ı	π.3013				
1 2	DAVID R. ZARO (BAR NO. 124334) JOSHUA A. DEL CASTILLO (BAR NO. 239015) NORMAN M. ASPIS (BAR NO. 313466)				
3	MALLORY & NATSIS LLP				
4	865 South Figueroa Street, Suite 2800 Los Angeles, California 90017-2543				
5	Phone: (213) 622-5555 Fax: (213) 620-8816				
6	E-Mail: dzaro@allenmatkins.com jdelcastillo@allenmatkins.com naspis@allenmatkins.com				
7	Attorneys for Receiver				
8	GEOFF WINKLER				
9	UNITED STATES DISTRICT COURT				
10	CENTRAL DISTRI	CENTRAL DISTRICT OF CALIFORNIA			
11	WESTERN	N DIVISION			
12	SECURITIES AND EXCHANGE COMMISSION,	Case No. 2:18-cv-05008-FMO-AFM			
13	,	DECLARATION OF RECEIVER, GEOFF WINKLER, IN SUPPORT OF			
14	Plaintiff,	THIRD INTERIM APPLICATION OF RECEIVER, GEOFF WINKLER, AND			
15	V.	HIS PROFESSIONALS FOR PAYMENT OF FEES AND			
16	RALPH T. IANNELLI and ESSEX CAPITAL CORP.,	REIMBURSEMENT OF EXPENSES [July 1, 2019 - September 30, 2019]			
17	Defendants.	[Notice of Application; Third Interim			
18		Application; Memorandum of Points and Authorities; and [Proposed] Order submitted concurrently herewith]			
19					
20 21		Date: February 6, 2020 Time: 10:00 a.m. Ctrm: 6D			
21 22		Judge Hon. Fernando M. Olguin			
23		_			
24					
25					
26					
27					
28					
LAW OFFICES  Allen Matkins Leck Gamble Mallory & Natsis LLP					

1186831.01/LA

**DECLARATION OF GEOFF WINKLER** 

I, Geoff Winkler, declare as follows:

- 1. I am the Court-appointed permanent receiver (the "Receiver") for Defendant Essex Capital Corporation ("Essex") and its subsidiaries and affiliates (collectively, the "Receivership Entities" or "Entities"). I was appointed as Receiver for the Entities in the above-captioned action on December 21, 2018, by virtue of the Court's Order Regarding Preliminary Injunction and Appointment of a Permanent Receiver (the "Appointment Order") (ECF No. 66). I have personal knowledge of the facts detailed in this Declaration, and make this Declaration in support of the concurrently filed Third Interim Application of Receiver, Geoff Winkler, and His Professionals for Payment of Fees and Reimbursement of Expenses (the "Fee Application").
- 2. I have reviewed the Fee Application, and I believe the fee and expense requests identified therein to be fair and reasonable, and to reflect an accurate representation of the work performed. I likewise believe that the estate of the Receivership Entities has benefited from the identified services.
- 3. As of the date of the preparation of this Declaration, I have recovered approximately \$3,189,304.68 during the course of my administration of the Receivership Entities, and hold approximately \$2,359,940.01 for the benefit and administration of the Receivership Entities.
- 4. In accordance with the Plaintiff Securities and Exchange Commission's billing guidelines, I have prepared a Standardized Funding Accounting Report, which runs through the end of the period covered by the Fee Application, a true and correct copy of which is attached hereto as **Exhibit 1**.

LAW OFFICES

Allen Matkins Leck Gamble
Mallory & Natsis LLP

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### Case 2:18-cv-05008-FMO-AFM Document 137-3 Filed 01/09/20 Page 3 of 7 Page ID #:3621

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 7th day of January 2020, at Salem, Oregon. July **GEOFF WINKLER** 

LAW OFFICES

Allen Matkins Leck Gamble
Mallory & Natsis LLP

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#### STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Essex Capital Corporation Receivership; Civil Docket No. 18-cv-05008-FMO-AFM

Receivership; Civil Docket No. 18-cv-05008-FMO-AF Reporting Period from 07/01/2019 to 09/30/2019

FUND ACCO	UNTING (See instructions)			
Line 1	Peginning Polones (As of 07/04/2049):	<b>Detail</b> \$ 2,205,350.02	Subtotal	Grand Total
Line 1	Beginning Balance (As of 07/01/2019):	\$ 2,205,350.02		
	Increases in Fund Balance:			
Line 2	Business Income	\$ 983,448.12		
Line 3 Line 4	Cash and Securities (in transit) Interest/Dividend Income	506.54		
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):		\$ 983,954.66	\$ 3,189,304.68
	Decreases in Fund Balance:			
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	(682,199.57)		
Line 10b	Business Asset Expenses	(147,165.10)		
Line 10c Line 10d	Personal Asset Expenses Investment Expenses	_		
Line 10a	Third-Party Litigation Expenses			
	1. Attorney Fees	\$ -		
	2. Litigation Expenses			
	Total Third-Party Litigation Expenses		\$ (829,364.67)	
Line 10f	Tax Administrator Fees and Bonds		-	
Line 10g	Federal and State Tax Payments  Total Dishuscoments for Receivership Operations			\$ (829,364.67)
Line 11	Total Disbursements for Receivership Operations  Disbursements for Distribution Expenses Paid by the Fund:			\$ (829,364.67)
Line 11a	Distribution Plan Development Expenses:			
2,,,,,,,,	1. Fees:			
	Fund Administrator	\$ -		
	Independent Distribution Consultant (IDC)	-		
	Distribution Agent  Consultants	-		
	Legal Advisers			
	Tax Advisers	-		
	2. Administrative Expenses	-		
	3. Miscellaneous			
Line 11b	Total Plan Development Expenses Distribution Plan Implementation Expenses:		\$ -	
Line I Ib	1. Fees:			
	Fund Administrator	-		
	IDC	-		
	Distribution Agent	-		
	ConsultantsLegal Advisers			
	Tax Advisers	_		
	2. Administrative Expenses	-		
	3. Investor Identification:			
	Notice/Publishing Approved Plan	-		
	Claimant Identification			
	Web Site Maintenance/Call Center	_		
	4. Fund Administrator Bond	-		
	5. Miscellaneous	-		
ĺ	6. Federal Account for Investor Restitution			
	(FAIR) Reporting Expenses  Total Plan Implementation Expenses	I——	\$ -	
	Total Disbursements for Distribution Expenses Paid by the Fund	<u> </u>	_	\$ -
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:		\$ -	¢ (000.004.0=)
1	Total Funds Disbursed (Lines 9 - 11):			\$ (829,364.67)
Line 40	Ending Balance (As of 09/30/2019):			\$ 2,359,940.01
Line 13				
Line 14	Ending Balance of Fund - Net Assets:		2 350 040 04	
			2,359,940.01 123,332.84	
Line 14 Line 14a	Ending Balance of Fund - Net Assets: Cash & Cash Equivalents			

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#### STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Essex Capital Corporation

Receivership; Civil Docket No. 18-cv-05008-FMO-AFM Reporting Period from 07/01/2019 to 09/30/2019

OTHER SUPP	LEMENTAL 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			
	1. Fees:			
	Fund Administrator	\$ -		
	IDC	-		
	Distribution Agent	-		
	Consultants	-		
	Legal Advisers	-		
	Tax Advisers 2. Administrative Expenses	-		
	Administrative Expenses     Miscellaneous	-		
			Φ.	
10456	Total Plan Development Expenses Not Paid by the Fund		\$ -	
Line 15b	Plan Implementation Expenses Not Paid by the Fund:			
	1. Fees:	<u></u>		
	Fund Administrator IDC	\$ -		
	Distribution Agent	-		
	Consultants	-		
	Legal Advisers			
	Tax Advisers	_		
	Administrative Expenses	_		
	3. Investor Identification:	_		
	Notice/Publishing Approved Plan	_		
	Claimant Identification	_		
	Claims Processing	_		
	Web Site Maintenance/Call Center	-		
	4. Fund Administrator Bond	-		
	5. Miscellaneous	-		
	6. FAIR Reporting Expenses			
	Total Plan Implementation Expenses Not Paid by the Fund		\$ -	
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund	-		l .
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund			-
Line 16	Disbursements to Court/Other Not Paid by the Fund			
Line 16a	Investment Expenses/CRIS Fees		\$ -	
Line 16b	Federal Tax Payments			
	Total Disbursements to Court/Other Not Paid by the Fund:			\$ -
	DC & State Tax Payments			\$ -
	No. of Claims:		•	`
Line 18a	# of Claims Received This Reporting Period	0		
Line 18b	# of Claims Received Since Inception of Fund	0		
Line 19	No. of Claimants/Investors:			
Line 19a	# of Claimants/Investors Paid This Reporting Period	0		
Line 19b	# of Claimants/Investors Paid Since Inception of Fund	0		

Receiver:	Geoff Winkler	
Ву:	ull	
Geoff Win	kler	
(printed i	name)	

Managing Director, Alvarez & Marsal Disputes and Investigations, LLC

Receiver, Essex Capital Corporation, et al.

Date: November 15, 2019

1 PROOF OF SERVICE Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation 2 USDC, Central District of California - Case No. 2:18-cv-05008-FMO-AFM 3 I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 865 S. Figueroa Street, 4 Suite 2800, Los Angeles, California 90017-2543. 5 On January 9, 2020, I caused to be served on all the parties to this action addressed as stated on the attached service list the document entitled: DECLARATION OF 6 RECEIVER, GEOFF WINKLER, IN SUPPORT OF THIRD INTERIM 7 APPLICATION OF RECEIVER AND HIS PROFESSIONALS FOR PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES [July 1, 2019 – September 30, 2019]. 8 X By placing in sealed envelope(s), which I placed for collection **OFFICE MAIL**: 9 and mailing today following ordinary business practices. I am readily familiar with the firm's practice for collection and processing of correspondence for mailing; such 10 correspondence would be deposited with the U.S. Postal Service on the same day in 11 the ordinary course of business. 12 **OVERNIGHT DELIVERY**: I deposited in a box or other facility regularly maintained by express service carrier, or delivered to a courier or driver authorized 13 by said express service carrier to receive documents, a true copy of the foregoing document(s) in sealed envelope(s) or package(s) designed by the express service 14 carrier, addressed as indicated on the attached service list, with fees for overnight 15 delivery paid or provided for. 16 I caused to be hand delivered each such envelope to the HAND DELIVERY: office of the addressee as stated on the attached service list. 17 **ELECTRONIC MAIL**: By transmitting the document by electronic mail to the 18 electronic mail address as stated on the attached service list. 19 X **E-FILING**: By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with 20 the CM/ECF system. 21 FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error. 22 I declare that I am employed in the office of a member of the Bar of this Court at 23 whose direction the service was made. I declare under penalty of perjury under the laws of 24 the United States of America that the foregoing is true and correct. Executed on January 9, 2020 at Los Angeles, California. 25 /s/ Martha Diaz 26 Martha Diaz 27 28

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# Case 2:18-cv-05008-FMO-AFM Document 137-3 Filed 01/09/20 Page 7 of 7 Page ID #:3625

**SERVICE LIST** Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation USDC, Central District of California – Case No. 2:18-cv-05008-FMO-AFM Mark Riera, Esq. Jeffer Mangels Butler & Mitchell LLP 1900 Avenue of the Stars, 7<sup>th</sup> Floor Los Angeles, CA 90067-4308 1153214.45/LA - 2 -