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13
14 **UNITED STATES DISTRICT COURT**
15 **DISTRICT OF NEVADA**
16

17 SECURITIES AND EXCHANGE
18 COMMISSION,

19 Plaintiff,

20 vs.

21 MATTHEW WADE BEASLEY, *et al.*,

22 Defendants,

23 THE JUDD IRREVOCABLE TRUST, *et al.*,

24 Relief Defendants.
25

Case No. 2:22-cv-00612-CDS-EJY

Judge Hon. Cristina D. Silva

**SECOND QUARTERLY APPLICATION
FOR PAYMENT OF FEES AND
REIMBURSEMENT OF EXPENSES OF
RECEIVER'S COUNSEL: (1) ALLEN
MATKINS LECK GAMBLE MALLORY &
NATSIS, LLP; AND (2) SEMENZA
KIRCHER RICKARD**

[Declaration of Joshua A. del Castillo; and
Declaration of Jarrod L. Rickard submitted
concurrently herewith]

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1 **TO THIS HONORABLE COURT AND ALL INTERESTED PARTIES:**

2 **PLEASE TAKE NOTICE THAT** Allen Matkins Leck Gamble Mallory & Natsis LLP
3 ("Allen Matkins"), general receivership counsel for Geoff Winkler (the "Receiver"), the Court-
4 appointed receiver for J&J Consulting Services, Inc., an Alaska corporation; J&J Consulting
5 Services, Inc., a Nevada corporation; J and J Purchasing LLC; The Judd Irrevocable Trust; and BJ
6 Holdings LLC, and over the Wells Fargo Interest on Lawyers' Trust Account ending in 5598 and
7 held in the name of Beasley Law Group PC, along with the personal assets of certain individual
8 defendants in the above-entitled action, along with Semenza Kircher Rickard ("SKR"), the
9 Receiver's local counsel, hereby submit this Second Quarterly Application for Payment of Fees
10 and Reimbursement of Expenses (the "Application").

11 **PLEASE FURTHER TAKE NOTICE** that, prior to the submission of this Application,
12 Allen Matkins and SKR submitted their invoices for the period in issue here to the plaintiff
13 Securities and Exchange Commission (the "SEC"), in accordance with their customary practice
14 and this Court's orders. SEC staff has reviewed the invoices and provided comments, and has
15 further expressed that the SEC does not oppose the interim approval and payment of fees as
16 requested herein.

17 **I. INTRODUCTION.**

18 Allen Matkins and SKR serve as Court-approved counsel to the Receiver, who was
19 appointed pursuant to this Court's June 5, 2022 Order Appointing Receiver (the "Appointment
20 Order") [ECF No. 88], and whose appointment was reaffirmed via the Court's July 28, 2022 Order
21 Amending Receivership Order (Dkt. No. 88) (the "Amended Appointment Order") [ECF No. 207].
22 Pursuant to the terms of the Appointment Order and Amended Appointment Order, the Receiver is
23 vested with authority and control over J&J Consulting Services, Inc., an Alaska corporation; J&J
24 Consulting Services, Inc., a Nevada corporation; J and J Purchasing LLC; The Judd Irrevocable
25 Trust; and BJ Holdings LLC, and over the Wells Fargo Interest on Lawyers' Trust Account ending
26 in 5598 and held in the name of Beasley Law Group PC, along with the personal assets of certain
27 individual defendants in the above-entitled action (all, collectively, the "Receivership
28 Defendants") and authorized, subject to the approval of this Court, "engage and employ persons in

1 his discretion ... to assist him in carrying out his duties and responsibilities [as Receiver],
 2 including, but not limited to ... attorneys" and other professionals. (See Appointment Order at
 3 ¶ 7(F).)

4 This Application represents the second quarterly application for payment of fees and
 5 reimbursement of expenses submitted by Allen Matkins and SKR in accordance with Paragraph
 6 62 of the Appointment Order, and covers fees and expenses incurred between July 1, 2022 through
 7 September 30, 2022 (the "Application Period").

8 By way of this Application, Allen Matkins and SKR request the Court's approval of 100%
 9 of its fees and expenses incurred during the Application Period and further requests the interim
 10 payment of 80% of such fees and 100% of such expenses, to be paid from the funds of the
 11 receivership estate established in the above-entitled action (the "Receivership Estate" or "Estate").
 12 Specifically, the amounts of the Applicants' fees and expenses sought to be approved and paid
 13 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>
Allen Matkins	\$221,341.50	\$177,073.20	\$3,925.73	\$3,925.73
SKR	\$12,319.50 ¹	\$9,855.60	\$188.00	\$188.00
<u>TOTAL:</u>	\$233,661.00	\$186,928.80	\$4,113.73	\$4,113.73

20 In accordance with the commitment made to the Receiver by Allen Matkins and SKR in
 21 connection with their engagement as counsel in this matter, the fees identified above were billed at
 22 rates significantly discounted from Allen Matkins' and SKR's standard hourly rates, in some cases
 23 reflecting discounts in excess of 40% from standard rates. Consistent with the billing guidelines
 24 of the plaintiff SEC and Allen Matkins' and SKR's commitment for this federal receivership, the
 25 remaining, unpaid 20% "holdback" of Allen Matkins' and SKR's approved fees will be subject to
 26 final review and payment at the conclusion of this receivership.

28 ¹ Per the SEC's request, SKR wrote off an entry of .4 hours from July 13, 2022, totaling \$150.00.

1 **II. GENERAL SUMMARY.**

2 During the Application Period, and with assistance from Allen Matkins and SKR, the
3 Receiver made substantial progress on critical elements of Estate administration, including in
4 securing the turnover of millions of dollars in cash, personal, and real property, and attending to
5 critical deadlines and obligations arising in connection with two chapter 11 bankruptcy matters
6 styled *In re J and J Consulting Servs., Inc.* (Case No. 22-10942-MKN) and *In re J and J*
7 *Purchasing LLC* (Case No. 22-10943-MKN) (collectively, the "Bankruptcy Cases") initially
8 pending in the United States Bankruptcy Court for the District of Nevada (the "Bankruptcy
9 Court"), but later withdrawn to this Court.

10 As is common in the early stages of a complex receivership involving hundreds of millions
11 of dollars in assets – here, the Receiver and his professionals were required to expend significant
12 time and effort to preserve the *status quo*, pursue the recovery of receivership assets, and
13 undertake efforts to obtain financial documents and other information that will likely prove critical
14 to the administration of the Estate, the Receiver's evaluation of prospective creditor claims, and
15 any clawback or disgorgement litigation that the Receiver ultimately determines, in his reasonable
16 business judgment, is required to recover assets for the benefit of the Estate and its creditors.
17 While a full accounting of the Receiver's efforts and success is impracticable here, among other
18 things, during the Reporting Period, the Receiver, with the assistance of Allen Matkins and SKR:
19 (1) recovered more than \$8 million in funds turned over by numerous Receivership Defendants or
20 their agents; (2) continued in his efforts to marked and sell numerous vehicles purchased with
21 funds raised by the Receivership Defendants, notably including a private aircraft valued at
22 approximately \$5 million and a Rolls Royce SUV valued in excess of \$575,000; (3) obtained
23 possession of millions of dollars in real property turned over by certain Receivership Defendants;
24 (4) recovered millions in net sales proceeds from the Court-approved sales, by certain
25 Receivership Defendants, of a number of real properties; (5) attended to critical deadlines arising
26 in connection with the Bankruptcy Cases; (6) conferred with the SEC regarding the Receiver's
27 contemplated sales of personal and real property out of receivership; and (6) continued to obtain
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1 and review essential documents relating to the business and financial activities of the Receivership
2 Defendants.

3 Given the amount and significance of the work completed by Allen Matkins and SKR, and
4 the significant benefit of their efforts to the Estate, Allen Matkins and SKR respectfully submit –
5 as further detailed in the accompanying motion to approve the Application (filed under separate
6 cover, with a proposed order) that the fees and expenses incurred during the Reporting Period are
7 reasonable and appropriate and should be approved and paid, on an interim basis, in the amounts
8 indicated above. Again, as an accommodation to the Estate, and consistent with the SEC's billing
9 guidelines and the ordinary practice in federal receiverships, Allen Matkins and SKR request that
10 the Court approve 100% of the fees and expenses incurred during the Application Period but
11 authorize payment, on an interim basis, of only 80% of such fees and 100% of such expenses, at
12 this time.

13 **III. ALLEN MATKINS' FEES AND EXPENSES.**

14 **A. The Receiver's Retention Of Allen Matkins.**

15 Allen Matkins was retained by the Receiver in June 2022. The Receiver selected Allen
16 Matkins as one of two firms serving as general receivership counsel due to the firm's decades-long
17 experience and expertise in federal equity receivership matters, as well as in creditors' rights,
18 litigation, and personal and real property disposition matters. Allen Matkins has served as counsel
19 to federal equity receivers in dozens of cases, has represented a variety of constituents in hundreds
20 of bankruptcy matters, and has significant substantive experience in related areas, such as
21 securities, corporate, and real estate.

22 **B. The Receiver's Retention Of SKR.**

23 SKR was initially retained by the Receiver in June 2022. The Receiver selected SKR as
24 his local Nevada counsel due to SKR's extraordinary reputation in the Las Vegas legal community,
25 its prior working relationship with the Receiver's other general receivership counsel, Greenberg
26 Traurig, LLP, and its familiarity with local policies and procedures essential to the administration
27 of the Estate.

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1 **C. Services Rendered By Allen Matkins During The Application Period.**

2 During the Application Period, Allen Matkins extensively assisted the Receiver in the
3 performance of his duties under the Appointment Order, primarily by attending to critical
4 Receivership Estate administration, asset recovery, bankruptcy, and pending litigation matters.

5 In all, on account of its services rendered to the Receiver during the Application Period,
6 Allen Matkins billed 420.4 hours, and incurred \$221,341.50 in fees and \$3,925.73 in expenses,
7 across the following categories:

9 <u>Category</u>	<u>Hours</u>	<u>Fees</u>	<u>Expenses</u>
10 General Receivership	128.4	\$66,301.00	\$3,925.73
11 Asset Recovery & Management	129.1	\$68,650.00	\$0.00
12 Investigation & Reporting	47.9	\$25,905.50	\$0.00
13 Investor Issues & Communications	3.8	\$1,921.00	\$0.00
14 Sale, Disposition & Transfer of Assets	77.8	\$42,231.00	\$0.00
15 Pending Litigation	19.1	\$8,759.50	\$0.00
16 Claims & Distribution	0.2	\$109.00	\$0.00
17 Third Party Claims & Recoveries	11.9	\$6,485.50	\$0.00
18 Employment & Professional Services	2.2	\$979.00	\$0.00
19 <u>TOTAL:</u>	420.4	\$221,341.50	\$3,925.73

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21 Provided below are narrative summaries of the work performed under each of the
22 categories, and attached to the Declaration of Joshua A. Del Castillo (filed separately) as **Exhibit**
23 **A** are Allen Matkins' invoices, containing the billing entries detailing the tasks performed by the
24 firm's attorneys and paralegals during the Application Period.

25 Allen Matkins consistently endeavored to staff each task efficiently, using a core team of
26 attorneys, with specialized assistance as necessary. As the Court and interested parties may recall,
27 Allen Matkins also agreed to a significant discount from its ordinary billing rates for this matter,
28

1 as well as not to charge the Estate for any travel time associated with services provided to the
 2 Receiver. Accordingly the fees identified below were billed at rates reflecting discounts of us
 3 much as 40% or more for Allen Matkins timekeepers, thereby resulting in a substantial savings for
 4 the Estate.² In addition, and as noted above and further detailed in the Declarations submitted in
 5 support of this Application, Allen Matkins' fee and expense records were transmitted to the SEC
 6 for review on a monthly basis, and have drawn no objection.

7 **1. General Receivership.**

8 During the Application period, Allen Matkins attorneys billed 128.4 hours to the "General
 9 Receivership" work category, and incurred \$3,925.73 in expenses, largely in connection with
 10 travel, messenger and miscellaneous filing and recordation costs. Allen Matkins personnel billed
 11 the following time and fees during the Application Period:

<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
David Zaro	Partner	\$545	17.9	\$9,755.50
Joshua del Castillo	Partner	\$545	75.8	\$41,311.00
Katherine Kraus	Partner	\$545	0.4	\$218.00
Matthew Pham	Associate	\$445	31.7	\$14,106.50
John Kaup	Paralegal	\$350	2.6	\$910.00
<u>TOTAL:</u>			128.4	\$66,301.00

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20 Work performed in this category related to critical case and Estate administration matters,
 21 including, among other things: (1) attending to outstanding tasks arising in connection with the
 22 Bankruptcy Cases – including briefing and attending to the administration of the cases after the
 23 Court's withdrawal of the reference to the Bankruptcy Court; (2) conferring with the Court and
 24 relevant third parties regarding case administration matters; (3) developing strategic plans for the
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27 ² Indeed, had Allen Matkins billed at its standard rates, its fees for the Application Period would
 28 be at least \$66,100 higher than the amount requested in the Application. In addition, and over
 and above the savings to the Estate realized from rate discounts, Allen Matkins has written off
 tens of thousands of dollars in time entries, in accordance with its commitment to minimizing
 the Estate's expenses.

1 administration of the Estate with the Receiver and co-counsel; (4) satisfying the Receiver's
 2 obligations under 28 U.S.C. § 754 upon his discovery of potential Estate assets located in other
 3 districts; (5) responding to motions filed by prospective intervenors; and (6) preparing for and
 4 attending Court hearings. As a result of these efforts, the Receiver has successfully secured the
 5 withdrawal of the reference of the Bankruptcy Cases, streamlined his case and Estate
 6 administration strategy, timely responded (in opposition) to numerous pleadings that directly
 7 implicated the viability of the Court's receivership, and satisfied his ongoing obligations to the
 8 Court and all interested parties.

9 **2. Asset Recovery & Management.**

10 During the Application period, Allen Matkins attorneys billed 129.1 hours to the "Asset
 11 Recovery & Management" work category, and incurred \$0.0 in expenses. Allen Matkins
 12 personnel billed the following time and fees during the Application Period:

<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
David Zaro	Partner	\$545	42.1	\$22,944.50
Marshall Wallace	Partner	\$545	1.5	\$817.50
Joshua del Castillo	Partner	\$545	68.5	\$37,332.50
Matthew Pham	Associate	\$445	16.9	\$7,520.50
John Kaup	Paralegal	\$350	0.1	\$35.00
<u>TOTAL:</u>			129.1	\$68,650.00

21 Work performed in this category related to the Receiver's efforts to recover from third
 22 parties assets subject to the turnover provisions of the Appointment Order and Amended
 23 Appointment Order, which require all third parties in possession of assets of the Receivership
 24 Defendants to turn such assets over to the Receiver. During the Reporting Period, and among
 25 other things, Allen Matkins' attorneys: (1) prepared written turnover demands; (2) issued turnover
 26 demands to third parties and conferred extensively with those parties after initial responses to the
 27 demands; (3) assisted in the preparation of motions to compel turnover; (4) reviewed asset lists
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1 and conferred with the Receiver and co-counsel at Greenberg Traurig regarding which assets to
 2 pursue; (5) continued their developing analysis of defenses to turnover raised by certain parties;
 3 (6) undertook analyses of specific assets or asset classes (and related documents) identified by the
 4 Receiver; and (7) review materials and prepared subpoenas in connection with the Receiver's asset
 5 recover efforts. During the Reporting Period, these efforts resulted in the recovery of more than
 6 \$8 million, in cash, and tens of millions in personal and real property, for the benefit of the Estate
 7 and its creditors.

8 **3. Investigation and Reporting.**

9 During the Application period, Allen Matkins attorneys billed 47.9 hours to the
 10 "Investigation & Reporting" work category, and incurred \$0.0 in expenses. Allen Matkins
 11 personnel billed the following time and fees during the Application Period:

12 <u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
13 David Zaro	Partner	\$545	25.7	\$14,006.50
14 Joshua del Castillo	Partner	\$545	19.9	\$10,845.50
15 Edward Fates	Partner	\$545	0.3	\$163.50
16 Matthew Pham	Associate	\$445	2.0	\$890.00
17 <u>TOTAL:</u>			47.9	\$25,905.50

18
 19 Work performed in this category related almost entirely to the Receiver's ongoing
 20 document recovery and review effort, as well as to the Receiver's reporting obligations to the
 21 Court. During the Reporting Period, and among other things, Allen Matkins attorneys:
 22 (1) reviewed materials relating to pending class actions potentially relating to the receivership, and
 23 undertook efforts to obtain documents to provide insight on the litigated claims; (2) assisted with
 24 the preparation and submission of the Receiver's First Interim Report [ECF No. 215]; (3) engaged
 25 in extensive discovery efforts in coordination with financial institutions believed to be in
 26 possession of relevant receivership and Receivership Defendant records; and (4) prepared formal
 27 subpoenas and document requests. As of the date of this Application, Allen Matkins has issued
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dozens of document requests and subpoenas, covering hundreds of accounts, and is in the process of coordinating the production of records from multiple financial institutions.

4. Investor Issues & Communications.

During the Application period, Allen Matkins attorneys billed 3.8 hours to the "Investor Issues & Communications" work category, and incurred \$0.0 in expenses.

Allen Matkins personnel billed the following time and fees during the Application Period:

<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
Joshua del Castillo	Partner	\$545	2.3	\$1,253.50
Matthew Pham	Associate	\$445	1.5	\$667.60
<u>TOTAL:</u>			3.8	\$1,921.00

Work performed in this category related almost entirely to communications with investors and other putative creditors of the Estate, and their alleged representatives, in connection with the Receiver's appointment, the pendency of the Bankruptcy Cases, and assets potentially available for recovery by the Receiver, including as to the timing and administration of any eventual claims process. These communications were not "intake" communications in which investors merely registered their standing as prospective claimants; any such "intake" efforts undertaken by Allen Matkins will be attended to by paralegals, billing at a paralegal rate.

5. Sale, Disposition & Transfer of Assets.

During the Application period, Allen Matkins attorneys billed 77.8 hours to the "Sale, Disposition & Transfer of Assets" work category, and incurred \$0.0 in expenses. Allen Matkins personnel billed the following time and fees during the Application Period:

<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
David Zaro	Partner	\$545	23.2	\$12,644.00
Joshua del Castillo	Partner	\$545	52.9	\$28,830.50
Shauna Woods	Associate	\$445	0.6	\$267.00

1	Matthew Pham	Associate	\$445	1.1	\$489.50
2	<u>TOTAL:</u>			77.8	\$42,231.00

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4 Work performed in this category related to the Receiver's highlight successful asset
5 disposition effort. Among other things, during the Reporting Period, Allen Matkins attorneys:
6 (1) drafted and filed successful motions on the Receiver's behalf in order to secure critical relief
7 relating the Receiver's proposed asset disposition procedures; (2) attended to issues relating to the
8 transfer of title to assets contemplated for sale by the Receiver; (3) conferred with the SEC
9 regarding the Receiver's anticipated sales of receivership assets; and (4) negotiated, prepared, and
10 secured Court approval of the Receiver's purchase and sale agreement for a private aircraft
11 expected to result in a recovery of approximately \$5 million for the benefit of the Estate. As a
12 result of these efforts, the Receiver is poised to sell millions of dollars in personal and real
13 property in the coming months.

14 **6. Pending Litigation.**

15 During the Application period, Allen Matkins attorneys billed 19.1 hours to the "Pending
16 Litigation" work category, and incurred \$0.0 in expenses. Allen Matkins personnel billed the
17 following time and fees during the Application Period:

18	<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
19	Joshua del Castillo	Partner	\$545	2.6	\$1,417.00
20	Matthew Pham	Associate	\$445	16.5	\$7,342.50
21	<u>TOTAL:</u>			19.1	\$8,759.50

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23 Work performed in this category related to pending litigation matters implicating, or
24 potentially implicating, the receivership, including a number of matters pending in the Las Vegas
25 Superior Court, including with respect to the litigation stay entered as part of the Appointment
26 Order, and claims arising from or in connection with such litigation.
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1 **7. Claims & Distribution.**

2 During the Application Period, Allen Matkins attorneys billed 0.2 hours, and incurred
3 \$0.00 in expenses, in connection with claims and distribution matters. Specifically, the following
4 Allen Matkins partner billed time to attending to a request by an attorney to a preemptive and
5 unilateral claim determination, which was declined at this time.

<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
Joshua del Castillo	Partner	\$545	0.2	\$109.00

8 **8. Third Party Claims & Recoveries.**

9 During the Application period, Allen Matkins attorneys billed 11.9 hours to the "Third
10 Party Claims & Recoveries" work category, and incurred \$0.0 in expenses. Allen Matkins
11 personnel billed the following time and fees during the Application Period:
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<u>Timekeeper</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Fees</u>
David Zaro	Partner	\$545	8.4	\$4,578.00
Joshua del Castillo	Partner	\$545	0.5	\$272.50
Michael Farrell	Partner	\$545	3.0	\$1,635.00
<u>TOTAL:</u>			11.9	\$6,485.50

13 Work performed in this category related to actual and anticipated third party claims
14 implicating or potentially implicating) the interests of the Estate, including at least one so-called
15 class action brought by investor creditors of the Estate against one of the banks administering
16 Estate accounts, along with efforts by putative creditors of the Receivership Estate to obtain
17 receivership properties. Allen Matkins attorneys; (1) conferred extensively with counsel for the
18 purported class representatives; (2) analyzed the viability of the claims in issue, and whether those
19 claims were properly property of the Estate; (3) prepared recommendations to the Receiver
20 regarding the interplay between his duties as Receiver and the pending actions; (4) and prepared
21 draft joint prosecution agreements for claims arising from or in connection with the receivership.
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1 **D. Services Rendered By SKR During The Application Period.**

2 During the Application Period, SKR provided critical local counsel support to the
3 Receiver, including in connection with the preparation, finalization, and filing of key documents in
4 the Bankruptcy Cases and the above-entitled action. Among other things, SKR attorneys and
5 staff: (1) worked with Allen Matkins to finalize and file required reports and filings relating to the
6 Bankruptcy Cases; (2) coordinated filings with the Court; (3) attended to claim and pending
7 litigation issues, including in connection with the litigation stay imposed pursuant to the
8 Appointment Order; (4) participated in conference calls relating to pending litigation implicating
9 the Receivership Estate; and (5) assisted Allen Matkins with the preparation and filing of
10 pleadings in the above-entitled action relating to motions for interpleader, a motion to intervene,
11 and the Receiver's report and recommendations to the Court regarding his asset sale and
12 liquidation plans. A complete description of the services rendered by SKR can be found in the
13 invoices attached to the Declaration of Jarrod L. Rickard (filed separately) as **Exhibit A**.

14 By way of summary, SKR attorneys and staff billed the following amounts each month
15 during the Reporting Period:

<u>Month</u>	<u>Total Fees Billed</u>
July 2022	\$5,594.50 ³
August 2022	\$4,169.50
September 2022	\$2,555.50
<u>TOTAL:</u>	\$12,319.50

22 **IV. THE FEES AND EXPENSES INCURRED ARE REASONABLE AND SHOULD BE**
23 **ALLOWED.**

24 Allen Matkins and SKR respectfully submit that the fees and expenses incurred during the
25 Application Period were fair, reasonable, necessary, and significantly benefited the Estate.
26 Specifically, and as reflected in the invoices attached to the declarations as mentioned above,
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28 ³ Per the SEC's request, SKR wrote off an entry of .4 hours from July 13, 2022, totaling \$150.00.

1 Allen Matkins and SKR have endeavored to staff this matter appropriately, billing their time at
2 substantially discounted rates, and steadfastly attempted to avoid duplication of effort by, among
3 other things, coordinating with the Receiver and co-counsel regarding a formal division of labor
4 and participating in regular discussions regarding work in progress to minimize the likelihood of
5 duplication. In addition, and as reflected in the Receiver's prior submissions to this Court, Allen
6 Matkins and SKR are providing an extremely high quality of work in a matter involving dozens of
7 relevant parties and hundreds of millions of dollars in assets. Their efforts are bearing fruit: the
8 Receiver has obtained the turnover of over \$61 million in personal and real property, to say
9 nothing of his numerous successful motions to this Court. Put simply, in a highly complex
10 receivership, and while the Receiver continues to develop a comprehensive knowledge and
11 understanding the underlying facts, critical players, and assets, the Receiver – with the help of
12 Allen Matkins and SKR – is recovering millions of dollars in cash, obtaining the turnover of
13 millions of dollars in personal and real property, and has already secured Court approval of
14 procedures aimed at monetizing those assets in a manner intended to maximize the recovery for
15 the benefit of the Estate and its investors and creditors. The fees and expenses incurred by Allen
16 Matkins and SKR during the Reporting Period are minimal when compared to these results, and
17 Allen Matkins and SKR respectfully request that the Court approve 100% of their fees and
18 expenses, and also authorize the payment of those fees and expenses on a percentage, interim
19 basis, as requested herein.

20 Allen Matkins' and SKR's invoices have been submitted to the SEC for review prior to the
21 filing of this Application, and as of the date of the filing of this Application, the SEC has not
22 indicated that it has substantive questions regarding, or will oppose, the Application.

23 **V. CONCLUSION.**

24 For the foregoing reasons, Allen Matkins and SKR respectfully requests that the Court
25 enter an order:

- 26 1. Granting this Application in its entirety;
- 27 2. Approving Allen Matkins' fees and expenses incurred during the Application
28 Period, in the respective amounts of \$221,341.50 and \$3,925.73;

1 3. Authorizing the Receiver to pay Allen Matkins, on an interim basis, 80% of its
2 approved fees incurred during the Application Period, in the amount of \$177,073.73, and 100% of
3 its approved expenses incurred during the Application Period, in the amount of \$3,925.73, from
4 the funds of the Receivership Estate;

5 4. Approving SKR's fees and expenses incurred during the Application Period, in the
6 respective amounts of \$12,319.50 and \$188.00; and

7 5. Authorizing the Receiver to pay SKR, on an interim basis, 80% of its approved fees
8 incurred during the Application Period, in the amount of \$9,855.60, and 100% of its approved
9 expenses incurred during the Application Period, in the amount of \$188.00; and

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

12
13 Dated: November 15, 2022

SEMENZA KIRCHER RICKARD

14
15 /s/ Jarrod L. Rickard

Jarrold L. Rickard, Bar No. 10203
Katie L. Cannata, Bar No. 14848
10161 Park Run Drive, Suite 150
Las Vegas, Nevada 89145

16
17 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
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21 *Attorneys for Receiver Geoff Winkler*

CERTIFICATE OF SERVICE

I am employed by the law firm of Semenza Kircher Rickard. in Clark County. I am over the age of 18 and not a party to this action. The business address is 10161 Park Run Drive, Suite 150, Las Vegas, Nevada 89145.

On the 15th day of November, 2022, I served the document(s), described as:

SECOND QUARTERLY APPLICATION FOR PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES OF RECEIVER'S COUNSEL: (1) ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS, LLP; AND (2) SEMENZA KIRCHER RICKARD

by serving the original a true copy of the above and foregoing via:

a. **CM/ECF System** to the following registered e-mail addresses:

Garrett T Ogata, court@gtogata.com

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10 Daniel D. Hill, ddh@scmlaw.com

11 b. **BY U.S. MAIL.** I deposited such envelope in the mail at Las Vegas, Nevada. The
12 envelope(s) were mailed with postage thereon fully prepaid. I am readily familiar with
13 Semenza Kircher Rickard's practice of collection and processing correspondence for
14 mailing. Under that practice, documents are deposited with the U.S. Postal Service on the
15 same day which is stated in the proof of service, with postage fully prepaid at Las Vegas,
16 Nevada in the ordinary course of business. I am aware that on motion of party served,
17 service is presumed invalid if the postal cancellation date or postage meter date is more than
18 one day after the date stated in this proof of service.

16 c. **BY PERSONAL SERVICE.**

17 d. **BY DIRECT EMAIL.**

18 e. **BY FACSIMILE TRANSMISSION.**

19 I declare under penalty of perjury that the foregoing is true and correct.
20

21 */s/ Olivia A. Kelly*

22 _____
23 An Employee of Semenza Kircher Rickard
24
25
26
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