 for stay pending appeal, preparing the declarations in support of the Receiver's
21 opposition to the application, reviewing the FTC's opposition and supporting
22 evidence as well as applicants' reply and Court's order denying the application; (l)
23 assisting the Receiver on legal and other issues related to the VPL operational
24 issues, including assisting in extensive negotiations on operating expenses and cash
25 flow issues, including salaries for Bobbi Bedi and Jason Cardiff, negotiating the
26 joint stipulation as to VPL operations and preparing the ex parte application to file
27 same under seal, including preparing the Declaration of Brick Kane, and otherwise
28 assisting the Receiver on multiple matters needed to set up the operation of VPL to

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1 operate profitably and legally in compliance with the Court’s August 29, 2020 Order
2 instructing the Receiver to conduct VPL operations going forward in accordance
3 with the VPL Cash Flow Projections; (m) preparing VPL employee contracts; (n)
4 preparing and issuing subpoenas to VPL, Bobbi Bedi and related third-parties in
5 connection with the Receiver’s efforts to identify, obtain, safeguard and preserve
6 assets of the receivership estate, reviewing responses and objections to the
7 subpoenas, and conferring with counsel re attempts to informally resolve discovery
8 dispute; (o) preparing the Receiver’s Fourth Fee Application, including analyzing
9 Defendants’ opposition and third-party Inter/Media’s opposition, preparing the
10 Receiver’s reply memorandum, and reviewing the Court’s order granting
11 application; (p) reviewing the various motions filed by the parties (e.g., cross-
12 summary judgment motions) and resulting orders issued by the Court as they relate
13 to the administration of the receivership estate, including communicating with the
14 Receiver about the motions and orders; (q) assisting the Receiver on legal issues in
15 connection with its report on VPL operations filed on October 1, 2020, including
16 analysis of Defendants response; (r) analyzing the Cardiffs’ Motion for Jason
17 Cardiff’s Salary and Living Expenses and supporting declarations, reviewing the
18 FTC’s opposition and supporting evidence, and preparation the Receiver’s
19 opposition and supporting declarations, (s) assisting the Receiver on issues related to
20 the Receiver’s plan to discontinue efforts to sell the Cardiffs’ residence.

21 8. I believe that in light of the work FRBC performed during the Fifth
22 Reporting Period, FRBC’s fees and costs are reasonable and should be approved and
23 authorized for payment in their entirety.

24 9. It is FRBC’s understanding that in light of the Court’s requirement
25 under the Temporary Restraining Order and Preliminary Injunction that the Receiver
26 shall file with the Court and serve on the parties periodic requests for payment of the
27 Receiver’s and its professionals’ reasonable compensation, that the Receiver was
28 not required to comply with L.R. 7-3 before bringing the instant Application.

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1 Further, it is our understanding that L.R. 7-3 does not apply to the Application in the
2 first instance since the Receiver represents the Court’s agent, and there is no
3 “opposing counsel” as that term is used in L.R. 7-3. Nonetheless, on December 9,
4 2020, my partner, Hal D. Goldflam, communicated in writing with counsel of record
5 for Plaintiff Federal Trade Commission, Defendant Danielle Cardiz, and Defendants
6 Jason Cardiff and Eunjung Cardiff regarding the Receiver’s intent to bring the
7 instant Application, and that the Receiver would file it after December 16, 2020.
8 Mr. Goldflam also provided all counsel with (a) a copy of the “Receivership
9 Administrative Expense Report by Month and Fund Balance From Inception
10 (October 10, 2018) to October 31, 2020” and (b) copies of the Receiver’s and
11 FRBC’s respective redacted invoices for the Fifth Reporting Period. I attach hereto
12 collectively as Exhibit 5 true and correct copies of the December 9, 2020 written
13 communications, excluding copies of the invoices and report.

14 10. On December 14, 2020, Stephen Cochell, counsel for the Cardiffs and
15 VPL Medical, Inc., called me asking the Receiver to delay filing the Fifth Fee
16 Application until after the end of December, 2020, because he needed additional
17 time to review the Receiver’s and FRBC’s invoices for the Fifth Reporting Period.
18 He memorialized his request in an e-mail to me and Mr. Goldflam, and on
19 December 21, 2020, Mr. Goldflam confirmed in an e-mail that the Receiver would
20 not file the Fifth Fee Application until January 7, 2020 at the earliest. I attach hereto
21 as Exhibit 6 a true and correct copy of these e-mails, except I have caused the
22 amount of the weekly reserve in the stipulated VPL Cash Flow Projection for the
23 Receiver’s fees and costs, including the Receiver’s counsel, to be redacted since the
24 Cash Flow Projection was filed under seal.

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(323) 852-1000

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11. Despite Mr. Cochell’s request that the Receiver delay filing the Fifth Fee Application, as of January 7, 2021, he never notified us whether VPL and/or the Cardiffs have any intention to oppose the Fifth Fee Application. In addition, neither the FTC nor Ms. Cardiz has notified us that it or she intends to oppose the Fifth Fee Application.

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 8, 2021, at Los Angeles County, California.

/s/ Michael Gerard Fletcher
MICHAEL GERARD FLETCHER

EXHIBIT 1

Receivership Administrative Expense Report by Month

From Inception (October 10, 2018) to October 31, 2020

	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
Corporate & Defendant Assets							
BizTank Group LLC							
East West Bank	0.00	345,148.74	0.00	0.00	0.00	345,148.74	345,148.74
The Cochell Law Firm P.C.	0.00	25,500.00	7,000.00	0.00	0.00	32,500.00	32,500.00
Total BizTank Group LLC	0.00	370,648.74	7,000.00	0.00	0.00	377,648.74	377,648.74
VPL Medical Inc.							
JPMorgan #5799	2,659,975.51	0.00	0.00	0.00	0.00	0.00	2,659,975.51
Total VPL Medical Inc.	2,659,975.51	0.00	0.00	0.00	0.00	0.00	2,659,975.51
Jason & Eunjung Cardiff							
HSBC	793.06	0.00	0.00	0.00	0.00	0.00	793.06
Total Jason & Eunjung Cardiff	793.06	0.00	0.00	0.00	0.00	0.00	793.06
Advanced Mens Institute							
Priority Payment #6166	25,238.89	0.00	0.00	0.00	0.00	0.00	25,238.89
Total Advanced Mens Institute	25,238.89	0.00	0.00	0.00	0.00	0.00	25,238.89
Carols Place Limited Partnership							
Arizona B&T #2320	213,357.88	0.00	0.00	0.00	0.00	0.00	213,357.88
Total Carols Place Limited Partnership	213,357.88	0.00	0.00	0.00	0.00	0.00	213,357.88
Identify LLC							
Arizona B&T	1,264.48	0.00	0.00	0.00	0.00	0.00	1,264.48
Total Identify LLC	1,264.48	0.00	0.00	0.00	0.00	0.00	1,264.48
Intel Property LLC							
First Western Bank #8915	68,487.60	0.00	0.00	0.00	0.00	0.00	68,487.60
Total Intel Property LLC	68,487.60	0.00	0.00	0.00	0.00	0.00	68,487.60
Owl Enterprises LLC							
EMS #0705	39,677.73	0.00	0.00	0.00	0.00	0.00	39,677.73
EVO Payments #1541	7,686.94	0.00	0.00	0.00	0.00	0.00	7,686.94
EVO Payments #0516	34,509.74	0.00	0.00	0.00	0.00	0.00	34,509.74

#30559

Receivership Administrative Expense Report by Month

From Inception (October 10, 2018) to October 31, 2020

	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
Humboldt Merchant Svcs #9888	11,024.51	0.00	0.00	0.00	0.00	0.00	11,024.51
Total Owl Enterprises LLC	92,898.92	0.00	0.00	0.00	0.00	0.00	92,898.92
People United for Christians							
Bank of the West #7807	7,486.12	0.00	0.00	0.00	0.00	0.00	7,486.12
Bank of the West #8177	3,494.27	0.00	0.00	0.00	0.00	0.00	3,494.27
Citizen Business Bank #7443	18,730.66	0.00	0.00	0.00	0.00	0.00	18,730.66
Total People United for Christians	29,711.05	0.00	0.00	0.00	0.00	0.00	29,711.05
Redwood Scientific Technologies							
WorldPay Services Company	49,304.13	0.00	0.00	0.00	0.00	0.00	49,304.13
Priority Payment #9990	17,513.00	0.00	0.00	0.00	0.00	0.00	17,513.00
EVO Payments #1969	784.17	0.00	0.00	0.00	0.00	0.00	784.17
Humboldt Merchant Svcs #0881	25,648.25	0.00	0.00	0.00	0.00	0.00	25,648.25
Select Bankcard #0511	78,736.23	0.00	0.00	0.00	0.00	0.00	78,736.23
Total Redwood Scientific Technologies	171,985.78	0.00	0.00	0.00	0.00	0.00	171,985.78
Smoke Stop LLC							
Humboldt Merchant Svcs #1887	1,786.82	0.00	0.00	0.00	0.00	0.00	1,786.82
Total Smoke Stop LLC	1,786.82	0.00	0.00	0.00	0.00	0.00	1,786.82
Top Hill Shop LTD							
EVO Payments #6745	4,677.76	0.00	0.00	0.00	0.00	0.00	4,677.76
Total Top Hill Shop LTD	4,677.76	0.00	0.00	0.00	0.00	0.00	4,677.76
Cash from Defendant	6,715.00	0.00	0.00	0.00	0.00	0.00	6,715.00
Petty Cash/Cash on Hand	2,033.00	0.00	0.00	0.00	0.00	0.00	2,033.00
Proceeds from auction	24,309.59	0.00	0.00	0.00	0.00	0.00	24,309.59
Worker Comp Premium Refund	4,206.25	0.00	0.00	0.00	0.00	0.00	4,206.25
Total Corporate & Defendant Assets	3,307,441.59	370,648.74	7,000.00	0.00	0.00	377,648.74	3,685,090.33
Jason Cardiff VPL Payroll Held	0.00	0.00	0.00	18,879.00	18,270.00	37,149.00	37,149.00
Asset Turn Over Jacques Poujade	1,205,984.80	0.00	0.00	0.00	0.00	0.00	1,205,984.80
Interest Income	563.61	31.80	40.32	39.17	36.03	147.32	710.93
Total Funds Collected	4,513,990.00	370,680.54	7,040.32	18,918.17	18,306.03	414,945.06	4,928,935.06

#30560

Receivership Administrative Expense Report by Month

From Inception (October 10, 2018) to October 31, 2020

	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
Expenses							
Payments for VPL Medical Inc. Accounting							
Ed Jimenez	0.00	465.00	905.00	0.00	0.00	1,370.00	1,370.00
Total Accounting	0.00	465.00	905.00	0.00	0.00	1,370.00	1,370.00
Cleaning							
Janitorial Solutions Services	0.00	0.00	1,120.00	0.00	0.00	1,120.00	1,120.00
R&D Pest Services Inc.	0.00	0.00	0.00	0.00	495.00	495.00	495.00
Total Cleaning	0.00	0.00	1,120.00	0.00	495.00	1,615.00	1,615.00
Equipment							
EDM Int'l Logistics, Inc.	39,474.89	0.00	0.00	0.00	0.00	0.00	39,474.89
Everwan Int'l Corp.	45,554.90	9,121.00	0.00	0.00	0.00	9,121.00	54,675.90
Frain Industries, Inc.	0.00	26,050.00	0.00	0.00	0.00	26,050.00	26,050.00
Parts & Material							
Taizhou Helping Machine Tool Co	0.00	6,664.00	0.00	0.00	0.00	6,664.00	6,664.00
Parts & Material - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Parts & Material	0.00	6,664.00	0.00	0.00	0.00	6,664.00	6,664.00
Total Equipment	85,029.79	41,835.00	0.00	0.00	0.00	41,835.00	126,864.79
Internet Service							
Frontier	0.00	0.00	261.39	91.67	91.67	444.73	444.73
Total Internet Service	0.00	0.00	261.39	91.67	91.67	444.73	444.73
Insurance							
Workers' Comp Insurance	0.00	0.00	0.00	281.13	672.02	953.15	953.15
Braunwalder Insurance Agency							
Product Liability Policy	0.00	0.00	0.00	34,081.60	0.00	34,081.60	34,081.60
Employment Practices Liability	0.00	0.00	0.00	0.00	11,459.85	11,459.85	11,459.85
Total Braunwalder Insurance Agency	0.00	0.00	0.00	34,081.60	11,459.85	45,541.45	45,541.45
Total Insurance	0.00	0.00	0.00	34,362.73	12,131.87	46,494.60	46,494.60

#30561

Receivership Administrative Expense Report by Month

From Inception (October 10, 2018) to October 31, 2020

	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
Office Expenses							
GSuite Cloud Storage	0.00	0.00	0.00	0.00	332.82	332.82	332.82
Total Office Expenses	0.00	0.00	0.00	0.00	332.82	332.82	332.82
Office Equipment							
Best Buy	0.00	0.00	0.00	0.00	1,707.15	1,707.15	1,707.15
Home Depot	0.00	0.00	0.00	0.00	166.23	166.23	166.23
Office Depot	0.00	0.00	0.00	0.00	142.34	142.34	142.34
Total Office Equipment	0.00	0.00	0.00	0.00	2,015.72	2,015.72	2,015.72
Payments to Bobby Bedi Payroll	0.00	15,000.00	0.00	0.00	0.00	15,000.00	15,000.00
Bobby Bedi	0.00	0.00	0.00	20,666.67	20,000.00	40,666.67	40,666.67
Jason Cardiff	0.00	0.00	0.00	20,666.67	20,000.00	40,666.67	40,666.67
Faryal Khan	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Othon Mendez	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Christopher White	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Frank Woodson	0.00	0.00	0.00	0.00	2,272.73	2,272.73	2,272.73
Employer Tax VPL	0.00	0.00	0.00	3,736.00	3,327.05	7,063.05	7,063.05
Total Payroll	0.00	0.00	0.00	45,069.34	45,599.78	90,669.12	90,669.12
Payroll Processing Costs							
ADP	0.00	0.00	0.00	62.96	155.92	218.88	218.88
Total Payroll Processing Costs	0.00	0.00	0.00	62.96	155.92	218.88	218.88
Rent							
Dett Property Inc	0.00	0.00	10,552.30	9,593.00	9,593.00	29,738.30	29,738.30
Teamrise Bell Tower Ap LLC	0.00	0.00	2,295.40	0.00	0.00	2,295.40	2,295.40
Total Rent	0.00	0.00	12,847.70	9,593.00	9,593.00	32,033.70	32,033.70
Repair & Maintenance							
Kaesar Compressors, Inc.	0.00	0.00	0.00	0.00	527.86	527.86	527.86
Supplies							
Uline	0.00	0.00	0.00	1,834.97	0.00	1,834.97	1,834.97
Total Supplies	0.00	0.00	0.00	1,834.97	0.00	1,834.97	1,834.97

#30562

Receivership Administrative Expense Report by Month

From Inception (October 10, 2018) to October 31, 2020

	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
Wolf Backflow/ David Pastor	0.00	0.00	0.00	260.00	0.00	260.00	260.00
Other	0.00	0.00	0.00	0.00	100.00	100.00	100.00
Total Repair & Maintenance	0.00	0.00	0.00	2,094.97	627.86	2,722.83	2,722.83
Set Up Costs							
Bryan Ross	0.00	11,485.00	0.00	0.00	0.00	11,485.00	11,485.00
Custom Duty							
DHL	0.00	0.00	0.00	1,132.83	0.00	1,132.83	1,132.83
Total Custom Duty	0.00	0.00	0.00	1,132.83	0.00	1,132.83	1,132.83
Nathan Szukala	0.00	0.00	0.00	40,480.00	0.00	40,480.00	40,480.00
Singh Automation Inc.	0.00	23,680.00	0.00	0.00	0.00	23,680.00	23,680.00
Smith Machine Services LLC	0.00	0.00	0.00	0.00	3,655.00	3,655.00	3,655.00
Snyder & Snyder Construction, I	0.00	38,600.00	0.00	0.00	16,000.00	54,600.00	54,600.00
Strand View Enterprises LLC	0.00	85,084.19	0.00	0.00	0.00	85,084.19	85,084.19
Taizhou Chengxi Import And Expo	0.00	0.00	0.00	960.00	0.00	960.00	960.00
Tech Wayne Company	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zhejiang Yiyang Machinery Techn	0.00	0.00	0.00	3,782.00	0.00	3,782.00	3,782.00
Total Set Up Costs	0.00	158,849.19	0.00	46,354.83	19,655.00	224,859.02	224,859.02
Shipping							
UPS	0.00	0.00	0.00	0.00	125.70	125.70	125.70
Total Shipping	0.00	0.00	0.00	0.00	125.70	125.70	125.70
Utilities							
Burrtec Waste Industries, Inc.	0.00	0.00	0.00	592.53	197.51	790.04	790.04
Southern California Edison	0.00	0.00	1,664.04	781.67	759.78	3,205.49	3,205.49
Cucamonga Valley Water District	0.00	0.00	0.00	1,458.78	202.84	1,661.62	1,661.62
Total Utilities	0.00	0.00	1,664.04	2,832.98	1,160.13	5,657.15	5,657.15
Total Payments for VPL Medical Inc.	85,029.79	216,149.19	16,798.13	140,462.48	91,984.47	465,394.27	550,424.06
401K Plan Fees & Costs	0.00	10,675.23	0.00	1,215.90	0.00	11,891.13	11,891.13

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	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
700 W 25th St. Upland, CA							
Appraisal Fees	3,300.00	0.00	0.00	0.00	0.00	0.00	3,300.00
Insurance Premiums	3,466.05	0.00	0.00	0.00	0.00	0.00	3,466.05
Total 700 W 25th St. Upland, CA	6,766.05	0.00	0.00	0.00	0.00	0.00	6,766.05
Corporate Office Rent	2,564.78	0.00	0.00	0.00	0.00	0.00	2,564.78
Payroll Expenses							
People United for Christians	1,692.63	0.00	0.00	0.00	0.00	0.00	1,692.63
Redwood Scientific Technologies	254.00	0.00	0.00	0.00	0.00	0.00	254.00
Total Payroll Expenses	1,946.63	0.00	0.00	0.00	0.00	0.00	1,946.63
States Taxes	6,589.00	0.00	0.00	0.00	0.00	0.00	6,589.00
Receiver's Fees & Costs							
Receiver Fees							
Receiver							
B. Kane	43,981.20	9,541.80	8,105.40	4,069.80	2,872.80	24,589.80	68,571.00
S. Krishnan	2,736.00	0.00	0.00	0.00	0.00	0.00	2,736.00
K. Johnson	16,860.60	8,344.80	0.00	0.00	0.00	8,344.80	25,205.40
A. Jen	76,095.00	21,204.00	13,714.20	14,979.60	10,431.00	60,328.80	136,423.80
Total Receiver	139,672.80	39,090.60	21,819.60	19,049.40	13,303.80	93,263.40	232,936.20
Senior Staff							
B. Owings	3,015.00	0.00	0.00	0.00	0.00	0.00	3,015.00
C. Callahan	34,515.00	787.50	3,105.00	832.50	562.50	5,287.50	39,802.50
F. Jen	18,542.25	60.30	90.45	0.00	4,552.65	4,703.40	23,245.65
T. Chung	26,984.25	2,261.25	0.00	0.00	0.00	2,261.25	29,245.50
H. Jen	8,707.50	2,605.50	2,065.50	10,773.00	18,873.00	34,317.00	43,024.50
C. DeCius	12,295.80	996.30	376.65	1,251.45	1,154.25	3,778.65	16,074.45
J. Dadbin	6,836.40	0.00	56.70	3,596.40	8,901.90	12,555.00	19,391.40
Total Senior Staff	110,896.20	6,710.85	5,694.30	16,453.35	34,044.30	62,902.80	173,799.00
Support Staff	6,583.20	0.00	0.00	0.00	0.00	0.00	6,583.20
Total Receiver Fees	257,152.20	45,801.45	27,513.90	35,502.75	47,348.10	156,166.20	413,318.40

#30564

Receivership Administrative Expense Report by Month

From Inception (October 10, 2018) to October 31, 2020

	Previously Reported and Approved	Jul 31, 20	Aug 31, 20	Sep 30, 20	Oct 31, 20	7/1/20~10/31/20	TOTAL
Receiver Costs							
Bank Fees	(0.01)	0.00	0.00	0.00	0.00	0.00	(0.01)
Document Reproduction Costs	170.00	0.00	0.00	0.00	0.00	0.00	170.00
Investigative Search Costs	1,502.54	0.00	562.50	180.07	67.10	809.67	2,312.21
Locksmith Costs	1,429.96	0.00	0.00	0.00	0.00	0.00	1,429.96
Mileage	790.62	0.00	0.00	167.64	407.33	574.97	1,365.59
Moving Costs	2,640.32	0.00	0.00	0.00	0.00	0.00	2,640.32
Parking Fees	27.00	0.00	0.00	0.00	0.00	0.00	27.00
PO Box Rental	143.00	0.00	0.00	0.00	0.00	0.00	143.00
Postage & Delivery Costs	1,443.74	0.00	31.09	77.14	169.37	277.60	1,721.34
Receiver Bond Premium	286.00	0.00	0.00	143.00	0.00	143.00	429.00
Storage Unit Rent	8,022.67	400.00	400.00	400.00	400.00	1,600.00	9,622.67
Tax Return Prep Fees	10,537.50	0.00	0.00	0.00	0.00	0.00	10,537.50
Website & Support	2,200.25	181.88	110.90	119.77	48.80	461.35	2,661.69
Total Receiver Costs	29,193.59	581.88	1,104.49	1,087.62	1,092.60	3,866.59	33,060.18
Legal Fees & Costs							
Frاندzel Robins Bloom & Csato							
Legal Fees	568,561.00	106,959.00	114,179.00	80,226.50	43,284.00	344,648.50	913,209.50
Legal Costs	19,543.42	63.20	720.28	742.24	2,795.54	4,321.26	23,864.68
Total Frاندzel Robins Bloom & Csato	588,104.42	107,022.20	114,899.28	80,968.74	46,079.54	348,969.76	937,074.18
Total Legal Fees & Costs	588,104.42	107,022.20	114,899.28	80,968.74	46,079.54	348,969.76	937,074.18
Total Receiver's Fees & Costs	874,450.21	153,405.53	143,517.67	117,559.11	94,520.24	509,002.55	1,383,452.76
Total Expenses	977,346.46	380,229.95	160,315.80	259,237.49	186,504.71	986,287.95	1,963,634.41
Fund Balance	3,536,643.54						2,965,300.65

80565