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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CAPSOURCE, INC., *et al.*

Defendants.

Case No. 2:20-CV-02303-RFB-DJA

**FIRST QUARTERLY
APPLICATION FOR PAYMENT
OF FEES AND REIMBURSEMENT
OF EXPENSES OF RECEIVER
AND RECEIVER'S COUNSEL
GREENBERG TRAURIG**

Comes now, Geoff Winkler, the Court-appointed Receiver (the "Receiver"), by and through counsel of record the law firm of Greenberg Traurig, LLP, and hereby submits this First Quarterly Application for Payment of Fees and Reimbursement of Expense of Receivers and Receiver's counsel Greenberg Traurig, LLP ("Application") for the period of August 26, 2022 through September 30, 2022.

This Application is based on the below Memorandum of Points and Authorities, the declarations attached hereto, the pleadings and papers on file herein, and such other and further information as may be presented to the Court at the time of any hearing.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION.

As the Court is aware, Geoff Winkler of American Fiduciary Service ("AFS") was appointed as Receiver in this matter on August 26, 2022 (ECF No. 17). ("Appointment Order").

Because the Receiver is not a licensed attorney, does not have in-house counsel, and due to the scope of service needed during the Application Period he employed professionals to assist him in fulfilling his duties as the Receiver. Greenberg Traurig serves as Court-approved counsel to the Receiver, and whose appointment was affirmed via the Court's October 12, 2022 Order approving Receiver's Motion to Employ Counsel. (ECF No. 20)

Pursuant to the terms of the Appointment Order, the Receiver is vested with authority and control over CapSource, Inc., ("Receivership Defendant") along with the personal assets of individual defendants in the above-entitled action and authorized to, subject to the approval of this Court, "to engage and employ persons in his discretion to assist him in carrying out his duties and responsibilities....". (See Appointment Order at p. 2, ¶ F). This Application represents the first quarterly application for payment of fees and reimbursement of expenses of the Receiver and Greenberg Traurig in accordance with Paragraph 55 of the Appointment Order, and covers fees and expenses incurred between August 26, 2022 through September 30, 2022 (the "Application Period").

By way of this Application, the Receiver and Greenberg Traurig request the Court's approval of 100% of their fees and expenses incurred during the Application Period and further request the interim payment of 80% of such fees and 100% of such expenses, to be paid from the funds of the receivership estate established in the above-entitled action (the "Receivership Estate" or "Estate"). Specifically, the amounts of the Applicants' fees and expenses sought to be approved and paid under this Fee Application are as follows:

<u>Applicant</u>	<u>Total Fees</u>	<u>Interim Payment Requested (Fees)</u>	<u>Expenses</u>	<u>Interim Payment Requested (Expenses)</u>
Receiver/AFS	\$42,825.50	\$34,260.40	\$.90	\$.90
Greenberg Traurig	\$11,901.11	\$ 9,520.89	\$1,701.00	\$1,701.00
<u>TOTAL:</u>	\$54,726.61	\$43,781.29	\$1,701.90	\$1,701.90

1 AFS's rates include a discount of its already discounted hourly rates for government
2 matters and will not increase during the pendency of the case. Both the standard regulatory rate
3 and the discounted regulatory rate reflect a significant discount off their standard consulting rates.
4 Greenberg Traurig agreed to discount its standard billing rates for this matter by 15% and with the
5 discounted rates identified above. All billing standards meet or exceed the SEC's Billing
6 Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange
7 Commission (SFAR) and the U.S. Trustee's Guidelines for Reviewing Applications for
8 Compensation and Reimbursement of Expenses.

9 Consistent with the billing guidelines of the plaintiff Securities and Exchange Commission
10 (the "SEC") AFS and Greenberg Traurig are seeking payment of 80% of their fees with the
11 remaining, unpaid 20% "holdback" of approved fees being subject to final review and payment at
12 the conclusion of this receivership. Notably, the Receiver and his counsel provided a draft and
13 copies of billing entries to counsel for the Securities & Exchange Commission ("SEC") and SEC
14 staff has reviewed the same and indicated they do not oppose the interim approval and payment of
15 the fees and costs sought herein.

16 **II. SUMMARY OF WORK IN APPLICATION PERIOD**

17 During the Application Period, and with assistance of counsel including Greenberg
18 Traurig, the Receiver and the AFS team made progress on critical elements of Estate
19 administration, including filing copies of the Receivership Order and Complaint in jurisdictions
20 known to have receivership assets, working to finalize pending real estate transactions, review and
21 evaluation of new information provided by CapSource's prior management, identifying investors
22 and potential creditors of the company, and evaluating pending lawsuits involving CapSource
23 including *CAC Investment Ventures, LLC et al. v. Andrew Jolley et al.*, Case No. A-19-802088-B,
24 in which CapSource, Inc. ("CapSource") is a named defendant (the "CAC Action") which was
25 scheduled to go to trial just days after the Receivership Order was entered and which Mr. Winkler
26 had no knowledge of despite the prior order appointing him as the Chief Restructuring Officer of
27 CapSource.
28

1 The work completed by AFS and Greenberg Traurig was necessary under the terms of the
2 Receivership Order and provides value to the Estate, as such the fees and expenses incurred during
3 the Reporting Period are reasonable and appropriate and should be approved and paid, on an
4 interim basis, in the amounts indicated above. Again, as an accommodation to the Estate, and
5 consistent with the SEC's billing guidelines and the ordinary practice in federal receiverships, AFS
6 and Greenberg Traurig request that the Court approve 100% of the fees and expenses incurred
7 during the Application Period but authorize payment, on an interim basis, of only 80% of such
8 fees and 100% of such expenses, at this time.

9 **A. Receiver's Fees and Services.**

10 Pursuant to the Appointment Order, the Receiver was empowered and tasked with a broad
11 range of authority, including the authority to assume and control the operation of the Receivership
12 Defendant, to determine the nature, location and value of all property interests of the Receivership
13 Defendant, to take possession of all Receivership Property and records, to manage, control, operate
14 and maintain the Receivership Estate, to use Receivership Property for the benefit of the
15 Receivership Estate, and to investigate and prosecute claims, and to engage in litigation to preserve
16 or recover assets or to carry out the Receiver's mandate.

17 Due to its broad range of experience and expertise, the Receiver, by and through AFS,
18 performs almost all required work in-house, saving both time and money, including tasks involving
19 corporate accounting, forensic accounting, case administration, claims administration, asset
20 valuation, investor communication and internet technology. AFS' billing philosophy is to leverage
21 work down to the staff member with the lowest bill rate that also has the skills and experience
22 necessary to complete the task. This allows AFS to minimize the cost to complete all work
23 associated with the case, ensuring a maximum return to stakeholders involved in the matter while
24 also preserving the quality of their work product. AFS does not bill for travel time in regulatory
25 cases.

The Receiver's fees for the Application Period are as follows:

<i>Name</i>	<i>Title</i>	<i>Hours</i>	<i>Rate/Hr.</i>	<i>Total</i>
Geoff Winkler	Receiver	44.1	\$395.00	\$17,419.50
John Hall	Accountant	22.6	\$350.00	\$7,910.00
Milana Barkhanoy	Dir. of Case Management	5.2	\$300.00	\$1,560.00
Josh McGraw	Case Manager	36.5	\$320.00	\$11,680.00
Amanda Deering	Case Manager	15.2	\$280.00	\$4,256.00
<i>Total</i>		<i>123.6</i>		<i>\$42,825.50</i>

AFS's rates include a discount off its already discounted hourly rates for government matters and will not increase for the pendency of the case. Both the standard regulatory rate and the discounted regulatory rate reflect a significant discount of their standard consulting rates. All billing standards meet or exceed the SEC's Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission (SFAR) and the U.S. Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses.

The Receiver's expenses for the Application Period total \$.90 for online fees.

AFS does not seek reimbursement for routine copying, facsimile, postage, or other expenses. Any expenses which AFS seeks to have reimbursed are done so in accordance with the SEC and U.S. Trustee guidelines above. Costs directly attributable to the administration of the estate will be paid directly by the estate in accordance with the order of appointment.

The Standardized Fund Accounting Report, AFS's invoices, and its billing entries are included with the Declaration of Geoff Winkler attached as **Exhibit 1**.

B. Greenberg Traurig's Fees and Services.

Greenberg Traurig was retained by the Receiver in August 2022. The Receiver selected Greenberg Traurig to serve as general receivership counsel due to the firm's litigation experience, receivership experience, familiarity with local rules and procedures and strong Nevada base. As Nevada counsel, Greenberg Traurig has taken the lead on making requisite filings in jurisdictions where receivership property is located, assisting in the review of documents to close pending real

estate transactions and analyzing the issues and working with counsel for the other parties in the CAC Action that was scheduled to go to trial.

In all, on account of its services rendered to the Receiver during the Application Period, Greenberg Traurig has billed 28.5 hours, and incurred \$11,901.11 in fees and \$1,701.00 in expenses, across the following categories:

<i>Category</i>	<i>Hours</i>	<i>Fees</i>	<i>Expenses</i>
Asset Analysis and Recovery	21.6	\$9,030.34	
Case Administration	6.9	\$2,870.77	
<i>Total</i>	<i>28.5</i>	<i>\$11,901.11</i>	<i>\$1,701</i>

Provided below are narrative summaries of the work performed under each of the categories. Additionally, Greenberg Traurig's invoices are included with the Declaration of Kara Hendricks attached as **Exhibit 2**. Greenberg Traurig consistently endeavored to staff each task efficiently, using a core team of attorneys, with specialized assistance as necessary.

Greenberg Traurig's fees for the Application Period for the category of "Asset Analysis and Recovery" are as follows:

<i>Name</i>	<i>Title</i>	<i>Hours</i>	<i>Rate/Hr.</i>	<i>Total</i>
Kara B. Hendricks	Shareholder	17.20	\$482.00	\$8,260.34
Cynthia Ney	Paralegal	4.4	\$175.00	\$770.00
<i>Total</i>		<i>21.6</i>		<i>\$9,030.34</i>

Work performed in this category related primarily to the Receiver's efforts to gain familiarity with the case and assets, file requisite pleadings in jurisdictions where assets were identified, analyzing available options with the pending CAC Action, and assisting in evaluating tax concerns and pending forfeiture proceedings involving receivership property in North Dakota.

Greenberg Traurig also handled and assisted the receiver with case administration activities including review of case materials and the filing of the requisite motion to employ.

<i>Name</i>	<i>Title</i>	<i>Hours</i>	<i>Rate/Hr.</i>	<i>Total</i>
Kara B. Hendricks	Shareholder	4.0	\$480.20	\$1,946.39
Christian Spaulding	Associate	2.9	\$318.75	\$924.38
<i>Total</i>		<i>6.9</i>		<i>\$2,870.77</i>

As referenced above, Greenberg Traurig endeavored to staff each task efficiently, using a core team of attorneys and utilizing associates and paralegal assistance where appropriate. Additionally, Greenberg Traurig agreed to discount its standard billing rates for this matter by 15% and with the discounted rates identified above.

C. The Requested Fees and Services are Reasonable and Should be Approved.

The Receiver and Greenberg Traurig respectfully submit that the fees and expenses incurred during the Application Period were fair, reasonable, necessary, and significantly benefited the Estate. Specifically, and as reflected in **Exhibit 1** and **Exhibit 2** during the first month of the Receivership, there were a number of logistical issues to work through including transitioning bank accounts, obtaining pertinent business records, ensuring prompt 28 U.S.C. 754 filings in other districts, establishing a website for investors, and assess pending litigation matters filed against CapSource. In accomplishing these tasks, AFS and Greenberg Traurig have endeavored to staff this matter appropriately, billing their time at substantially discounted rates, and steadfastly attempted to avoid duplication of efforts. Moreover, as detailed below, the requested fees are justified based on and the complexity of tasks completed and quality of work performed and provide value to the Receivership Estate.

i. Complexity of Receivers Tasks and Quality of Work Performed.

During the early stages of a receivership there are a number of moving parts and numerous issues to address many on an expedited timeline. Here, the Receiver made immediate efforts to contact defendants to facilitate the turnover of documents and available assets in an orderly

1 fashion. Additionally, financial institutions were contacted and bank accounts transferred to the
2 Receiver. Efforts were also immediately taken to facilitate a mechanism to contact and inform
3 investors regarding the receivership process. All of these efforts were taken contemporaneously
4 and required coordination between the Receiver and counsel. This case is also unique in that, the
5 Receiver learned of pending litigation and looming trial against CapSource which required
6 immediate attention.

7 The quality of the work performed by the Receiver and his team is further established in
8 the First Quarterly Report filed on November 1, 2022 (ECF No. 21), which details the activities of
9 the Receiver.

10 **ii. Fair Value of Receiver's Time and Reasonableness of Expenses on**
11 **Receivership Estate.**

12 As set forth in the applications made to this court to facilitate the Receiver employing
13 counsel (ECF No. 18), and as referenced above, the attorneys working on this matter are doing so
14 at discounted rates, notwithstanding the complexity of the present receivership case or the amounts
15 in controversy. In addition, the Receiver and his professionals have consistently endeavored to
16 avoid duplication of efforts and to undertake required tasks in an efficient manner. The Receiver
17 and his internal team have also committed to significantly discounted rates notwithstanding AFS's
18 broad range of experience and expertise. Moreover, AFS performs a substantial amount of work
19 in-house, saving both time and money, including tasks involving corporate accounting, forensic
20 accounting, case administration, claims administration, asset valuation, investor communications
21 and internet technology. The significantly reduced rates being charged in this matter, along with
22 efforts to avoid duplication and streamline task demonstrate the reasonableness of the fees
23 requested.

24 When it comes to evaluating the burden of the expenses and the ability of the receivership
25 estate to reasonably bear the same, it is important to look at the case as a whole. Here, the Receiver
26 is looking to wind-down the business operations of CapSource and provide finality for all involved
27 and the Receiver and his team are able to ensure that occurs.
28

1 **iii. Communication with SEC Counsel**

2 The fees requested by the Receiver and his professionals were reviewed and will continue
3 to be reviewed by the SEC staff prior to their submittal to this Court. The Receiver provided
4 invoices to counsel for the SEC in advance of this filing. The SEC staff then reviews the invoices
5 and can provide comments to the Receiver prior to the filing of the fee application. The Receiver
6 and his professionals are sensitive to the feedback received from the staff. For purposes of the
7 current application, SEC counsel has informed the Receiver that the SEC does not oppose the
8 requested allowance and payment of fees and costs, on an interim basis.

9 It is respectfully requested that that the Court approve 100% of their fees and expenses,
10 and also authorize the payment of those fees and expenses on a percentage, interim basis, as
11 requested herein.

12 **III. CONCLUSION.**

13 For the foregoing reasons, the Receiver and Greenberg Traurig respectfully requests that
14 the Court enter an order¹:

- 15 1. Granting this Application in its entirety;
- 16 2. Approving the Receivers' fees and expenses incurred during the Application
17 Period, in the respective amounts of \$42,825.50 and \$.90;
- 18 3. Authorizing the Receiver to pay AFS on an interim basis, 80% of its approved
19 fees incurred during the Application Period, in the amount of \$34,260.40, and
20 100% of its approved expenses incurred during the Application Period, in the
21 amount of \$.90, from the funds of the Receivership Estate;
- 22 4. Approving Greenberg Traurig's fees and expenses incurred during the
23 Application Period, in the respective amount of \$11,901.11 and \$1,701.00;
- 24 5. Authorizing the Receiver to pay Greenberg Traurig on an interim basis, 80% of its
25 approved fees incurred during the Application Period, in the amount of \$9,580.89;
26 and 100% of its approved expenses incurred during the Application Period, in the
27 amount of \$1,701.00, from the funds of the Receivership Estate;

28

¹ The proposed order is attached as **Exhibit 3**.

6. Providing such other and further relief as the Court deems just and proper under the circumstances.

DATED this 15th day of November 2022.

GREENBERG TRAURIG, LLP

By: /s/ Kara B. Hendricks

KARA B. HENDRICKS, Bar No. 7743

KYLE A. EWING, Bar No. 14051

CHRISTIAN T. SPAULDING, Bar No. 14277

10845 Griffith Peak Drive, Suite 600

Las Vegas, Nevada 89135

Attorneys for Receiver Geoff Winkler

CERTIFICATE OF SERVICE

I hereby certify that, on the 15th day of November, 2022, a true and correct copy of the foregoing **FIRST QUARTERLY APPLICATION FOR PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES OF RECEIVER AND RECEIVER'S COUNSEL GREENBERG TRAURIG** was filed electronically via the Court's CM/ECF system. Notice of filing will be served on all parties by operation of the Court's CM/ECF system, and parties may access this filing through the Court's CM/ECF system.

/s/ Andrea Lee Rosehill

An employee of GREENBERG TRAURIG, LLP

LIST OF EXHIBITS

- 1. Declaration of Geoff Winkler and supporting documents;**
- 2. Declaration of Kara Hendricks and Supporting Documents;**
- 3. [Proposed] Order Granting First Quarterly Application for Payment of Fees and Reimbursement of Expenses of Receiver and Receiver's Counsel Greenberg Traurig**

EXHIBIT 1

Declaration of Geoff Winkler and supporting documents

KARA B. HENDRICKS, Bar No. 7743
hendricksk@gtlaw.com
KYLE A. EWING, Bar No 14051
ewingk@gtlaw.com
CHRISTIAN T. SPAULDING, Bar No. 14277
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Attorneys for Receiver Geoff Winkler

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CAPSOURCE, INC., *et al.*

Defendants.

Case No. 2:20-CV-02303-RFB-DJA

**DECLARATION OF GEOFF
WINKLER IN SUPPORT OF FIRST
QUARTERLY APPLICATION FOR
PAYMENT OF FEES AND
REIMBURSEMENT OF EXPENSES
OF RECEIVER AND RECEIVER'S
COUNSEL GREENBERG
TRAURIG**

I, Geoff Winkler, hereby declare as follows:

1. I am over 21 years old and am a founding member and the chief executive officer of American Fiduciary Services LLC (“AFS”), which is based in Portland, Oregon.

2. I am competent to testify to the matters presented in this declaration, and I submit this declaration in support of my application for approval of the fees and costs of my firm and my professional in connection with CapSource, Inc. (“CapSource”). This declaration is based on my personal knowledge, except where made on information and belief, and as to those matters, I believe them to be true.

3. On August 26, 2022, the Court appointed me as the permanent receiver of CapSource (ECF No. 17).

4. Because I am not a licensed attorney in Nevada and AFS does not have in-house counsel, and due to the scope of service needed during the Application Period, I sought approval

1 to employ the law firm of Greenberg Traurig, LLP (“Greenberg Traurig”) to assist me in fulfilling
2 my duties as the Receiver (ECF No. 20).

3 5. Attached to this declaration as **Exhibit A** is a true and correct copy of the invoice
4 for the services of my firm for the period from August 26, 2022, through September 30, 2022 (the
5 “Application Period”).

6 6. In the ordinary course of AFS’s business, we keep a record of all time expended by
7 our professionals in the rendering of professional services on a computerized billing system.

8 7. At or near the time the professional services are rendered, professionals of the firm
9 record (a) the description of the nature of the services performed, (b) the duration of the time
10 expended, and (c) the client/matter name or number by either: (1) writing such information on a
11 time sheet, or (2) inputting such information directly into the firm's computer billing system.

12 8. For the professionals who record their time using written time sheets, the
13 information contained in the time sheets is transcribed into the firm’s computer billing system.

14 9. The firm’s computer billing system keeps a record of all time spent on a
15 client/matter, the professional providing the services, and a description of the services rendered.
16 The firm’s computer billing system automatically multiplies the time expended by each
17 professional by the respective professional's billing rate to calculate the amount of the fee. The
18 firm conducts its business in reliance on the accuracy of such business records

19 10. Pursuant to the Receivership Order, my team and I performed the following duties
20 during the Application Period: filing copies of the Receivership Order and Complaint in
21 jurisdictions known to have receivership assets, working to finalize pending real estate
22 transactions, review and evaluation of new information provided by CapSource’s prior
23 management, identifying investors and potential creditors of the company, and evaluating pending
24 lawsuits involving CapSource including *CAC Investment Ventures, LLC et al. v. Andrew Jolley et*
25 *al.*, Case No. A-19-802088-B, in which CapSource, Inc. is a named defendant (the “CAC Action”)
26 which was scheduled to go to trial just days after the Receivership Order was entered and which I
27 had no knowledge of despite the prior order appointing me as the Chief Restructuring Officer of
28 CapSource.

11. Due to its broad range of experience and expertise, the Receiver by and through AFS performs almost all required work in-house, saving both time and money, including tasks involving corporate accounting, forensic accounting, case administration, claims administration, asset valuation, investor communication and internet technology.

12. AFS' billing philosophy is to leverage work down to the staff member with the lowest bill rate that also has the skills and experience necessary to complete the task. This allows AFS to minimize the cost to complete all work associated with the case, ensuring a maximum return to stakeholders involved in the matter while also preserving the quality of their work product. AFS does not bill for travel time in regulatory cases.

13. AFS's rates include a discount off its already discounted hourly rates for government matters and will not increase for the pendency of the case. Both the standard regulatory rate and the discounted regulatory rate reflect a significant discount off their standard consulting rates.

14. All billing standards meet or exceed the SEC's Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission (SFAR) and the U.S. Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses.

15. AFS does not seek reimbursement for routine copying, facsimile, postage, or other expenses. Any expenses which AFS seeks to have reimbursed are done so in accordance with the SEC and U.S. Trustee guidelines above. Costs directly attributable to the administration of the estate will be paid directly by the estate in accordance with the order of appointment.

16. The Standardized Fund Accounting Report, AFS's invoices, and its billing entries are attached hereto as **Exhibit A**.

17. I respectfully submit that the fees and expenses incurred during the Application Period were fair, reasonable, necessary, and significantly benefited the Estate and request the Court approve the fees and costs reflected in the invoices and approve payment in the amounts reflected in the Application.

1 18. Additionally, I request the ability to pay the fees and costs for the retained
2 professional, Greenberg Traurig, as set forth in the Motion.

3 19. I hereby certify that I have read the First Quarterly Application for Payment of Fees
4 and Reimbursement of Expenses of Receiver and Receiver's Counsel Greenberg Traurig for the
5 Period from July 1, 2022 through September 30, 2022.

6 20. To the best of my knowledge, information and belief formed after reasonable
7 inquiry, the Application and all fees and expenses therein are true and accurate and comply with
8 the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and
9 Exchange Commission.

10 21. All fees contained in the Application are based on the rates listed in AFS's fee
11 schedule, subject to increases disclosed to the SEC and approved by the Court prior to any such
12 increase. All fees contained in the Application are reasonable, necessary and commensurate with
13 the skill and experience required for the activity performed and are subject to Court approval.

14 22. AFS has not included in the amount for which reimbursement is sought the
15 amortization of the cost of any investment, equipment, or capital outlay (except to the extent that
16 any such amortization is included within the permitted allowable amounts set forth herein for
17 photocopies and facsimile transmission).

18 23. In seeking reimbursement for a service which AFS justifiably purchased or
19 contracted for from a third party (such as copying, imaging, bulk mail, messenger service,
20 overnight courier, computerized research, or title and lien searches), AFS requests reimbursement
21 only for the amount billed to AFS by the third-party vendor and paid by AFS to such vendor. If
22 such services are performed by the Receiver or the Receiver's retained personnel, the Receiver or
23 the retained personnel, as appropriate, will certify that it is not making a profit on such
24 reimbursable service.

25 I declare under penalty of perjury under the laws of the State of Nevada that the foregoing
26 is true and correct.

27 Executed on November 15, 2022.

/s/ Geoff Winkler

Geoff Winkler

EXHIBIT A

STANDARDIZED FUND ACCOUNTING REPORT for SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean

Receivership; Civil Docket No. 2:20-cv-02303-RFB-DJA

Reporting Period from 08/26/2022 to 09/30/2022

FUND ACCOUNTING (See instructions)				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 08/26/2022):			
	Increases in Fund Balance:			
Line 2	Business Income			
Line 3	Cash and Securities (in transit)			
Line 4	Interest/Dividend Income			
Line 5	Business Asset Liquidation			
Line 6	Personal Asset Liquidation			
Line 7	Third-Party Litigation Income			
Line 8	Miscellaneous - Other			
	Total Funds Available (Lines 1 - 8):			618,781.17
	Decreases in Fund Balance:			
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals			
Line 10b	Business Asset Expenses			
Line 10c	Personal Asset Expenses			
Line 10d	Investment Expenses			
Line 10e	Third-Party Litigation Expenses			
	Total Disbursements for Receivership Operations			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments			
	Total Disbursements for Receivership Operations			(24,501.43)
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	<div> <div>d</div> <div>d</div> <div>r</div> <div>r</div> </div> <div> <div>d</div> <div>d</div> <div>D</div> <div>r</div> <div>D</div> </div> <div> <div>D</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>M</div> </div> <div> <div>Total Plan Development Expenses</div> </div>			
Line 11b	Distribution Plan Implementation Expenses:			
	<div> <div>d</div> <div>d</div> <div>r</div> <div>r</div> </div> <div> <div>D</div> </div> <div> <div>D</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>d</div> <div>r</div> </div> <div> <div>r</div> <div>d</div> </div> <div> <div>d</div> </div> <div> <div>r</div> </div> <div> <div>M</div> </div> <div> <div>d</div> <div>d</div> <div>r</div> <div>r</div> <div>d</div> </div> <div> <div>M</div> </div> <div> <div>d</div> <div>r</div> <div>r</div> <div>r</div> <div>R</div> </div> <div> <div>R</div> <div>R</div> <div>r</div> </div> <div> <div>Total Plan Implementation Expenses</div> </div>			
	Total Disbursements for Distribution Expenses Paid by the Fund			-
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees			
Line 12b	Federal Tax Payments			
	Total Disbursements to Court/Other:			(24,501.43)
	Total Funds Disbursed (Lines 9 - 11):			594,279.74
Line 13	Ending Balance (As of 09/30/2022):			
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	Cash & Cash Equivalents			
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds			
	Total Ending Balance of Fund - Net Assets			594,279.74

STANDARDIZED FUND ACCOUNTING REPORT for SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Receivership; Civil Docket No. 2:20-cv-02303-RFB-DJA
Reporting Period from 08/26/2022 to 09/30/2022

OTHER SUPPLEMENTAL INFORMATION:		Detail	Subtotal	Grand Total
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	Plan Development Expenses Not Paid by the Fund			
	<div> <div>d d r r</div> <div>D</div> <div>D r</div> <div>d r</div> <div>d r</div> <div>d r</div> <div>d r</div> <div>M</div> <div>D</div> <div>d d d</div> </div>			
Line 15b				
	<div> <div>d d r r</div> <div>D</div> <div>D r</div> <div>d r</div> <div>d r</div> <div>d r</div> <div>d r</div> <div>r d</div> <div>d</div> <div>r</div> <div>M</div> <div>d d r r d</div> <div>M</div> <div>R R r</div> </div>			
Line 15c	Total Plan Implementation Expenses Not Paid by the Fund			
	d r r r d r d d			
Line 16	D r r r r d d			
Line 16a	R			
Line 16b	d r			
	D r r r d d			
Line 17	D			
Line 18				
Line 18a	R d R r r d			
Line 18b	R d d			
Line 19	No. of Claimants/Investors:			
Line 19a	r d R r r d			
Line 19b	r d d			

Receiver: Geoff Winkler

By: 

Geoff Winkler
(printed name)

Chief Executive Officer
American Fiduciary Services LLC
Receiver, CapSource, Inc.

Date: November 01, 2022

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
(Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Geoff Winkler	Call with title company re documents for closing.	8/26/2022	0.3	395.00	118.50	Legal - Asset Disposition
Geoff Winkler	Emails re time to meet and discuss open issues.	8/26/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Review closing statement, emails with EM re status, wire instructions.	8/26/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Call with investor re investment returns.	8/26/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Call with SS to discuss investor payment history.	8/26/2022	0.4	395.00	158.00	Legal - Case Administration
Geoff Winkler	Review missing POA issue, emails with SB and GH.	8/26/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Emails with EM re interest payment.	8/26/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Emails and message re ARC RE investors and payment.	8/26/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review bank correspondence and emails with EM re wire instructions.	8/26/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Discussion with SB and GH re closing documents needed.	8/26/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review amendments docs and release from EM, discuss with JBH.	8/26/2022	0.8	395.00	316.00	Legal - Case Administration
Geoff Winkler	Discuss and review Texas 156 issues with GBW JPM EM SB.	8/26/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Review Texas 156 EM issue with JBH.	8/26/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Provide past due invoices to JG with narration.	8/26/2022	0.4	350.00	140.00	Legal - Case Administration
Josh McGraw	Reviewing receiver appointment order.	8/29/2022	1.0	320.00	320.00	Legal - Asset Analysis and Recovery
Amanda Deering	Team meeting to discuss weeks tasks with AMD, GBW, JPM, JBH and MBB.	8/29/2022	0.1	280.00	28.00	Legal - Case Administration
Geoff Winkler	Review court order, discuss with counsel, reach out to affected parties to discuss implications.	8/29/2022	1.6	395.00	632.00	Legal - Case Administration
Geoff Winkler	Calls with JG, other counsel re state court case slated to start tomorrow. Discuss with my counsel, emails with TM to discuss issue, call with other attorneys re moving forward, need for more information, review pleadings and further discussion with counsel.	8/29/2022	3.1	395.00	1,224.50	Legal - Case Administration
Geoff Winkler	Team meeting to discuss weeks tasks with AMD, GBW, JPM, JBH and MBB.	8/29/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Review order (1.1) and discuss with GBW (.4)	8/29/2022	1.5	350.00	525.00	Legal - Case Administration
John Hall	Team meeting to discuss weeks tasks with AMD, GBW, JPM, JBH and MBB.	8/29/2022	0.1	350.00	35.00	Legal - Case Administration
Josh McGraw	Team meeting to discuss weeks tasks with AMD, GBW, JPM, JBH and MBB.	8/29/2022	0.1	320.00	32.00	Legal - Case Administration
Milana Barkhanoy	Team meeting to discuss weeks tasks with AMD, GBW, JPM, JBH and MBB.	8/29/2022	0.1	300.00	30.00	Legal - Case Administration
Geoff Winkler	Call with SS to discuss sale of LA property.	8/30/2022	0.3	395.00	118.50	Legal - Asset Disposition
Amanda Deering	Set up receivers checklist for case and coordinating Form 54.	8/30/2022	0.5	280.00	140.00	Legal - Case Administration
Geoff Winkler	Call with TM to discuss stay order and previously unknown litigation	8/30/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Case discussion with JBH.	8/30/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Further review of state court issue, calls with counsel for plaintiff, calls with counsel for defendant, discuss with my counsel.	8/30/2022	2.4	395.00	948.00	Legal - Case Administration
Geoff Winkler	Further discussions with TM re state court case.	8/30/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Case discussion with GBW re: Plaintiff call with TM and updates.	8/30/2022	0.3	350.00	105.00	Legal - Case Administration
Josh McGraw	Reviewing email correspondence from EM and GBW regarding meeting on outstanding loans.	8/30/2022	0.1	320.00	32.00	Legal - Case Administration
John Hall	Discuss outstanding invoices with GBW, prepare and send overview to SL and GH SB.	8/31/2022	0.9	350.00	315.00	Financial - Accounting/Auditing
Josh McGraw	Drafting Form 56 for the receivership entity.	8/31/2022	0.3	320.00	96.00	Financial - Tax Issues
Amanda Deering	Discussion of offer on land with AMD and JPM.	8/31/2022	0.1	280.00	28.00	Legal - Asset Analysis and Recovery
Josh McGraw	Reviewing offer on asset.	8/31/2022	0.3	320.00	96.00	Legal - Asset Analysis and Recovery
Josh McGraw	Discussion of offer on land with AMD and JPM.	8/31/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Amanda Deering	Discussion of case and form 56 with JPM and AMD.	8/31/2022	0.3	280.00	84.00	Legal - Case Administration
Geoff Winkler	Review additional documents, calls and emails with counsel for plaintiff and defendant, discuss with my counsel.	8/31/2022	1.9	395.00	750.50	Legal - Case Administration
Geoff Winkler	Emails with EM re case updates	8/31/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Call with counsel JG to discuss NV state case.	8/31/2022	0.2	395.00	79.00	Legal - Case Administration

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
(Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Geoff Winkler	Call between JPM and GBW regarding the offer received and investor documentation.	8/31/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Review outstanding issues from EM and discuss with GBW.	8/31/2022	0.5	350.00	175.00	Legal - Case Administration
Josh McGraw	Email to AM regarding additional questions on investment and loan modification.	8/31/2022	0.4	320.00	128.00	Legal - Case Administration
Josh McGraw	Email to JA regarding lot closing cancellation.	8/31/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Conversation between MBB and JPM discussing investment structures and communication with claimants.	8/31/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call between JPM and GBW regarding an offer received and investor documentation.	8/31/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Discussion of case and form 56 with JPM and AMD.	8/31/2022	0.3	320.00	96.00	Legal - Case Administration
Milana Barkhanoy	Conversation between MBB and JPM discussing investment structures and communication with claimants.	8/31/2022	0.1	300.00	30.00	Legal - Case Administration
Geoff Winkler	Emails with SB re Texas 156 properties.	9/1/2022	0.1	395.00	39.50	Legal - Asset Analysis and Recovery
Geoff Winkler	Call with JPM re: PSA review and sales comps	9/1/2022	0.2	395.00	79.00	Legal - Asset Analysis and Recovery
Josh McGraw	Summarize PSA and addendum for the latest offer.	9/1/2022	0.6	320.00	192.00	Legal - Asset Analysis and Recovery
Josh McGraw	Reviewing the land market and identifying sales comps to compare against the offer received.	9/1/2022	2.2	320.00	704.00	Legal - Asset Analysis and Recovery
Josh McGraw	Call with GBW re: PSA review and sales comps	9/1/2022	0.2	320.00	64.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Review sale details, discuss with SB, emails with SS.	9/1/2022	0.3	395.00	118.50	Legal - Asset Disposition
Geoff Winkler	Review declaration and discuss with counsel.	9/1/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Emails and call with TM re hearing.	9/1/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Review docket and emails with counsel KH re previous representation.	9/1/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Emails with counsel re CS representation and attorney duties.	9/1/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Review proposed edits of declaration and respond.	9/1/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review state court filings, including motions and proposed solution to stay, litigation against CapSource.	9/1/2022	0.6	395.00	237.00	Legal - Case Administration
Geoff Winkler	Discuss outstanding issues with JBH and EM.	9/1/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Call with counsel to discuss state court issue.	9/1/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Attend hearing re state court case against SB and CapSource.	9/1/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Call with GH to discuss outstanding issues.	9/1/2022	0.5	395.00	197.50	Legal - Case Administration
John Hall	Discuss Texas 156 with GBW and next steps.	9/1/2022	0.2	350.00	70.00	Legal - Case Administration
John Hall	Review memo from EM and discuss with GBW re ARC	9/1/2022	0.3	350.00	105.00	Legal - Case Administration
John Hall	Discuss outstanding issues with GBW and EM.	9/1/2022	0.5	350.00	175.00	Legal - Case Administration
John Hall	Chat between JBH and MBB re rates.	9/1/2022	0.1	350.00	35.00	Legal - Case Administration
Josh McGraw	Email to JA re: legal description of parcel to be sold.	9/1/2022	0.1	320.00	32.00	Legal - Case Administration
Milana Barkhanoy	Review and update team transactions to ensure accurate billing.	9/1/2022	0.4	300.00	120.00	Legal - Case Administration
Milana Barkhanoy	Chat between JBH and MBB re rates.	9/1/2022	0.1	300.00	30.00	Legal - Case Administration
Milana Barkhanoy	Updating TimeSolve with new rates.	9/1/2022	0.1	300.00	30.00	Legal - Case Administration
John Hall	Work through request from SL to provide complete invoice and payment breakdown.	9/2/2022	0.7	350.00	245.00	Financial - Accounting/Auditing
Geoff Winkler	Review property valuation to make decision on property sale.	9/2/2022	0.3	395.00	118.50	Legal - Asset Analysis and Recovery
Josh McGraw	Email to GBW regarding analysis of the market and summary of PSA	9/2/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Discussion with EWB re receivership order, new account setup and documentation.	9/2/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Emails with JG re status of state court case.	9/2/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Additional document review related to state court case, discussion with counsel, email documents to counsel for review.	9/2/2022	2.3	395.00	908.50	Legal - Case Administration
Geoff Winkler	Review engagement letter, motion to employ and declaration and comments to counsel.	9/2/2022	0.3	395.00	118.50	Legal - Case Administration
John Hall	Chat between JBH and MBB re invoice; reviewing invoice.	9/2/2022	0.3	350.00	105.00	Legal - Case Administration
Milana Barkhanoy	Reconciling billing entries to ensure accuracy; chat between JBH and MBB re invoice; creating invoice.	9/2/2022	0.7	300.00	210.00	Legal - Case Administration

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
(Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Amanda Deering	Creating phone.	9/6/2022	0.3	280.00	84.00	Legal - Case Administration
Amanda Deering	Prepping for weekly meeting.	9/6/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Team meeting to discuss weeks tasks with AMD, JPM, and MBB.	9/6/2022	0.1	280.00	28.00	Legal - Case Administration
Geoff Winkler	Review information request from TM, email with JPM re additional information needed.	9/6/2022	0.3	395.00	118.50	Legal - Case Administration
John Hall	Review and discuss EM bank account issue with GBW.	9/6/2022	0.3	350.00	105.00	Legal - Case Administration
Josh McGraw	Team meeting to discuss weeks tasks with AMD, JPM, and MBB.	9/6/2022	0.1	320.00	32.00	Legal - Case Administration
Milana Barkhanoy	Team meeting to discuss weeks tasks with AMD, JPM, and MBB.	9/6/2022	0.1	300.00	30.00	Legal - Case Administration
John Hall	Review and analysis of schedule with balance due from GBW.	9/7/2022	0.3	350.00	105.00	Financial - Accounting/Auditing
Amanda Deering	Conversation with JPM regarding recovery and on-site	9/7/2022	0.1	280.00	28.00	Legal - Case Administration
Geoff Winkler	Call with counsel to discuss timing, next steps, decision on state court action.	9/7/2022	0.4	395.00	158.00	Legal - Case Administration
John Hall	Discussion with SB GH and GBW regarding asset sales, invoices, and follow up discussion on outstanding items with GBW.	9/7/2022	0.5	350.00	175.00	Legal - Case Administration
Josh McGraw	Reviewing email from GBW and documentation previously provided for TM request.	9/7/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Conversation with AMD regarding recovery and on-site	9/7/2022	0.1	320.00	32.00	Legal - Case Administration
Geoff Winkler	Discussion of outstanding invoices.	9/8/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Review case filings and discuss with GBW (.8), work with MBB to compile list of needed items and memo to GH and SB re: same (.7).	9/8/2022	1.5	350.00	525.00	Legal - Case Administration
John Hall	Review research and respond to issue raised by SB.	9/8/2022	0.2	350.00	70.00	Legal - Case Administration
Josh McGraw	Reviewing email from KH regarding requested information and email response to GBW.	9/8/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Reviewing documentation, compiling assets and email KH with summarization.	9/8/2022	1.2	320.00	384.00	Legal - Case Administration
Milana Barkhanoy	Review case filings and discuss with JBH (.4), work with JBH and GBW to compile list of needed items and memo to GH and SB re: same (.7).	9/8/2022	1.1	300.00	330.00	Legal - Case Administration
Geoff Winkler	Process accounts receivable.	9/9/2022	0.1	395.00	39.50	Financial - Accounting/Auditing
Josh McGraw	Filling out IRS forms for receivership.	9/9/2022	0.2	320.00	64.00	Financial - Tax Issues
Geoff Winkler	Communication with JPM regarding assets to upload into Stretto.	9/9/2022	0.1	395.00	39.50	Legal - Asset Analysis and Recovery
Geoff Winkler	Review wire received, reach out to EM, SS re payment source.	9/9/2022	0.2	395.00	79.00	Legal - Asset Analysis and Recovery
Josh McGraw	Reviewing government websites to confirm ownership information.	9/9/2022	0.8	320.00	256.00	Legal - Asset Analysis and Recovery
Josh McGraw	Email to GBW regarding possible asset.	9/9/2022	0.2	320.00	64.00	Legal - Asset Analysis and Recovery
Josh McGraw	Email to KH regarding asset locations.	9/9/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Josh McGraw	Updating asset spreadsheet and saving documentation.	9/9/2022	0.2	320.00	64.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Review proposed closing, email to SS re updated wire information.	9/9/2022	0.2	395.00	79.00	Legal - Asset Disposition
Amanda Deering	Reading Order Appointing Receiver, preparing pleading paper and template for report.	9/9/2022	1.1	280.00	308.00	Legal - Case Administration
Geoff Winkler	Discussion of 754 filings, form 56, asset update with counsel.	9/9/2022	0.4	395.00	158.00	Legal - Case Administration
Geoff Winkler	Emails with EM re new wire instructions.	9/9/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Emails with EM re interest payment funding.	9/9/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Review summary of call with DK, response to counsel KH.	9/9/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Further discussion with counsel KH re indemnification.	9/9/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Call between JPM and JBH regarding tax forms and working through request from TM.	9/9/2022	0.2	350.00	70.00	Legal - Case Administration
John Hall	Review records request with SB.	9/9/2022	0.3	350.00	105.00	Legal - Case Administration
John Hall	Review and digitize needed items per order to check off against inventory.	9/9/2022	0.2	350.00	70.00	Legal - Case Administration
John Hall	Review Oak Creek LA payment issues with GBW.	9/9/2022	0.2	350.00	70.00	Legal - Case Administration
Josh McGraw	Email to CE regarding loan documentation.	9/9/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Email to JA regarding location of secured property.	9/9/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Saving documentation received from MH to prepare for review.	9/9/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Email to CE regarding loan payment histories.	9/9/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call between JPM and JBH regarding tax forms and working through request from TM.	9/9/2022	0.2	320.00	64.00	Legal - Case Administration

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
(Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Josh McGraw	Reviewing TLO reports for asset information.	9/9/2022	0.3	320.00	96.00	Legal - Case Administration
Geoff Winkler	Process accounts receivable.	9/12/2022	0.1	395.00	39.50	Financial - Accounting/Auditing
Amanda Deering	Preparing notes for team meeting.	9/12/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/12/2022	0.1	280.00	28.00	Legal - Case Administration
Geoff Winkler	Call with defendants counsel DK and my counsel re state court case plan for moving forward.	9/12/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Discussion with counsel re state court case, documents and information provided, review emails and notes of previous discussion.	9/12/2022	0.6	395.00	237.00	Legal - Case Administration
Geoff Winkler	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/12/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Conversation between JBH and JPM regarding the appointment order.	9/12/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/12/2022	0.1	350.00	35.00	Legal - Case Administration
Josh McGraw	Conversation between JBH and JPM regarding the appointment order.	9/12/2022	0.1	320.00	32.00	Legal - Case Administration
Milana Barkhanoy	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/12/2022	0.1	300.00	30.00	Legal - Case Administration
Geoff Winkler	Emails with KH re call with JG.	9/13/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Discussion with counsel re additional litigation filed, review case.	9/13/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Review on-hand documentation and assess need for request from SB SL GH (1.2).					
John Hall	Discuss with JPM (.2)	9/13/2022	1.5	350.00	525.00	Legal - Case Administration
Josh McGraw	Review an email from JBH regarding indexing current documentation and responding.	9/13/2022	0.2	320.00	64.00	Legal - Case Administration
Geoff Winkler	Call with bank to discuss account transactions.	9/14/2022	0.3	395.00	118.50	Financial - Accounting/Auditing
John Hall	Communication with JPM regarding asset sale to review.	9/14/2022	0.1	350.00	35.00	Legal - Asset Analysis and Recovery
Josh McGraw	Communication with JBH regarding asset sale to review.	9/14/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Follow up on discussion with JG.	9/14/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Follow up with JPM re information needed for TM, review information to date.	9/14/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review exhibits, discussion with JPM, emails with TM.	9/14/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Call with JG and counsel to discuss CapSource state court case.	9/14/2022	0.5	395.00	197.50	Legal - Case Administration
Josh McGraw	Reviewing documentation to determine outstanding items per appointment order.	9/14/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Gathering documentation and sending email to GBW regarding TM requests.	9/14/2022	0.3	320.00	96.00	Legal - Case Administration
Geoff Winkler	Call to discuss state court case.	9/15/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Emails with EM re status update.	9/15/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Review and respond to investor request, information.	9/15/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review property updates from SB.	9/16/2022	0.1	395.00	39.50	Legal - Case Administration
Josh McGraw	Reviewing documentation to determine outstanding items per appointment order.	9/16/2022	0.6	320.00	192.00	Legal - Case Administration
Geoff Winkler	Emails with counsel KH re call with TM.	9/17/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Email to TM re call to discuss current status.	9/17/2022	0.1	395.00	39.50	Legal - Case Administration
Josh McGraw	Email communication with CE regarding payment histories, loan agreements, and disbursement histories.	9/19/2022	0.3	320.00	96.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Review payoff calculations, review PSA, emails with JPM.	9/19/2022	0.3	395.00	118.50	Legal - Asset Disposition
Geoff Winkler	Review closing forms, approve and execute, review HUD.	9/19/2022	0.2	395.00	79.00	Legal - Asset Disposition
Geoff Winkler	Emails with JA re signing closing documents, receivership requirements.	9/19/2022	0.1	395.00	39.50	Legal - Asset Disposition
Geoff Winkler	Emails with SS and JA re payoff and sale	9/19/2022	0.1	395.00	39.50	Legal - Asset Disposition
Geoff Winkler	Review information request and provide wire instructions for LA sale.	9/19/2022	0.1	395.00	39.50	Legal - Asset Disposition
Geoff Winkler	Review analysis of LA closing.	9/19/2022	0.1	395.00	39.50	Legal - Asset Disposition
Geoff Winkler	Call between JPM and GBW regarding asset disposition and documents to review.	9/19/2022	0.2	395.00	79.00	Legal - Asset Disposition
Josh McGraw	Reviewing payoff letter, settlement statement, and closing forms against PSA and providing a summary to GBW.	9/19/2022	1.2	320.00	384.00	Legal - Asset Disposition
Josh McGraw	Email communication with GBW regarding payoff amount and requesting settlement statement.	9/19/2022	0.1	320.00	32.00	Legal - Asset Disposition
Josh McGraw	Call between JPM and GBW regarding asset disposition and documents to review.	9/19/2022	0.2	320.00	64.00	Legal - Asset Disposition

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
(Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Amanda Deering	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/19/2022	0.1	280.00	28.00	Legal - Case Administration
Geoff Winkler	Emails with EM re update.	9/19/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Email from TM, email to KH re call, respond to TM.	9/19/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Emails and call with SB, GH, JG re status moving forward.	9/19/2022	0.4	395.00	158.00	Legal - Case Administration
Geoff Winkler	Review proposed indemnity and defense agreement.	9/19/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/19/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/19/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Review memo from SS and discuss with GBW.	9/19/2022	0.2	350.00	70.00	Legal - Case Administration
John Hall	Review payoff calculations from JA and discuss with GBW.	9/19/2022	0.3	350.00	105.00	Legal - Case Administration
John Hall	Review outstanding invoice issues with GBW GH SB JG.	9/19/2022	0.3	350.00	105.00	Legal - Case Administration
John Hall	Review JPM analysis and associated documents re 5th Ave payoff.	9/19/2022	0.4	350.00	140.00	Legal - Case Administration
Josh McGraw	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/19/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Reviewing documentation provided by CE.	9/19/2022	0.6	320.00	192.00	Legal - Case Administration
Milana Barkhanoy	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH, GBW.	9/19/2022	0.1	300.00	30.00	Legal - Case Administration
Amanda Deering	Email to JBH and GBW re: communication from JA re: records and nexts steps on getting access.	9/20/2022	0.1	280.00	28.00	Legal - Asset Analysis and Recovery
Amanda Deering	Calls to Assured Document and Storage and account owner to coordinate access of records.	9/20/2022	0.5	280.00	140.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Review formation and operating agreement for LA property investors LLC, discuss with counsel.	9/20/2022	0.3	395.00	118.50	Legal - Asset Analysis and Recovery
Geoff Winkler	Review management trust agreement, email with counsel KH.	9/20/2022	0.1	395.00	39.50	Legal - Asset Analysis and Recovery
Josh McGraw	Call between MBB and JPM re asset transactions.	9/20/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Milana Barkhanoy	Call between MBB and JPM re asset transactions.	9/20/2022	0.1	300.00	30.00	Legal - Asset Analysis and Recovery
Amanda Deering	Emails to JA re: access to records.	9/20/2022	0.3	280.00	84.00	Legal - Case Administration
Amanda Deering	Reviewing documents in storage and preparing team for accessing to review and changing access level for CapSource employees.	9/20/2022	0.5	280.00	140.00	Legal - Case Administration
Amanda Deering	Discuss case administration needs with JBH and MBB.	9/20/2022	0.5	280.00	140.00	Legal - Case Administration
Geoff Winkler	Call with EM and JBH to go over outstanding issues and coordination (.7), follow up discussion with JBH on case (.4)	9/20/2022	1.1	395.00	434.50	Legal - Case Administration
Geoff Winkler	Analyze license renewal question, review reference, email to JPM to review further.	9/20/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Discussion with counsel re property sales, proper parties, prep for call with TM.	9/20/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Emails with counsel re indemnity draft.	9/20/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Request and review corporate formation and operation documents.	9/20/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Additional review of order of appointment, discussion with AMD re record review.	9/20/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review and respond to question from investor re ARC.	9/20/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Discussion with JPM re documents needed for TM calculations.	9/20/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Call with EM and GBW to go over outstanding issues and coordination (.7), follow up discussion with GBW on case (.4)	9/20/2022	1.1	350.00	385.00	Legal - Case Administration
John Hall	Discuss case administration needs with AMD and MBB.	9/20/2022	0.5	350.00	175.00	Legal - Case Administration
John Hall	Review updated estimated settlement and docs re 5th Avenue from JA.	9/20/2022	0.3	350.00	105.00	Legal - Case Administration
John Hall	Review doc access documents from AMD for file retrieval.	9/20/2022	0.3	350.00	105.00	Legal - Case Administration
Josh McGraw	Reviewing documentation to determine outstanding items per appointment order.	9/20/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Email to GBW regarding entity documentation.	9/20/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Email to GBW to schedule a meeting for ARC discussion.	9/20/2022	0.1	320.00	32.00	Legal - Case Administration
Milana Barkhanoy	Discuss case administration needs with JBH and MBB.	9/20/2022	0.5	300.00	150.00	Legal - Case Administration
Amanda Deering	Call with JM regarding records, cost benefit analysis and sending email summary to JBH.	9/21/2022	0.5	280.00	140.00	Legal - Asset Analysis and Recovery

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
(Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Geoff Winkler	Discuss potential ND property sale, review information, request BOP, discuss timing, tax issues.	9/21/2022	0.4	395.00	158.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Call between GBW and JPM re: land pricing and offer.	9/21/2022	0.1	395.00	39.50	Legal - Asset Analysis and Recovery
Josh McGraw	Call between GBW and JPM re: land pricing and offer.	9/21/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Josh McGraw	Review payoff letter, create a schedule to show necessary adjustments, and email to GBW.	9/21/2022	0.5	320.00	160.00	Legal - Asset Analysis and Recovery
Josh McGraw	Reviewing an offer on land, background information from SB, and researching the property and market.	9/21/2022	1.2	320.00	384.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Review closing statement on LA property, discuss discrepancy due to double entry, request correction and re-review.	9/21/2022	0.4	395.00	158.00	Legal - Asset Disposition
Amanda Deering	Work with JBH re: records options.	9/21/2022	0.3	280.00	84.00	Legal - Case Administration
Amanda Deering	Reviewing inventory of records, flagging recently removed records, email to record holding company and email to GBW and JBH about next steps with record review.	9/21/2022	0.6	280.00	168.00	Legal - Case Administration
Amanda Deering	Call between AMD and JPM re: document records, employee status, and outstanding loans.	9/21/2022	0.4	280.00	112.00	Legal - Case Administration
Amanda Deering	Email to request contact list from JA.	9/21/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Discussing investor communication with AMD and JPM.	9/21/2022	0.5	280.00	140.00	Legal - Case Administration
Amanda Deering	Reviewing investor list sent by JA.	9/21/2022	0.1	280.00	28.00	Legal - Case Administration
Geoff Winkler	Review update on state court case.	9/21/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Discussions with AMD re records for property closing.	9/21/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Call with counsel to discuss Bridge Street.	9/21/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Emails with SB re interest payment, update call.	9/21/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Emails with SL re investor inquiry, bill payment.	9/21/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Meeting with JPM re: investor repayment, investor communication, and contact information.	9/21/2022	0.4	395.00	158.00	Legal - Case Administration
Geoff Winkler	Call with counsel KH re upcoming tasks and state court case.	9/21/2022	0.5	395.00	197.50	Legal - Case Administration
John Hall	Review updated payoff demand docs from SS.	9/21/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Review and discuss North Dakota sale with JPM and GBW.	9/21/2022	0.5	350.00	175.00	Legal - Case Administration
John Hall	Review updated records index info from AMD. Additional work with AMD re: records options.	9/21/2022	0.7	350.00	245.00	Legal - Case Administration
John Hall	Review updated 5th Ave docs, and discuss with GBW.	9/21/2022	0.3	350.00	105.00	Legal - Case Administration
Josh McGraw	Review and discuss North Dakota sale with JBH and GBW.	9/21/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Reviewing documentation to determine outstanding items per appointment order.	9/21/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Reviewing an email from AMD regarding documentation in storage.	9/21/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call between AMD and JPM re: document records, employee status, and outstanding loans.	9/21/2022	0.4	320.00	128.00	Legal - Case Administration
Josh McGraw	Discussing investor communication with AMD and JPM.	9/21/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Meeting with GBW re: investor repayment, investor communication, and contact information.	9/21/2022	0.4	320.00	128.00	Legal - Case Administration
Geoff Winkler	Review Store Capital transaction and deposit information.	9/22/2022	0.3	395.00	118.50	Legal - Asset Analysis and Recovery
Amanda Deering	Discuss record inventory with JBH.	9/22/2022	0.3	280.00	84.00	Legal - Case Administration
Geoff Winkler	Call with SB to discuss outstanding issues.	9/22/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Call with JPM regarding investor communication and timeline for investor meeting.	9/22/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Call with SB re status, state court case, receivership process.	9/22/2022	0.4	395.00	158.00	Legal - Case Administration
John Hall	Review records inventory and discuss with AMD.	9/22/2022	0.5	350.00	175.00	Legal - Case Administration
Josh McGraw	Email communication with SL regarding payments to investors.	9/22/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Email to CE regarding payment histories.	9/22/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call with GBW regarding investor communication and timeline for investor meeting.	9/22/2022	0.2	320.00	64.00	Legal - Case Administration

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Summary of Fees of Receiver and Retained Personnel
August 26, 2022 - September 30, 2022
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Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Josh McGraw	Email to EM regarding update on loan payments.	9/22/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call with investor requesting an update on their investment.	9/22/2022	0.2	320.00	64.00	Legal - Case Administration
	Emails with investors regarding status of their investment and questions about the receivership.	9/22/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Returning calls from investors regarding questions about their investment.	9/22/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Reviewing response from EM on loan updates and additional recovery.	9/22/2022	0.1	320.00	32.00	Legal - Case Administration
Geoff Winkler	Review BOP, discuss with SB.	9/23/2022	0.3	395.00	118.50	Legal - Asset Analysis and Recovery
Amanda Deering	Email with JA re: investor list.	9/23/2022	0.2	280.00	56.00	Legal - Case Administration
John Hall	Review DM memo re wire for option 3 investors, discussion with GBW.	9/23/2022	0.5	350.00	175.00	Legal - Case Administration
Josh McGraw	Reviewing documentation provided by CE.	9/23/2022	0.7	320.00	224.00	Legal - Case Administration
Josh McGraw	Calls with investors regarding update on their investment and appointment order.	9/23/2022	1.3	320.00	416.00	Legal - Case Administration
Josh McGraw	Reviewing documentation to determine outstanding items per appointment order.	9/23/2022	1.1	320.00	352.00	Legal - Case Administration
Josh McGraw	Email to investor requesting update on investment.	9/23/2022	0.2	320.00	64.00	Legal - Case Administration
Geoff Winkler	Process accounts receivable.	9/26/2022	0.1	395.00	39.50	Financial - Accounting/Auditing
Josh McGraw	Reviewing documentation to determine outstanding items per appointment order.	9/26/2022	0.6	320.00	192.00	Financial - Data Analysis
	Call with county re property taxes, emails with SB re payment status, potential buyer discussions on timing for payment, discuss with counsel.	9/26/2022	0.4	395.00	158.00	Financial - Tax Issues
Geoff Winkler	Review owner and encumbrances report, email with counsel KH.	9/26/2022	0.2	395.00	79.00	Legal - Asset Analysis and Recovery
Amanda Deering	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH.	9/26/2022	0.2	280.00	56.00	Legal - Case Administration
Amanda Deering	Summarizing options regarding records review and sending to GBW.	9/26/2022	0.2	280.00	56.00	Legal - Case Administration
Geoff Winkler	Work with EM re Reg D investors.	9/26/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH.	9/26/2022	0.2	350.00	70.00	Legal - Case Administration
Josh McGraw	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH.	9/26/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Call with investor and follow-up email regarding questions about their investment.	9/26/2022	0.3	320.00	96.00	Legal - Case Administration
Milana Barkhanoy	Team meeting to discuss weeks tasks with AMD, JPM, MBB, JBH.	9/26/2022	0.2	300.00	60.00	Legal - Case Administration
Geoff Winkler	Confirm wire receipt.	9/27/2022	0.1	395.00	39.50	Financial - Accounting/Auditing
Amanda Deering	Data review and analysis between AMD and MBB.	9/27/2022	0.1	280.00	28.00	Financial - Data Analysis
Milana Barkhanoy	Data review and analysis between AMD and MBB.	9/27/2022	0.1	300.00	30.00	Financial - Data Analysis
Josh McGraw	Email to SL regarding banking information.	9/27/2022	0.1	320.00	32.00	Legal - Asset Analysis and Recovery
Amanda Deering	Discussing investor lists and documents and JPM and AMD.	9/27/2022	0.2	280.00	56.00	Legal - Case Administration
Amanda Deering	Planning records acquisition and review with JBH.	9/27/2022	0.5	280.00	140.00	Legal - Case Administration
Amanda Deering	Email and call to request information on storage space options and pricing.	9/27/2022	0.6	280.00	168.00	Legal - Case Administration
Amanda Deering	Email and calls to JM requesting records removal and discussing payment.	9/27/2022	0.3	280.00	84.00	Legal - Case Administration
Amanda Deering	Planning Uhaul for records move.	9/27/2022	0.5	280.00	140.00	Legal - Case Administration
Amanda Deering	Email to Geoff discussing records and storage payment.	9/27/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Email to SL re: record storage payment.	9/27/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Emails with JA re: investor list.	9/27/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Chat with JPM, JBH and AMD re: record review.	9/27/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Email to JBH and GBW re: SL communication.	9/27/2022	0.1	280.00	28.00	Legal - Case Administration
	Conference with JPM and AMD with JBH (.2) and GBW (.2) working through record reviews.	9/27/2022	0.5	280.00	140.00	Legal - Case Administration
Amanda Deering	Review of records to decide what to keep.	9/27/2022	0.2	280.00	56.00	Legal - Case Administration
Geoff Winkler	Review and respond to email re timeline for document turnover.	9/27/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Conference with JPM and AMD working through record reviews.	9/27/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Onsite logistics planning (1.0), discussion on planning with AMD (.5)	9/27/2022	1.5	350.00	525.00	Legal - Case Administration
John Hall	Chat with JPM, JBH and AMD re: record review.	9/27/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Chat between MBB and JBH re upcoming logistics plans.	9/27/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Conference with JPM and AMD working through record reviews.	9/27/2022	0.2	350.00	70.00	Legal - Case Administration

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
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John Hall	Communication between JBH and JPM regarding information turnover.	9/27/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Communication between JBH and JPM regarding banking information.	9/27/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Call between JBH and JPM regarding document review and outstanding items.	9/27/2022	0.4	350.00	140.00	Legal - Case Administration
Josh McGraw	Reviewing documentation from EM and sending an email response.	9/27/2022	0.2	320.00	64.00	Legal - Case Administration
	Reviewing recommendations on documents to retrieve and email to AMD inquiring about descriptions of items.	9/27/2022	0.3	320.00	96.00	Legal - Case Administration
Josh McGraw	Discussing investor lists and documents and JPM and AMD.	9/27/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Chat with JPM, JBH and AMD re: record review.	9/27/2022	0.1	320.00	32.00	Legal - Case Administration
	Conference with JPM and AMD with JBH (.2) and GBW (.2) working through record reviews.	9/27/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Call with investor requesting an update on loan status and email follow-up to provide pleadings.	9/27/2022	0.4	320.00	128.00	Legal - Case Administration
Josh McGraw	Communication between JBH and JPM regarding information turnover.	9/27/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Communication between JBH and JPM regarding banking information.	9/27/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Summarization of information request per order and email to JBH and GBW.	9/27/2022	1.0	320.00	320.00	Legal - Case Administration
Josh McGraw	Call between JBH and JPM regarding document review and outstanding items.	9/27/2022	0.4	320.00	128.00	Legal - Case Administration
Josh McGraw	Call to financial institution to understanding request process.	9/27/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Email to investor requesting an update on outstanding balance of their loan.	9/27/2022	0.2	320.00	64.00	Legal - Case Administration
Milana Barkhanoy	Chat between MBB and JBH re upcoming logistics plans.	9/27/2022	0.1	300.00	30.00	Legal - Case Administration
Josh McGraw	Confirming borrower payments and summarizing to GBW.	9/28/2022	0.7	320.00	224.00	Financial - Accounting/Auditing
Geoff Winkler	Emails with counsel KH re taxes due, receivership order, protection of the property.	9/28/2022	0.2	395.00	79.00	Legal - Asset Analysis and Recovery
Amanda Deering	Call to MS re: delivery and box removal.	9/28/2022	0.1	280.00	28.00	Legal - Case Administration
Amanda Deering	Coordinating records removal.	9/28/2022	0.1	280.00	28.00	Legal - Case Administration
	Coordinating meeting with SB, GH, SL, JA, GBW, MBB, JPM, JBH (.2); Review document request items (.5); Call to SB re: needed clarification (.2).	9/28/2022	0.9	350.00	315.00	Legal - Case Administration
John Hall	Chat between JBH and MBB re wire instruction.	9/28/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Conversation between JPM and JBH re: document request and receivership assets.	9/28/2022	0.3	350.00	105.00	Legal - Case Administration
	Chat between JPM and JBH regarding QuickBooks access and pre travel meeting with CapSource.	9/28/2022	0.1	350.00	35.00	Legal - Case Administration
John Hall	Email to GBW regarding investor communication.	9/28/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Chat between JPM and MBB re receivership wire detail.	9/28/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Chat between JPM and MBB re upcoming site visit and coordinating tasks.	9/28/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call with investor regarding documentation and status of investment.	9/28/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Email to investors regarding pleading documents and updates on investments.	9/28/2022	0.7	320.00	224.00	Legal - Case Administration
Josh McGraw	Conversation between JPM and JBH re: document request and receivership assets.	9/28/2022	0.3	320.00	96.00	Legal - Case Administration
	Chat between JPM and JBH regarding QuickBooks access and pre travel meeting with CapSource.	9/28/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call with investor to answer questions on their investment and receivership order.	9/28/2022	0.7	320.00	224.00	Legal - Case Administration
Milana Barkhanoy	Chat between JBH and MBB re wire instruction.	9/28/2022	0.1	300.00	30.00	Legal - Case Administration
Milana Barkhanoy	Chat between JPM and MBB re receivership wire detail.	9/28/2022	0.1	300.00	30.00	Legal - Case Administration
Milana Barkhanoy	Coordinating meeting with SB, GH, SL, JA, GBW, MBB, JPM, JBH.	9/28/2022	0.2	300.00	60.00	Legal - Case Administration
Milana Barkhanoy	Chat between JPM and MBB re upcoming site visit and coordinating tasks.	9/28/2022	0.1	300.00	30.00	Legal - Case Administration
Milana Barkhanoy	Email to SL.	9/28/2022	0.1	300.00	30.00	Legal - Case Administration
Milana Barkhanoy	Preparing for site visit.	9/28/2022	0.4	300.00	120.00	Legal - Case Administration
Geoff Winkler	Prepare tax payment, schedule for overnight delivery, send copy to tax office.	9/29/2022	0.4	395.00	158.00	Financial - Accounting/Auditing
Geoff Winkler	Process accounts payable.	9/29/2022	0.1	395.00	39.50	Financial - Accounting/Auditing
Josh McGraw	Email to CE regarding clarification of report information.	9/29/2022	0.1	320.00	32.00	Financial - Data Analysis

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Geoff Winkler	Emails and calls with counsel re tax issue, work with county, process payment and immediately deliver to FedEx to ensure timely delivery due to short timeline.	9/29/2022	1.0	395.00	395.00	Legal - Asset Analysis and Recovery
Geoff Winkler	Review email from TM, review previous records and respond.	9/29/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review and respond to investor, GH, SB re payments to investors in the receivership process.	9/29/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review order, previous records, meeting notes, prepare for meeting with SB, GH, and SL.	9/29/2022	1.2	395.00	474.00	Legal - Case Administration
Geoff Winkler	Call with JBH, TM and counsel KH to discuss outstanding tax questions, payments to investors, information needed for settlement.	9/29/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Call with counsel KH to discuss outstanding tax issue, payment information.	9/29/2022	0.1	395.00	39.50	Legal - Case Administration
John Hall	Discussion with GBW TM and KH	9/29/2022	0.3	350.00	105.00	Legal - Case Administration
Amanda Deering	Reviewing documents.	9/30/2022	1.1	280.00	308.00	Legal - Case Administration
Amanda Deering	Coordinating records pick up and storage.	9/30/2022	1.5	280.00	420.00	Legal - Case Administration
Amanda Deering	Team call with GBW JPM AMD GH SB JH SL to discuss turnover of documents and coordination of meeting in LVNV next week.	9/30/2022	0.5	280.00	140.00	Legal - Case Administration
Amanda Deering	Call with JPM re: box request, transportation and on-site meeting.	9/30/2022	0.2	280.00	56.00	Legal - Case Administration
Geoff Winkler	Team call with GBW JPM AMD GH SB JH SL to discuss turnover of documents and coordination of meeting in LVNV next week.	9/30/2022	0.5	395.00	197.50	Legal - Case Administration
Geoff Winkler	Call between JPM and GBW re: investment funds collected and returned.	9/30/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Arrange for storage unit payment for moving boxes, ensure on time delivery.	9/30/2022	0.3	395.00	118.50	Legal - Case Administration
Geoff Winkler	Compile financial information requested by TM.	9/30/2022	0.2	395.00	79.00	Legal - Case Administration
Geoff Winkler	Review and respond to FMV form re ARC RE.	9/30/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Review additional licensure information.	9/30/2022	0.1	395.00	39.50	Legal - Case Administration
Geoff Winkler	Review accounting summary, email to JPM re edits and second review.	9/30/2022	0.2	395.00	79.00	Legal - Case Administration
John Hall	Team call with GBW JPM AMD GH SB JH SL to discuss turnover of documents and coordination of meeting in LVNV next week.	9/30/2022	0.5	350.00	175.00	Legal - Case Administration
John Hall	Conversation between JPM and JBH regarding on-site documentation and investment process.	9/30/2022	0.3	350.00	105.00	Legal - Case Administration
Josh McGraw	Team call with GBW JPM AMD GH SB JH SL to discuss turnover of documents and coordination of meeting in LVNV next week.	9/30/2022	0.5	320.00	160.00	Legal - Case Administration
Josh McGraw	Conversation between JPM and JBH regarding on-site documentation and investment process.	9/30/2022	0.3	320.00	96.00	Legal - Case Administration
Josh McGraw	Call between JPM and GBW re: investment funds collected and returned.	9/30/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Email summarization of discussion with SB, GH and JA and items to complete before meeting in LVNV.	9/30/2022	0.4	320.00	128.00	Legal - Case Administration
Josh McGraw	Review documentation provided by CE.	9/30/2022	0.6	320.00	192.00	Legal - Case Administration
Josh McGraw	Summarization of investment funds collected, returned and being held in bank account.	9/30/2022	1.2	320.00	384.00	Legal - Case Administration
Josh McGraw	Email communication with GBW re: investment funds.	9/30/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Email communication with CE regarding clarification of reports.	9/30/2022	0.2	320.00	64.00	Legal - Case Administration
Josh McGraw	Email to GBW regarding box review and items to request.	9/30/2022	0.1	320.00	32.00	Legal - Case Administration
Josh McGraw	Call with AMD re: box request, transportation and on-site meeting.	9/30/2022	0.2	320.00	64.00	Legal - Case Administration
Milana Barkhanoy	Email from SL re wire.	9/30/2022	0.1	300.00	30.00	Legal - Case Administration
Milana Barkhanoy	Email from JPM with meeting minutes; reviewing the of actions.	9/30/2022	0.2	300.00	60.00	Legal - Case Administration
Totals			123.6		42,825.50	

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
 Summary of Fees of Receiver and Retained Personnel
 August 26, 2022 - September 30, 2022
 (Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
Summary by Activity Category and Personnel						
Financial - Accounting/Auditing	Personnel	Firm	Hours	Rate	Amount	
Financial - Accounting/Auditing	Geoff Winkler	AFS	1.2	395.00	\$ 474.00	
Financial - Accounting/Auditing	John Hall	AFS	1.9	350.00	\$ 665.00	
Financial - Accounting/Auditing	Milana Barkhanoy	AFS	0.0	300.00	\$ -	
Financial - Accounting/Auditing	Josh McGraw	AFS	0.7	320.00	\$ 224.00	
Financial - Accounting/Auditing	Amanda Deering	AFS	0.0	280.00	\$ -	
			3.8		\$ 1,363.00	
Financial - Data Analysis	Personnel					
Financial - Data Analysis	Geoff Winkler	AFS	0.0	395.00	\$ -	
Financial - Data Analysis	John Hall	AFS	0.0	350.00	\$ -	
Financial - Data Analysis	Milana Barkhanoy	AFS	0.1	300.00	\$ 30.00	
Financial - Data Analysis	Josh McGraw	AFS	0.7	320.00	\$ 224.00	
Financial - Data Analysis	Amanda Deering	AFS	0.1	280.00	\$ 28.00	
			0.9		\$ 282.00	
Financial - Tax Issues	Personnel	Firm	Hours	Rate	Amount	
Financial - Tax Issues	Geoff Winkler	AFS	0.4	395.00	\$ 158.00	
Financial - Tax Issues	John Hall	AFS	0.0	350.00	\$ -	
Financial - Tax Issues	Milana Barkhanoy	AFS	0.0	300.00	\$ -	
Financial - Tax Issues	Josh McGraw	AFS	0.5	320.00	\$ 160.00	
Financial - Tax Issues	Amanda Deering	AFS	0.0	280.00	\$ -	
			0.9		\$ 318.00	
Legal - Asset Analysis and Recovery	Personnel	Firm	Hours	Rate	Amount	
Legal - Asset Analysis and Recovery	Geoff Winkler	AFS	3.8	395.00	\$ 1,501.00	
Legal - Asset Analysis and Recovery	John Hall	AFS	0.1	350.00	\$ 35.00	
Legal - Asset Analysis and Recovery	Milana Barkhanoy	AFS	0.1	300.00	\$ 30.00	
Legal - Asset Analysis and Recovery	Josh McGraw	AFS	8.2	320.00	\$ 2,624.00	
Legal - Asset Analysis and Recovery	Amanda Deering	AFS	1.2	280.00	\$ 336.00	
			13.4		\$ 4,526.00	
Legal - Asset Disposition	Personnel	Firm	Hours	Rate	Amount	
Legal - Asset Disposition	Geoff Winkler	AFS	2.6	395.00	\$ 1,027.00	
Legal - Asset Disposition	John Hall	AFS	0.0	350.00	\$ -	
Legal - Asset Disposition	Milana Barkhanoy	AFS	0.0	300.00	\$ -	
Legal - Asset Disposition	Josh McGraw	AFS	1.5	320.00	\$ 480.00	
Legal - Asset Disposition	Amanda Deering	AFS	0.0	280.00	\$ -	
			4.1		\$ 1,507.00	
Legal - Case Administration	Personnel	Firm	Hours	Rate	Amount	
Legal - Case Administration	Geoff Winkler	AFS	36.1	395.00	\$ 14,259.50	
Legal - Case Administration	John Hall	AFS	20.6	350.00	\$ 7,210.00	
Legal - Case Administration	Milana Barkhanoy	AFS	5.0	300.00	\$ 1,500.00	
Legal - Case Administration	Josh McGraw	AFS	24.9	320.00	\$ 7,968.00	
Legal - Case Administration	Amanda Deering	AFS	13.9	280.00	\$ 3,892.00	

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
 Summary of Fees of Receiver and Retained Personnel
 August 26, 2022 - September 30, 2022
 (Sorted in Chronological Order by Activity Category)

Attachment 1

Personnel	Item / Description	Date	Hours	Rate	Amount	Activity Category
			100.5		\$ 34,829.50	

Overall Summary						
Totals	Personnel	Firm	Hours	Rate	Amount	
	Geoff Winkler	AFS	44.1	395.00	\$	17,419.50
	John Hall	AFS	22.6	350.00	\$	7,910.00
	Milana Barkhanoy	AFS	5.2	300.00	\$	1,560.00
	Josh McGraw	AFS	36.5	320.00	\$	11,680.00
	Amanda Deering	AFS	15.2	280.00	\$	4,256.00
			123.6		\$	42,825.50
	TOTAL FEES		123.6		\$	42,825.50

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
 Summary of Expenses of Receiver and Retained Personnel
 August 26, 2022 - September 30, 2022

Attachment 2

Incurred By	Payee	Item / Description	Date Incurred	Amount	Category
John Hall	PACER	Reimbursable PACER Expenses	09/30/22	0.90	Internet/Online Fees
Total				0.90	

	<i>Geoff Winkler</i>	<i>John Hall</i>	<i>Josh McGraw</i>	<i>Milana Barkhanoy</i>	<i>Total</i>
<i>Airfare</i>	-	-	-	-	-
<i>Car Rental</i>	-	-	-	-	-
<i>Courier/Shipping/Freight</i>	-	-	-	-	-
<i>Fuel</i>	-	-	-	-	-
<i>Hotel</i>	-	-	-	-	-
<i>Individual Meals</i>	-	-	-	-	-
<i>Internet/Online Fees</i>	-	0.90	-	-	0.90
<i>Miscellaneous</i>	-	-	-	-	-
<i>Office Supplies</i>	-	-	-	-	-
<i>Parking</i>	-	-	-	-	-
<i>Personal Car Mileage</i>	-	-	-	-	-
<i>Printing/Photocopying/Stationery</i>	-	-	-	-	-
<i>Taxi</i>	-	-	-	-	-
Total	-	0.90	-	-	0.90

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Receivership Estate Balance Sheet
August 26, 2022 - September 30, 2022

Attachment 3

Assets:

Cash	\$	594,280
Loan Receivable	\$	-
Marketable Securities	\$	-
Real Property ¹	\$	-
Personal Property ¹	\$	-
Private Equity Investments ¹	\$	-
Existing Litigation ^{2,3}	\$	-
Third Party Litigation ^{2,3}	\$	-
Professional Liability Litigation ^{2,3}	\$	-

Total Assets \$ 594,280

Liabilities:

State/Federal Taxes ⁴	\$	-
Property Taxes ⁴	\$	-
Admin Holdback ¹	\$	-
Total Liabilities	<u>\$</u>	<u>-</u>

Claims:¹

Investors ⁵	\$	-
Creditors ⁵	\$	-
Total Claims	<u>\$</u>	<u>-</u>

Total Liabilities plus Claims \$ -

-
1. Estimated value that is subject to further revision.
 2. Probability of successful recovery unknown.
 3. Value based on discounted present value and is under evaluation.
 4. There is no known tax liability, but the Receiver is reviewing.
 5. The total amount of investor and creditor claims is still under review.

SEC v. CapSource Inc., Stephen J. Byrne, and Gregory P. Herlean
Receiver's Cash Receipts and Disbursements
August 26, 2022 - September 30, 2022

Attachment 4

Beginning Balance of Cash in Receivership Estate on August 26, 2022	\$ -
Deposits:	\$ 618,781.17
Payments:	\$ (24,501.43)
Ending Balance of Cash in Receivership Estate on September 30, 2022	<u>\$ 594,279.74</u>

EXHIBIT 2

Declaration of Kara Hendricks and supporting documents

KARA B. HENDRICKS, Bar No. 7743
hendricksk@gtlaw.com
KYLE A. EWING, Bar No 14051
ewingk@gtlaw.com
CHRISTIAN T. SPAULDING, Bar No. 14277
spauldingc@gtlaw.com
GREENBERG TRAUIG, LLP
10845 Griffith Peak Drive, Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

Attorneys for Receiver Geoff Winkler

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CAPSOURCE, INC., *et al.*

Defendants.

Case No. 2:20-CV-02303-RFB-DJA

**DECLARATION OF KARA B.
HENDRICKS IN SUPPORT OF
FIRST QUARTERLY
APPLICATION FOR PAYMENT
OF FEES AND REIMBURSEMENT
OF EXPENSES OF RECEIVER
AND RECEIVER'S COUNSEL
GREENBERG TRAUIG**

I, Kara B. Hendricks, hereby declare as follows:

1. I am a duly licensed attorney, authorized to practice law in the state of Nevada. I am a shareholder with the law firm of Greenberg Traurig, LLP, ("GT") and counsel for Geoff Winkler, the Court-appointed Receiver (the "Receiver") in the above captioned matter.

2. I make this declaration in support of the Receiver's application for approval of his fees and costs and those of his professional in connection with the above captioned matter.

3. This declaration is based on my personal knowledge, except where made on information and belief, and as to those matters, I believe them to be true.

4. The Receiver proposed retaining GT in this matter in September 2022 due to the firm's litigation experience, receivership experience, and strong Nevada base.

5. Attached to this declaration as **Exhibit A** is a true and correct copy of the invoice for the services of my firm for the period from September 1, 2022, through September 30, 2022 (the "Application Period").

6. In the ordinary course of Greenberg Traurig's business, we keep a record of all time expended by our professionals in the rendering of professional services on a computerized billing system.

7. At or near the time the professional services are rendered, professionals of the firm record (a) the description of the nature of the services performed, (b) the duration of the time expended, and (c) the client/matter name or number by either: (1) writing such information on a time sheet, or (2) inputting such information directly into the firm's computer billing system.

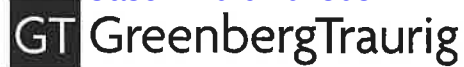
8. For the professionals who record their time using written time sheets, the information contained in the time sheets is transcribed into the firm's computer billing system.

9. The firm's computer billing system keeps a record of all time spent on a client/matter, the professional providing the services, and a description of the services rendered. The firm's computer billing system automatically multiplies the time expended by each professional by the respective professional's billing rate to calculate the amount of the fee. The firm conducts its business in reliance on the accuracy of such business records

10. As reflected in the attached invoice, and pursuant to the Receivership Order (ECF No. 17) and the Order Authorizing Employment of Counsel (ECF No. 20), professionals at GT Traurig assisted the Receiver as follows during the Application Period: making requisite filings in jurisdictions where receivership property is located, assisting in the review of documents to close pending real estate transactions, assisting in evaluating tax concerns and pending forfeiture proceedings involving receivership property in North Dakota and analyzing the issues and working with counsel for the other parties in a separate action involving CapSource that was scheduled to go to trial.

11. GT endeavored to staff each task efficiently, using a core team of attorneys and utilizing associates and paralegal assistance where appropriate. Additionally, Greenberg Traurig agreed to discount its standard billing rates for this matter by 15%.

EXHIBIT A



Invoice No.: 1000127101
File No. : 209375.010300
Bill Date : October 11, 2022

Geoff Winkler
715 NW Hoyt Street, Suite 4364
Portland, OR 97208

INVOICE

Re: SEC v. Capsource (Geoff Winkler, Receiver)

THIS INVOICE REPLACES INVOICE 1000107071

Total Fees: \$ 11,901.11

Expenses:

Filing Fees

1,701.00

Total Expenses: \$ 1,701.00

Current Invoice: \$ **13,602.11**

KBH:LC

Tax ID: 13-3613083

Invoice No.: 1000127101
File No. : 209375.010300

REMITTANCE ADVICE

PLEASE RETURN WITH YOUR PAYMENT

Note: Payment is Due 30 Days from Date of Invoice

CLIENT NAME: WINKLER, GEOFF
FILE NUMBER: 209375.010300
INVOICE NUMBER: 1000127101*
BILLING PROFESSIONAL: Kara B. Hendricks

Current Invoice:	\$	13,602.11
Total Amount Due:	\$	13,602.11

FOR YOUR CONVENIENCE, WIRE TRANSFER FUNDS TO:

For Wire Instructions:

Bank: WELLS FARGO BANK
ABA #: 121000248

For ACH Instructions:

Bank: WELLS FARGO BANK
ABA# 063107513

CREDIT TO: GREENBERG TRAURIG DEPOSITORY ACCOUNT
ACCOUNT #: 2000014648663

PLEASE

REFERENCE: **CLIENT NAME:** WINKLER, GEOFF
FILE NUMBER: 209375.010300
INVOICE NUMBER: 1000127101*
BILLING
PROFESSIONAL: Kara B. Hendricks

IF YOU WISH TO PAY BY CHECK PLEASE REMIT TO THE ADDRESS BELOW:

Greenberg Traurig
PO Box 936769
ATLANTA GA 31193-6769

Wire fees may be assessed by your bank.

*** If paying more than one invoice, please reference all invoice numbers in wiring instructions.**

KBH:LC

Tax ID: 13-3613083

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 1

Description of Professional Services Rendered:

TASK CODE: GW001 ASSET ANALYSIS AND RECOVERY

<u>DATE</u>	<u>TIMEKEEPER</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
09/01/22	Kara B. Hendricks	Update G. Winkler regarding discussions with counsel and proposed options regarding state court proceedings.	0.30	144.07
09/01/22	Kara B. Hendricks	Respond to email from D. Koch.	0.10	48.02
09/01/22	Kara B. Hendricks	Telephone call with plaintiffs counsel regarding mechanism to move forward.	0.70	336.17
09/01/22	Kara B. Hendricks	Participate in hearing with Judge Allf regarding status an overlap between state and federal cases.	0.50	240.12
09/02/22	Kara B. Hendricks	Call with David Koch regarding case issues, key materials to review and potential next steps and begin review of key documents.	0.70	336.17
09/02/22	Kara B. Hendricks	Update G. Winkler regarding discussions with D. Koch and discuss options moving forward.	0.20	96.05
09/07/22	Kara B. Hendricks	Respond to email from R. Behle regarding potential resolution of state claims.	0.10	48.02
09/07/22	Kara B. Hendricks	Review state court docket, complaint, amended complaint, answer, portions of summary judgment motions, and trial briefs to assess claims and potential next steps.	1.50	720.37
09/07/22	Kara B. Hendricks	Request C. Spaulding's assistance with finalizing motion and supporting materials.	0.10	48.02
09/08/22	Kara B. Hendricks	Follow-up with G. Winkler regarding states in which property is located and 754 filings.	0.20	96.05
09/08/22	Kara B. Hendricks	Correspond with R. Behle regarding case status and follow-up phone call to discuss potential next steps.	0.30	144.07
09/08/22	Kara B. Hendricks	Update G. Winkler regarding discussions with counsel on proposed next steps.	0.20	96.05
09/08/22	Kara B. Hendricks	Telephone call to D. Koch.	0.20	96.05
09/08/22	Kara B. Hendricks	Correspond with J. McGraw regarding property locations.	0.10	48.02
09/08/22	Kara B. Hendricks	Request C. Neys assistance with District Court research and finalizing filings and provide additional background information to facilitate same.	0.40	192.10
09/08/22	Kara B. Hendricks	Prepare notice of receivership and work with P. January to facilitate filings.	0.70	336.17
09/08/22	Cynthia L. Ney	Prepare Notices of Receivership in various jurisdictions for filing.	0.80	140.00
09/08/22	Cynthia L. Ney	Research regarding court jurisdictions and locations for filing of receivership notice in	0.50	87.50

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 2

Description of Professional Services Rendered

09/08/22	Cynthia L. Ney	states where properties located. Communications with K.Hendricks regarding 754 notices.	0.20	35.00
09/08/22	Cynthia L. Ney	Preparation of letters to clerks of court regarding 754 notice.	0.80	140.00
09/08/22	Cynthia L. Ney	Work with P.January in finalizing Section 754 notices.	0.60	105.00
09/08/22	Cynthia L. Ney	Communications with various court clerks regarding filing of same.	0.50	87.50
09/08/22	Cynthia L. Ney	Communications with K. Hendricks regarding notices.	0.20	35.00
09/08/22	Cynthia L. Ney	Preparation of letters to clerks of court regarding notice.	0.80	140.00
09/09/22	Kara B. Hendricks	Update G. Winkler regarding discussions with T. Miller regarding SEC action and D. Koch regarding potential resolution of state court action.	0.20	96.05
09/09/22	Kara B. Hendricks	Correspond with J. McGraw regarding additional property locations and Section 754 filings.	0.10	48.02
09/09/22	Kara B. Hendricks	Follow-up with P. January regarding status of Section 754 filings and update G. Winkler.	0.20	96.05
09/09/22	Kara B. Hendricks	Telephone call with T. Miller regarding Federal proceedings, Nevada state court action and proposed agreement, and related matters that may impact receivership.	0.40	192.10
09/09/22	Kara B. Hendricks	Telephone call from D. Koch regarding potential settlement and federal court concerns.	0.40	192.10
09/12/22	Kara B. Hendricks	Respond to email from R. Behle regarding resolution to state court matter.	0.10	48.02
09/12/22	Kara B. Hendricks	Call with D, Koch and G. Winkler regarding potential resolution of state court action (.5); Follow-up with G. Winkler regarding discussion and next steps (.2); Telephone call to R. Behle (.1).	0.80	384.20
09/12/22	Kara B. Hendricks	Attention to correspondence from D. Koch regarding state court proceeding.	0.10	48.02
09/13/22	Kara B. Hendricks	Call with R. Behle regarding plaintiffs position regarding state court action.	0.10	48.02
09/13/22	Kara B. Hendricks	Respond to email from R. Behle and request additional information to advance discussion regarding potential resolution.	0.20	96.05
09/13/22	Kara B. Hendricks	Attention to email from J. Giardino regarding Capsource litigation and follow-up with G. Winkler regarding same (.1); Follow-up with J. Giardino regarding same (.1).	0.20	96.05
09/13/22	Kara B. Hendricks	Update G. Winkler regarding additional lawsuits filed against Capsource and its principals and provide copies of complaints relating to the same.	0.50	240.33

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 3

Description of Professional Services Rendered

Date	Attorney	Description of Services	Hours	Amount
09/14/22	Kara B. Hendricks	Correspond with counsel in CAC v. Jolley regarding hearing coverage and receives position.	0.20	96.05
09/14/22	Kara B. Hendricks	Call with J. Giardino and G Winkler regarding CapSource issues and potential resolution to state court action.	0.60	288.15
09/14/22	Kara B. Hendricks	Provide J. Berrios background and information needed to cover upcoming status hearing in stat court.	0.60	288.15
09/17/22	Kara B. Hendricks	Update G. Winkler regarding hearing and communications with opposing counsel.	0.10	48.02
09/19/22	Kara B. Hendricks	Review multiple emails regarding Louisiana pay-off.	0.10	48.02
09/19/22	Kara B. Hendricks	Correspond with T. Miller and G. Winkler regarding status.	0.10	48.02
09/20/22	Kara B. Hendricks	Review emails and information regarding 5th Avenue estate purchase for discussion with G. Winkler.	0.10	48.02
09/20/22	Kara B. Hendricks	Respond to emails from D. Koch and R. Behld regarding state court proceeding and next steps.	0.20	96.05
09/20/22	Kara B. Hendricks	Review proposed indemnity agreement and follow-up with G. Winkler regarding operating agreement referenced.	0.20	96.05
09/21/22	Kara B. Hendricks	Telephone call with R. Behle regarding moving forward with state court claims and options regarding same.	0.40	192.10
09/21/22	Kara B. Hendricks	Provide G. Winkler update regarding status check and discussions with counsel regarding path forward.	0.20	96.05
09/21/22	Kara B. Hendricks	Attention to emails regarding sale of Louisiana property.	0.10	48.02
09/21/22	Kara B. Hendricks	Participate in hearing with Judge Allf regarding discussions with counsel and next steps.	0.60	288.15
09/22/22	Kara B. Hendricks	Attention to email from D. Koch regarding indemnification (.1); Discuss same with G. Winkler (.1).	0.20	96.05
09/23/22	Kara B. Hendricks	Respond to email from D. Koch regarding proposed indemnification agreement.	0.10	48.02
09/26/22	Kara B. Hendricks	Review Bylaws, trial brief and proposed stipulation regarding state court matter from D. Koch (.5); Telephone call with D. Koch regarding same and concerns and potential next steps (.2).	0.70	336.17
09/26/22	Kara B. Hendricks	Review information from G. Winkler regarding North Dakota property and discuss potential sale and related issues.	0.40	192.10
09/27/22	Kara B. Hendricks	Telephone call and email with W. Walker regarding North Dakota foreclosure and provide receivership documents (.2); Update G. Winkler regarding same (.1).	0.30	144.07
09/28/22	Kara B. Hendricks	Follow-up with S. Walker regarding North	0.20	96.05

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 4

Description of Professional Services Rendered

		Dakota tax issue; Email R. Larson regarding legal position to move forward with foreclosure proceedings.		
09/28/22	Kara B. Hendricks	Follow-up with R. Behle regarding plaintiff proposal regarding state court action.	0.10	48.02
09/29/22	Kara B. Hendricks	Review email and discuss ARC judgment language with G. Winkler.	0.10	48.02
09/29/22	Kara B. Hendricks	Review information regarding ARC judgment and communication with T. Miller and G. Winkler regarding case issues.	0.10	48.02
09/29/22	Kara B. Hendricks	Telephone call to R. Larsen and review information provided regarding tax foreclosure (.2); Follow-up with G. Winkler regarding payment options (.2); Telephone call to S. Walker to clarify payment instructions (.1).	0.50	240.12
09/29/22	Kara B. Hendricks	Telephone call with G. Winkler and T. Miller regarding North Dakota property, ARC judgment and related issues.	0.40	192.10
09/29/22	Kara B. Hendricks	Provide proof of payment and copy of mailing of North Dakota taxes to S. Walker.	0.10	48.02
09/30/22	Kara B. Hendricks	Review email and proposal from D. Koch regarding CAC state court litigation (.1); Review and revise draft stipulated judgment provided by R. Behle (.2); Prepare email to G. Winkler regarding proposals and evaluation of same (.2).	0.50	240.12
09/30/22	Kara B. Hendricks	Attention to email from S. Walker regarding receipt of funds and stoppage of ND foreclosure; Update G. Winkler.	0.10	48.02
09/30/22	Kara B. Hendricks	Respond to emails from D. Koch and R. Behle regarding CAC case.	0.10	48.02
09/30/22	Kara B. Hendricks	Review additional information regarding ARC payments and funds for investors.	0.10	48.02
09/30/22	Kara B. Hendricks	Attention to emails regarding Byrne CE licensing requirements and correspond with G. Winkler regarding same.	0.10	48.02

Total Hours: 21.60

Total Amount: \$ 9,030.34

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 5

Description of Professional Services RenderedTIMEKEEPER SUMMARY FOR TASK CODE GW001,

ASSET ANALYSIS AND RECOVERY

Summary of Fees (Standard Rates)

<u>Timekeeper Name</u>	<u>Hours Billed</u>	<u>Standard Rate</u>	<u>Total \$ Amount</u>
Kara B. Hendricks	17.20	565.00	9,718.00
Cynthia L. Ney	4.40	295.00	1,298.00
Totals:	21.60		\$ 11,016.00

Summary of Fees (Discounted Rates)

<u>Timekeeper Name</u>	<u>Hours Billed</u>	<u>Average Discounted Rate</u>	<u>Total \$ Amount</u>
Kara B. Hendricks	17.20	480.25	8,260.34
Cynthia L. Ney	4.40	175.00	770.00
Totals:	21.60		\$ 9,030.34

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 6

Description of Professional Services Rendered

TASK CODE: GW004 CASE ADMINISTRATION

<u>DATE</u>	<u>TIMEKEEPER</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
09/01/22	Kara B. Hendricks	Review court dockets and filings regarding Capsource federal case and appointment of receiver and state court docket in proceeding brought by CAC to assist in evaluating next steps.	0.90	432.22
09/01/22	Kara B. Hendricks	Request C. Spaulding prepare motion to employ and provide background needed for same.	0.30	144.07
09/01/22	Kara B. Hendricks	Discuss case issues and priorities with G. Winkler.	0.30	144.07
09/02/22	Kara B. Hendricks	Revise motion to employ, declaration and proposed order and provide to G. Winkler for review and comment.	0.90	432.22
09/02/22	Kara B. Hendricks	Revise motion to employ based on anticipated tasks.	0.30	169.50
09/02/22	Kara B. Hendricks	Review background information regarding federal and state court proceedings.	0.60	288.15
09/02/22	Kara B. Hendricks	Finalize engagement letter.	0.30	144.07
09/02/22	Christian Spaulding	Revise Draft Motion to Employ Counsel based on K. Hendricks feedback.	1.80	573.75
09/02/22	Christian Spaulding	Draft Declaration of Kara Hendricks in support of Motion to Employ Counsel.	0.40	127.50
09/02/22	Christian Spaulding	Draft Proposed Order Granting Motion for Order Authorizing Receiver to Employ Counsel.	0.30	95.63
09/07/22	Kara B. Hendricks	Follow-up with G. Winkler regarding engagement letter and scope of motion to employ and potential next steps.	0.30	144.07
09/07/22	Christian Spaulding	Review and finalize draft of Motion to employ and associated exhibits and coordinate filing of the same.	0.40	127.50
09/12/22	Kara B. Hendricks	Attention to non-opposition filed to motion to employ and forward to G. Winkler.	0.10	48.02
Total Hours:			6.90	
Total Amount:				\$ 2,870.77

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 7

Description of Professional Services RenderedTIMEKEEPER SUMMARY FOR TASK CODE GW004,

CASE ADMINISTRATION

Summary of Fees (Standard Rates)

<u>Timekeeper Name</u>	<u>Hours Billed</u>	<u>Standard Rate</u>	<u>Total \$ Amount</u>
Kara B. Hendricks	4.00	565.00	2,260.00
Christian Spaulding	2.90	375.00	1,087.50
Totals:	6.90		\$ 3,347.50

Summary of Fees (Discounted Rates)

<u>Timekeeper Name</u>	<u>Hours Billed</u>	<u>Average Discounted Rate</u>	<u>Total \$ Amount</u>
Kara B. Hendricks	4.00	486.60	1,946.39
Christian Spaulding	2.90	318.75	924.38
Totals:	6.90		\$ 2,870.77

Invoice No.: 1000127101
Matter No.: 209375.010300

Page 8

Description of Professional Services Rendered

Invoice No.: 1000127101
 Matter No.: 209375.010300

Page 9

Description of Professional Services Rendered**TIMEKEEPER ACTIVITY GRAND TOTAL SUMMARY****Summary of Fees (Standard Rates)**

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Kara B. Hendricks	21.20	565.00	11,978.00
Christian Spaulding	2.90	375.00	1,087.50
Cynthia L. Ney	4.40	295.00	1,298.00
Totals:	28.50		\$ 17,711.00

Summary of Fees (Discounted Rates)

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Kara B. Hendricks	21.20	481.45	10,206.73
Christian Spaulding	2.90	318.75	924.38
Cynthia L. Ney	4.40	175.00	770.00
Totals:	28.50		\$ 11,901.11

Invoice No.: 1000127101
 Re: SEC v. Capsource (Geoff Winkler, Receiver)
 Matter No.: 209375.010300

Page 10

Description of Expenses Billed:

<u>DATE</u>	<u>DESCRIPTION</u>		<u>AMOUNT</u>
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT, FOR THE DISTRICT OF ARIZONA, 401 W. WASHINGTON STREET, PHOENIX 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	242.00
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TEXAS, 525 MAGOFFIN AVENUE SUITE 105, EL PASO 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	209.00
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA, 411 WEST FOURTH STREET, SANTA ANA 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	242.00
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT DISTRICT OF NEVADA, 333 LAS VEGAS BLVD., SOUTH, LAS VEGAS 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	242.00
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT DISTRICT OF NORTH DAKOTA, 220 EAST ROSSER AVE #476, BISMARCK 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	242.00
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT WESTERN DISTRICT OF LOUISIANA, 611 BROAD STREET, LAKE CHARLES 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	282.00
09/08/22	VENDOR: Nationwide Legal, LLC - 4527 INVOICE#: 00000047858 DATE: 9/15/2022 STANDARD FILING (4 HRS) - UNITED STATES DISTRICT COURT DISTRICT OF UTAH, 351 S W TEMPLE, SALT LAKE CITY 2 on 9/8/22 Req'd by/for January, Pamela D.	\$	242.00
Total Expenses:			\$ 1,701.00

EXHIBIT 3

[Proposed] Order Granting First Quarterly Application for Payment of
Fees and Reimbursement of Expenses of Receiver and Receiver's
Counsel Greenberg Traurig

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Facsimile: (702) 792-9002

Attorneys for Receiver Geoff Winkler

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CAPSOURCE, INC., *et al.*

Defendants..

CASE NO. 2:20-cv-02303-RFB-DJA

**[PROPOSED] ORDER GRANTING FIRST
QUARTERLY APPLICATION FOR
PAYMENT OF FEES AND
REIMBURSEMENT OF EXPENSES OF
RECEIVER AND RECEIVER'S
COUNSEL GREENBERG TRAURIG**

The Court having reviewed the Receiver's First Application for Allowance and Payment of Fees and Costs for the Period from August 26, 2022, through September 30, 2022, and having found that notice was proper and that cause exists to approve the Application, orders as follows:

- (1) Geoff Winkler, as the court-appointed receiver and American Fiduciary Services are allowed fees of \$42,825.50 and costs of \$.90;
- (2) Greenberg Traurig LLP is allowed fees of \$11,901.11, and costs of \$1,701.00; and
- (3) The Receiver is authorized to pay 80% of the allowed fees and 100% of the allowed costs from funds on hand in the Receivership Estate.

IT IS SO ORDERED:

DATED _____

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